



May 12, 2020

Aino Health interim report January-March 2020

This document in English is a translation of the original in Swedish. In case of any discrepancy, the Swedish original will prevail.

Improved net sales by 4%, new partners support growth

January–March 2020

- Net sales increased by 4 percent to KSEK 6,085 (5,852) *
- Profit after financial items decreased to KSEK -3,569 (-3,264)
- Earnings per share were SEK -0.2 (-0.2)

* The company has about SEK 3,2 million in accounts receivable from result-based contracts, accrued during Q4 2018–Q1 2020, of which SEK 1 million has been recognized as revenue during Q4 2019. Because of the COVID-19 pandemic, the company has chosen a prudential approach and not taken up accumulated result-based claims as revenue or carried them as expenses for Q1 2020.

We are in the midst of the COVID-19 pandemic, which gathered speed dramatically during the last month of the quarter. The pandemic has affected us, like most other organizations, in that we see sales to new potential clients slow down somewhat. We continue discussions with partners and existing clients to support them and plan for the future.

We can see that companies will need clear processes and solutions in place after this pandemic in order to, in a structured way ensure that their employees are healthy and have the right conditions for working.

Despite the COVID-19 pandemic in March, we can see that our business model continues to show results. Net sales increased by 4 percent compared with the previous year.

Our focus during the first quarter of the year has remained on sales and acquisition of value-creating partners, which has resulted in a few new partnerships – with MCR and Zalaris – and a new deal in collaboration with Aava in Finland.

Current financing of the operations

Most of Aino's revenue is so-called recurring revenue and most of the client contracts have a term of at least six months.

Because of this, the group's net sales are not significantly affected by the COVID -19 pandemic. Still, to safeguard the future of the company, we have taken the following actions:

- A government-backed loan of around MSEK 2.
- Delayed payment of taxes, VAT, and employer's contributions.
- Come to an agreement with employees in Sweden about 4 months part-time lay-offs and applied for grants from the Swedish Agency for Economic and Regional Growth.

Cautiously positive expectations for the first half of 2020

After the first quarter of 2020, we had around MSEK 3.2 million in outcome-based claims from Botkyrka, which we have gradually begun to recognize as revenue during the fourth quarter. MSEK 1 has been recognized as revenue during Q4 2019.

During Q1 2020, we have chosen not to recognize outcome-based claims as revenue or written down such claims, as we want to await the consequences that the COVID -19 pandemic may entail. We apply the prudence concept.

Accrued number of SaaS subscriptions to Health Manager

As of March 31, we have about 48,000 subscribers. The reason for the decrease in net subscribers is that Kouvola city's agreement ended during the quarter. On the plus side the number of corporate customers continued to grow. We continue to develop the platform to meet our clients' needs.

I am hopeful in regard to the rest of the year and hope that we will soon see the world shift back to a more normal situation.

Jyrki Eklund

CEO and President
Aino Health AB

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 May 12, 2020.

For more information:

Jyrki Eklund, CEO Aino Health, Phone: +358 40 042 4221

Certified adviser
Erik Penser Bank
+46 8 463 83 00
certifiedadviser@penser.se

About Aino Health (publ)

Aino Health is the leading supplier of Software as a Service solutions in Corporate Health Management. The company's complete system of SaaS platforms and services reduces sick leave, lowers related costs, and improves business results through increased productivity and employee engagement by making health, wellbeing, and safety an integrated part of everyday work. For more information visit ainohealth.com. Aino Health AB (publ) is listed on Nasdaq First North Growth Market (Ticker: AINO).

For more information: <https://investors.ainohealth.com/en>.