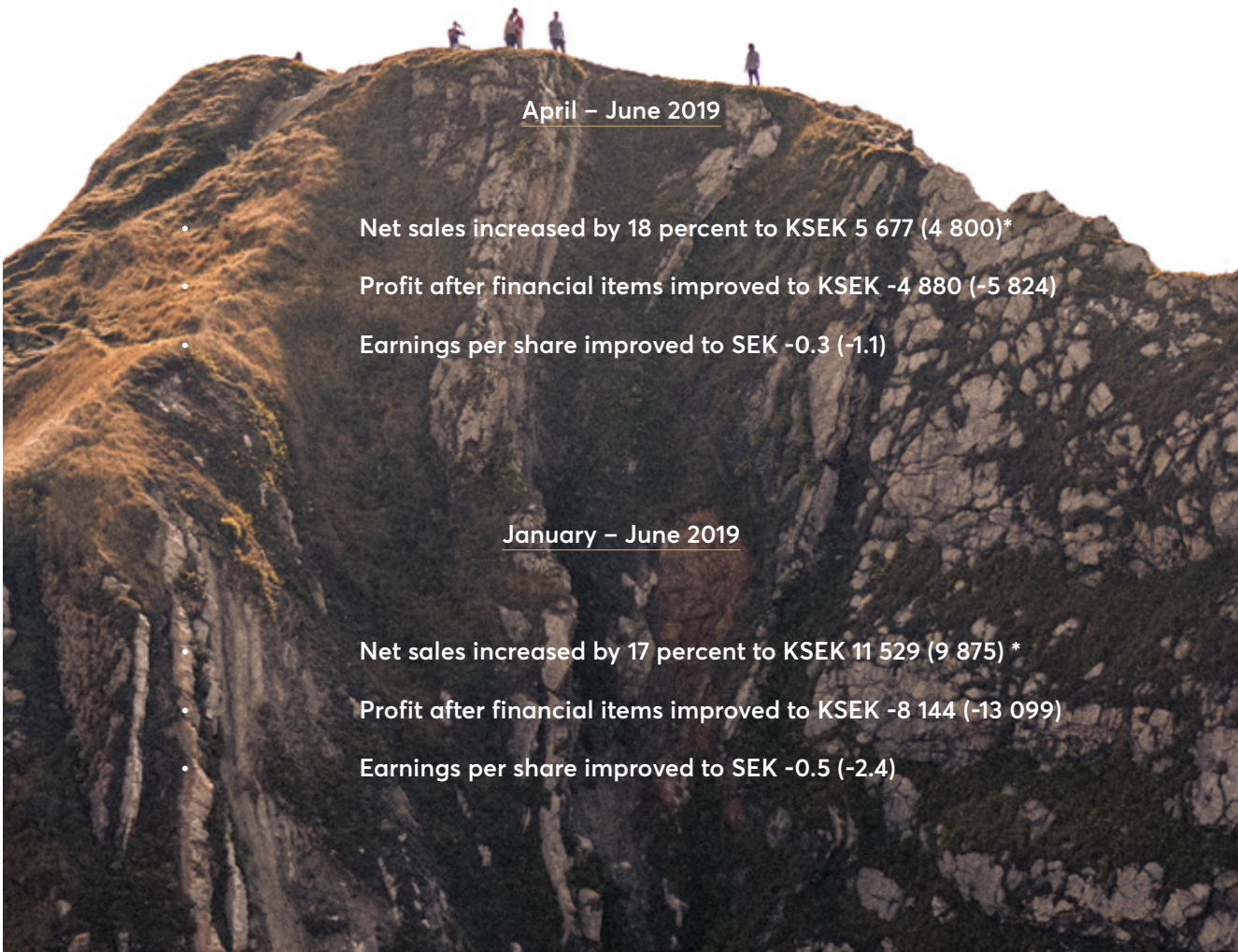


Increased net sales

Improved profit

The business model shows results



April – June 2019

- Net sales increased by 18 percent to KSEK 5 677 (4 800)*
- Profit after financial items improved to KSEK -4 880 (-5 824)
- Earnings per share improved to SEK -0.3 (-1.1)

January – June 2019

- Net sales increased by 17 percent to KSEK 11 529 (9 875) *
- Profit after financial items improved to KSEK -8 144 (-13 099)
- Earnings per share improved to SEK -0.5 (-2.4)

aino

Interim report April–June 2019

* The company has about SEK 1.5 million in accounts receivable from result-based contracts, accrued during Q42018–Q22019 and not yet taken up as revenue. For more information, see page 5

COMMENTS FROM THE CEO

During the second quarter, we have retained our focus on sales, through both direct sales and partnerships. We have created the conditions for gaining several new customers and partners. We can see that our partnership model works well, and after the quarter, our efforts have borne fruit in the form of new partnerships.

Going into the 2nd half of 2019, we have a good momentum in the sales pipeline, which looks very promising. In both Sweden and Germany, we are in negotiations with multi-national corporations with more than 500.000 employees in total. The negotiations are moving forward in a positive manner, but as always, the sales cycles for these kinds of negotiations take time, nevertheless we can see that our cash flow is improving significantly compared to previous quarters.

Another strong focus area going forward is to build a global footprint and a large part of this is to explore the opportunity to create partnerships and collaborations with universities and other entities in the academic world.

Our business model shows results

After the end of the quarter, we have signed a partnership agreement with Aava Finland, one of Finland's largest suppliers of corporate healthcare, regarding the sale of Aino HealthManager and associated services. During the month of July, we have also signed agreements with EFESO Consulting Nordics and 55Birchstreet GmbH. We continue to work with partners on all our primary markets. This is an important strategic signal from us to our customers and partners.

Still, we have also continued to interact directly with our customers. We have signed a direct agreement with one of Sweden's oldest cleaning companies, Rahms. The agreement has a term of two years and encompasses implementation services and licenses for Aino HealthManager. We have also extended and expanded our agreement with the German company ArcelorMittal following successful performance of a pilot project with Aino HealthManager.

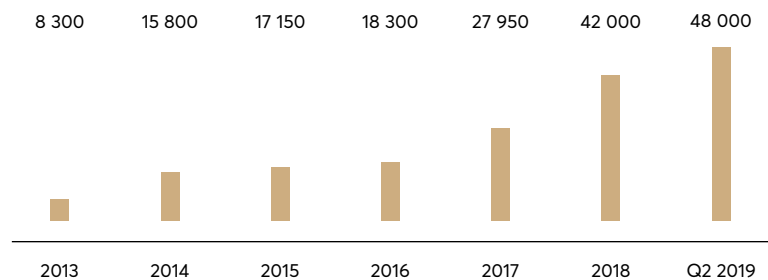
Our business model, with a combination of result-based remuneration and fixed fees, has been successful. We are now starting to reap the benefits and can see that the revenue will keep pace quarterly during the contract period.

High expectations for the second half 2019

We have about SEK 1.5 million in accounts receivable from a result-based contract, as formerly communicated. This has not been taken up as revenue; we plan to start gradually taking it up as revenue during the third quarter. The agreement states that the receivables will be paid to us, after project evaluation, during the fourth quarter 2021, given that the outcome of the contract is on par with what it has been thus far.

During the beginning of the year, we signed a deal with an American IT company regarding its operations in Finland. The contract encompasses about SEK 28 million and will have a substantial impact on our net sales, profit, and cash flow. The financial results will be taken up as revenue starting from the third quarter and cash flow will be positively impacted starting from the fourth quarter.

SaaS subscriptions to HealthManager continue to increase. As of June 30, we have 48 000 users of our SaaS solution.



Total number of SaaS users of HealthManager

We are seeing a large interest in our solutions and services. Given the deals gained and that the financial impact of these will start to be visible in our income statement as of the third quarter, I look forward to a positive second half of 2019.

Jyrki Eklund
CEO and President
Aino Health AB

EVENTS DURING THE FIRST SIX MONTHS OF THE YEAR

New customers and partners

- Aino Health has signed an agreement with Rahms, a cleaning company based in Stockholm, regarding Aino HealthManager, including implementation.
- ArcelorMittal extends and expands its agreement with Aino Health Germany GmbH following performance of a pilot project.
- Aino Health's SaaS solution HealthManager has been deployed to support Multi Contact's operations in Germany.
- A partnership agreement has been signed between Aino Health and Nylands Arbetshälsa as regards Aino's SaaS solution HealthManager and Aino's consultancy services in preventive healthcare efforts.
- Aino Health has signed an agreement regarding Aino HealthManager with a global company in customer service.
- Aino Health has signed a customer agreement valued at around SEK 28 million with one of the world's largest American multinational IT companies regarding its operations in Finland.
- One of the leading care companies in the Nordic region has signed an agreement regarding Aino's SaaS solution HealthManager for its operations in Finland.
- Aino Health hosted the INSEAD seminar "Value Based Leadership and Business as a Force for Good" held in Stockholm in late March.
- Jyrki Eklund, CEO of Aino Health, held a presentation entitled "The corporate management and analytics solution to make health a business case" at IQPC's two-day seminar HR Predictive Analytics & AI in Berlin. Aino was also the main sponsor of the seminar.
- Along with Veritas Pension Insurance, Aino Health has created a unique work ability support service with Veritas' customers as the target group.

Events after the end of the second quarter

New partnerships agreements

- Aino Health and Aava Finland, one of Finland's largest suppliers of corporate healthcare, have signed a partnership agreement regarding sales of Aino HealthManager and associated services.
- Aino Health AB has signed a partnership agreement with EFESO Consulting Nordics and 55Birchstreet GmbH.

MARKET AND OPERATIONS

Solutions for healthier companies

Aino's current market focus is primarily Finland, Sweden, and Germany. Demand has increased on all markets where Aino operates. The company's services are based on Software as a Service, a cloud service offering software and system support for Health Management. Aino markets its offerings by selling directly to well-known and established companies, in combination with using partner networks.

Partnership deals during the year

Aino's scalable SaaS solutions supplemented with consultancy services are attractive to partner organizations. The ambition is to connect with several strategic collaboration partners that contribute to a business model with increased flexibility and scalability.

The partnering strategy has proved to be successful. We have during the second quarter continued to develop our partnerships and after the end of the quarter signed a partnership agreement with Aava Finland, one of Finland's largest suppliers of corporate healthcare, regarding the sale of Aino HealthManager and associated implementation services. The agreement expands Aino's partner network and facilitates scalability and growth in a positive way. The collaboration makes it possible for Aava to broaden its service offering to its customers. The collaboration has been initiated in July. Furthermore, Aino Health has signed an agreement with EFESO Consulting, a world leader in operational excellence consulting, regarding the sale by EFESO Nordics of licenses and implementation services for Aino HealthManager in Sweden. The collaboration will begin during the third quarter. Furthermore, Aino Health Germany and 55Birchstreet GmbH, a German digital consultancy agency, have signed a partnership agreement meaning that 55Birchstreet will sell licenses and associated implementation services for Aino's health management platform, HealthManager, on the German market. The collaboration will begin during the fall of 2019.

Further collaboration discussions are ongoing at the international level with several potential partners. With the help of partners in corporate healthcare, new customers can be reached at an increasing pace.

New direct customers and deployments

During the second quarter, Aino Health has signed an agreement with Rahms, a cleaning company based in Stockholm. The agreement has a term of two years to begin with and encompasses implementation services and licenses for Aino's solution, HealthManager. Rahms' goal is to increase wellbeing among its employees, to identify decreased commitment at an early stage, and to provide structured support for employees with high levels of absenteeism.

ArcelorMittal has extended and expanded its agreement Aino Health Germany GmbH following performance of a pilot project. The customer has elected to increase use of the SaaS solution Aino HealthManager to another of its operations in Germany. The extension and expansion are seen as strategically important.

48 000 SaaS users

Aino now has 48 000 SaaS subscribers to HealthManager. The customers pay a fixed fee per employee and month, or based on a model divided into a basic fee and an incentive remuneration depending on outcome and results of Aino's delivery. Potential customers include service and industry companies and public operations with over 500 employees.

Aino Health's services contribute to improving customers' health and work ability by:

- Decreasing short- and long-term absenteeism and costs
- Giving corporate management effective tools to prevent absenteeism
- Creating preventive processes that improve the working conditions for employees and increase their commitment

Organizational development

At the AGM in May, it was decided to elect Tanja Ilic, Daniel Koob, Martin Bunge-Meyer, and Klas Bonde as new members of the board and to re-elect the board member Jyrki Eklund. The AGM decided to elect Tanja Ilic as chairman.

CORPORATE DEVELOPMENT

Figures for Q2 2019

About the report

This interim report pertains to the period January 1–June 30 2019.

Accounting principles

The company applies the Swedish Annual Accounts Act and the general guidelines of the Swedish Accounting Standards Board, BFNAR 2012:1 (K3), in drafting its financial reports. The company has activated KSEK 478 in product development costs during the second quarter. Other costs for product development do not meet the criteria for activation and have therefore been carried as expenses.

Principles for the drawing up of the report

This interim report has not been reviewed by the company's auditors.

Net sales

Net sales for the corporation during the quarter totalled KSEK 5 677 (4 800). Most of the net sales originate in Finland. The company has about SEK 1.5 million in accounts receivable from a result-based contract. This has not been taken up as revenue. The receivables will be paid to Aino Health during the fourth quarter 2021, given that the outcome of the contract is on par with what it has been thus far. The company plans to gradually start taking up these receivables as revenue during the third quarter of 2019.

Profit

The corporation's profit during the quarter was KSEK -4 880 (-5 824). The profit was higher than in the previous year due to an increase in net sales.

Equity/asset ratio

The equity/asset ratio of the corporation, calculated as equity in percent of the balance sheet total, was 70 percent as of 30 June 2019.

Cash flow and investments

Cash flow totalled KSEK -2 772 (815) during the quarter. Cash flow for operating activities affected cash flow by KSEK -2 149 (-2 134). Cash flow from financing activities was impacted by KSEK -432. A comparison between Q2 2019 and Q2 2018 is largely misleading, as Aino was granted bridge financing during Q2 2018 and later during Q2 2018 made payments to the company board and certain suppliers.

The share

Aino Health's share is listed on NASDAQ First North under the ticker "AINO". The total number of shares at the start of the period, on 1 January 2019, was 15 934 307, and the number of shares at the end of the period, on 30 June 2019, was 15 934 307.

Options

Options (TO1) in the preferential issue that the company's board approved on 30 September 2018 have been registered with the Swedish Companies Registration Office on 23 October 2018 and trading with these options began through Nasdaq First North on 5 November 2018. More information can be found on Aino's website: <https://ainohealth.com/sv/investerar-information>.

Transactions with related parties

Beyond salaries and other remuneration to the corporate management team and fees to the board, in accordance with the decisions of the AGM, no transactions with related parties have occurred.

THE TEN LARGEST SHAREHOLDERS AS OF JUNE 30 2019

Shareholder	Number of shares	Share of votes and equity (percent)
Eklund Jyrki	1 747 836	11,0 %
Swedbank Robur	1 470 588	9,2 %
Saxelin Jochen*	496 020	3,1 %
Filip Engelbert	386 679	2,4 %
Ovaskainen Mika	264 040	1,7 %
Frame Invest AB	260 670	1,6 %
Roth Johan	220 600	1,4 %
Fahlin Johan	209 610	1,3 %
Berger Gunvald	179 664	1,1 %
Bandhold Carl	162 737	1,0 %
Others	10 535 863	66,1 %
Total	15 934 307	100%

Source: Euroclear June 28 2019 and other reliable sources

* Jochen Saxelin personally owns 319 550 shares, while Hirvensalmen Satama Koy, controlled by Jochen Saxelin and family, owns 176,470 shares.

Certified Adviser

Erik Penser Bank AB
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certifiedadviser@penserbank.se

Future reports

Q3 - 29 October 2019
Q4 - 4 February 2020

Risks and uncertainty factors

Aino Health may need to acquire more capital in the future. There is a risk that the company cannot acquire further capital, enter into partnerships or find other co-financers. A loss of key staff can have negative consequences. Furthermore, there are a number of different risks that are not under Aino Health's control.

Board affirmation

The board and CEO affirm that this interim report provides a fair and correct overview of the operations of the company, its financial position and results, and describes the significant risks and uncertainty factors that the company faces.

Stockholm, 12 August 2019
Aino Health AB

The board

Tanja Ilic, chairman
Jyrki Eklund, CEO and board member
Klas Bonde, board member
Martin Bunge-Meyer, board member
Daniel Koob, board member

The information contained herein is such as shall be made public by Aino Health AB (publ), in accordance with the EU Market Abuse Regulation. This information was made public, through the agency of Jyrki Eklund, CEO and President of Aino Health AB, at 08.30 AM CEST on August 12 2019.

CONSOLIDATED INCOME STATEMENT IN BRIEF

<i>All figures in SEK, 000s</i>	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Net sales	5 677	4 800	11 529	9 875	20 754
Other operating incomes	0	135	34	135	157
Operating expenses					
Purchased consultancy services	-556	-535	-837	-755	-1 284
Other external costs	-3 453	-2 800	-5 956	-6 177	-14 086
Employee benefit costs	-5 882	-5 756	-11 467	-13 737	-24 114
Depreciation/amortization of tangible and intangible assets	-481	-504	-1 020	-990	-1 997
Other operating expenses	-34	257	-45	-21	-84
Operating loss	-4 729	-4 403	-7 762	-11 670	-20 654
Financial net	-151	-1 421	-382	-1 429	-1 349
Loss after financial items	-4 880	-5 824	-8 144	-13 099	-22 003
Appropriations	0	0	0	0	-
Taxes	0	0	-3	-3	-3
Net loss for the period	-4 880	-5 824	-8 147	-13 102	-22 006

CONSOLIDATED BALANCE SHEET IN BRIEF

<i>All figures in SEK, 000s</i>	2019	2018	2018
ASSETS	<i>30 June</i>	<i>30 June</i>	
Fixed assets			
Intangible assets	20 135	20 109	20 237
Tangible assets	412	363	306
Financial assets	1 515	105	547
Total assets	22 062	20 577	21 090
Current assets			
Inventories etc.	127	250	123
Current receivables	3 597	3 225	5 312
Cash and bank balances	3 884	1 896	11 543
Total current assets	7 608	5 371	16 978
TOTAL ASSETS	29 670	25 948	38 068
EQUITY AND LIABILITIES			
Equity			
Share capital	39 836	13 557	39 836
Other capital contributions	45 810	45 810	45 810
Other equity, including loss for the year	-64 945	-49 762	-55 789
Total equity	20 701	9 605	29 857
Liabilities			
Non-current liabilities	371	733	250
Current liabilities	8 598	15 610	7 961
Total liabilities	8 969	16 343	8 211
TOTAL EQUITY AND LIABILITIES	29 670	25 948	38 068

CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

<i>All figures in SEK, 000s</i>	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Cash flow from operating activities	-2 149	-2 134	-5 014	-9 563	-16 269
Cash flow from investment activities	-191	-2 551	-640	-3 567	-4 851
Cash flow from financing activities	-432	5 500	-2 051	5 646	23 247
Cash flow for the period	-2 772	815	-7 705	-7 484	2 127
Liquid assets, opening balance	6 632	1 055	11 543	9 289	9 289
Exchange rate differences in liquid assets	24	26	46	91	127
Liquid assets, closing balance	3 884	1 896	3 884	1 896	11 543

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN BRIEF

	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Opening balance	26 792	15 396	29 857	21 962	21 962
Formation	-	-	-	-	-
Non-cash issue	-	-	-	-	-
New issue	-	-	-	-	29 266
Non-restricted reserves	-	-	-	-	-
Translation differences	-1 211	33	-1 009	745	635
Reduction of share capital, for payment	-	-	-	-	-
Loss for the period	-4 880	-5 824	-8 147	-13 102	-22 006
Closing balance	20 701	9 605	20 701	9 605	29 857

FINANCIAL KEY FIGURES

<i>All figures in SEK, 000s</i>	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018 Jan - Dec
Financial key figures					
Net sales	5 677	4 800	11 529	9 875	20 754
Profit after financial items	-4 880	-5 824	-8 144	-13 100	-22 003
Return on equity (%)	neg	neg	neg	neg	neg
Equity per share, SEK	1,3	1,8	1,3	1,8	1,9
Equity/asset ratio, %	70%	37%	70%	37%	78%
Earnings per share after dilution, SEK	-0,3	-1,1	-0,5	-2,4	-2,7
Earnings per share before dilution, SEK	-0,3	-1,1	-0,5	-2,4	-2,7
Number of shares at end of period	15 934 307	5 422 770	15 934 307	5 422 770	15 934 307
Weighted number of shares during period	15 934 307	5 422 770	15 934 307	5 422 770	8 072 253

DEVELOPMENT OF SHARE CAPITAL

Year	Development of share capital Activity	Number of shares		Share capital		Quota value
		Change	Total	Change	Total	
2016	Formation	500	500	50 000	50 000	100
2016	Share split 4:1	1 500	2 000	-	50 000	25
2016	Non-cash issue	362 277	364 277	9 056 925	9 106 925	25
2016	Redemption	-2 000	362 277	-50 000	9 056 925	25
2016	Share split 10:1	3 260 493	3 622 770	-	9 056 925	2,5
2016	New issue	1 800 000	5 422 770	4 500 000	13 556 925	2,5
2018	New issue	10 511 537	15 934 307	26 278 842	39 835 767	2,5

INCOME STATEMENT FOR PARENT COMPANY IN BRIEF

<i>All figures in SEK, 000s</i>	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Net sales	426	-	884	-	368
Other operating incomes	-	135	34	135	157
Operating expenses					
Purchased consultancy services	-1 464	-	-1 739	-1 777	-5 763
Other external costs	-1 396	-1 936	-2 396	-3 718	-6 208
Employee benefit costs	-1 248	-505	-2 687	-2 079	-4 874
Depreciation/amortization of tangible and intangible assets	-	-	-	-	-
Other operating expenses	-33	-20	-43	-20	-81
Operating loss	-3 715	-2 326	-5 947	-7 459	-16 401
Financial net	-	-209	14	-209	-415
Loss after financial items	-3 715	-2 535	-5 933	-7 668	-16 816
Appropriations	-	-	-	-	-1 734
Taxes	-	-	-	-	-
Net loss for the period	-3 715	-2 535	-5 933	-7 668	-18 550

BALANCE SHEET FOR PARENT COMPANY IN BRIEF

<i>All figures in SEK, 000s</i>	2019	2018	2018
ASSETS	<i>30 June</i>	<i>30 June</i>	
Fixed assets			
Intangible assets	6 742	4 978	6 264
Tangible assets	-	-	-
Financial assets	18 799	18 699	18 799
Total assets	25 541	23 677	25 063
Current assets			
Inventories etc.	-	-	-
Current receivables	6 016	2 035	3 971
Cash and bank balances	2 307	1 867	9 497
Total current assets	8 323	3 902	13 468
TOTAL ASSETS	33 864	27 579	38 531
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	39 836	13 557	39 836
Fund for development fees	6 742	4 978	6 264
Unrestricted equity			
Share premium reserve	48 797	45 810	48 797
Balanced profit/loss, including loss for the year	-64 379	-45 800	-57 968
Total equity	30 996	18 545	36 929
Untaxed reserves			
Non-current liabilities	-	-	-
Current liabilities	2 868	9 034	1 602
Total liabilities	2 868	9 034	1 602
TOTAL EQUITY AND LIABILITIES	33 864	27 579	38 531

CASH FLOW STATEMENT FOR PARENT COMPANY IN BRIEF

<i>All figures in SEK, 000s</i>	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Cash flow from operating activities	-3 449	-167	-6 712	-5 116	-14 810
Cash flow from investment activities	-225	-2 529	-478	-3 565	-4 851
Cash flow from financing activities	-	4 500	-	4 500	23 110
Cash flow for the period	-3 674	1 804	-7 190	-4 181	3 449
Liquid assets, opening balance	5 981	62	9 497	6 048	6 048
Liquid assets, closing balance	2 307	1 866	2 307	1 867	9 497

STATEMENT OF CHANGES IN PARENT COMPANY'S EQUITY IN BRIEF

	2019 Q2	2018 Q2	2019 Jan - June	2018 Jan - June	2018
Opening balance	34 711	21 080	36 929	26 213	26 213
Share capital	-	-	-	-	-
New issue	-	-	-	-	29 266
Non-cash issue	-	-	-	-	-
Non-restricted reserves	-	-	-	-	-
Reduction of share capital, for payment	-	-	-	-	-
Adjustment of acc. profit/loss	-	-	-	-	-
Adjustment of acquisition analysis	-	-	-	-	-
Loss for the period	-3 715	-2 535	-5 933	-7 668	-18 550
Closing balance	30 996	18 545	30 996	18 545	36 929

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