

A continued focus on Sweden
SaaS subscriptions increase
Largest ever investment in sales
and marketing

April–June 2021

- Net sales were KSEK 5,976 (5,744)
- Profit/loss after financial items was KSEK -3,012 (-4,565)
- The operating result was KSEK -2,776 (-4,251)
- Earnings per share were SEK -0.1 (-0.3)

January–June 2021

- Net sales were KSEK 11,746 (11,829)
- Profit/loss after financial items was KSEK -6,582 (-8,135)
- The operating result was KSEK -6,130 (-9,239)
- Earnings per share were SEK -0.2 (-0.5)

At the end of Q2 2021, the company had about MSEK 2.1 in accounts receivable from result-based contracts, accrued during Q42018–Q42020, of which SEK 2 million have been recognised as revenue during Q4 2019 and Q4 2020. For more information, see page 5.

aino

Interim report April–June 2021

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

COMMENTS FROM THE CEO

During the past quarter, we have had a continued focus on sales, which has resulted in a growing sales pipeline.

Systematic investment for growth

To further focus on sales, we performed a directed new share issue during the quarter and initiated a partnership with Megadeals International AB, who will be working with us going forward to support our sales.

We have signed a new contract regarding our SaaS solution Health Manager with Adecco Sweden AB, for a pilot project extending over six months and encompassing 900 users. After the initial project, there is an option for extension and increasing the number of users.

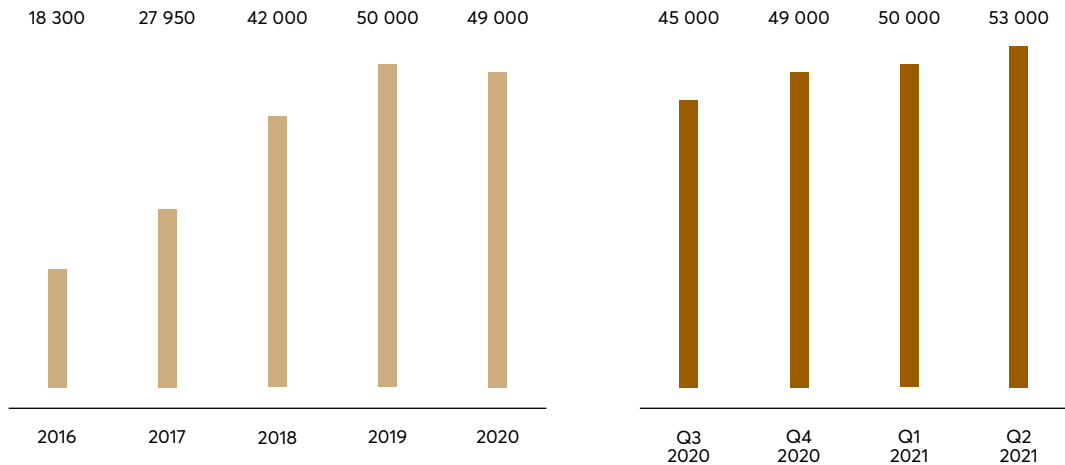
Expanded offer

On the partner side, we have expanded our ecosystem through a contract with the Swedish health tech company Zebrain, who offers online coaching. Thus, we have expanded our offer to encompass coaching services online. It is our ambition to offer our clients a platform and an ecosystem that covers all the needs related to caring for employees' health, commitment, and sick leave. This partnership is one step in that direction, making things easier for our clients.

As regards the company's cash flow, its status is as planned.

SaaS subscriptions continue to increase

As of June 30, we have 53,000 subscribers.



Accrued number of SaaS users of HealthManager

Number of subscribers during the COVID-19 pandemic

Jyrki Eklund
CEO and President
Aino Health AB

EVENTS DURING THE QUARTER

Q2

- Aino Health signed a marketing contract with Megadeals International AB and Aino Health's board decided on a directed new share issue to Megadeals International AB ([more information here](#))
- Aino Health expanded its offer with online coaching through a new partnership agreement with the health tech company Zebrain.
- Aino Health signed a six-month pilot contract with Adecco Sweden AB encompassing 900 users, with an option for extension.

Events after the end of the quarter

- No significant events have occurred after the end of the period.

OUR PARTNERS

In order to conduct Aino's operations in the most efficient way possible, while avoiding large overhead costs, it is vital to have a strong partner network that helps raise awareness of Aino's brand and sell the company's solution.

Below is a summary of the partners that are currently active and the roles that they play.

Sales partners

These partners have been chosen to meet the demand on the markets upon which they operate.

Partner	Geographic region	Type of partner	Partner since	Number of potential clients	Number of implemented Aino clients / change ()
Zalaris	Scandinavia, Germany, UK	Salary and HR outsourcing	Partner since 2020	100+	0
MCR	UK	HR consultants	Partner since 2020	100+	0
Finla	Finland	Corporate health care	Partner since 2019	10+	9 (+1)
Aava	Finland	Corporate health care	Partner since 2019	50+	2
Monetra	Finland	Salary and HR outsourcing public sector	Partner since 2019	10+	1
55 Birchstreet	DACH		Partner since 2019	50+	0

Ecosystem partners

Add value to Aino's SaaS solution.

Partner	Geographic region	Type of partner	Partner since	Number of potential clients	Number of implemented Aino clients / change ()
Auntie	Global	Online psychologist services	Partner since 2020	50+	2
HeiaHeia	Finland	Health company	Partner since 2019	100+	4
Cuckoo	Global	Online well-being partner	Partner since 2020	50+	1
Sjuksyrta	Sweden	Delivers HealthDesk services	Partner since 2018		2 (+1)
ZebraIn	Sweden	Delivers online coaching	Partner since 2021		0

GROUP DEVELOPMENT

Figures for Q2 2021

About the report

This interim report pertains to the period 1 January–30 June 2021.

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 drawing up its financial reports. The company has not activated any product development costs during the second quarter 2021.

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 group during the quarter totalled KSEK 5,976 (5,744). Most of the net sales originated in Finland.

The company had about MSEK 2.1 from result-based contracts at the end of the second quarter 2021. The claims will be paid to Aino Health during the fourth quarter 2021. The company has recognised a total of SEK 2 million of these receivables as revenue, gradually during the fourth quarter of 2019 and during 2020.

Profit/loss

The group's profit/loss during the second quarter was KSEK -3,012 (-4,565). The operating result in the group was stronger compared with during the corresponding period in the previous year, at KSEK -2,776 (-4,251). The improvement is mainly due to lower salary costs.

Financial position and liquidity

The company estimates that the liquidity available will last at least until the end of 2021.

Most of Aino's revenue consists of so-called recurring revenue. The majority of the client contracts have a termination period of at least six months.

Equity/asset ratio

The equity/asset ratio of the group, calculated as equity in percent of the balance sheet total, was 40 percent as per June 30 2021.

Cash flow and investments

Cash flow totalled KSEK -1,916 (-381) during the quarter. Cash flow for operating activities affected cash flow by KSEK -1,856 (-2,160). Cash flow from financing and investment activities was KSEK -60 (1,758). Cash flow from operating activities was improved as a result of lower salary costs. In the previous year, the company received a state-guaranteed loan in Finland. This meant a positive cash flow from investment activities in the second quarter 2020.

The share

Aino Health's share is listed on NASDAQ First North Growth Market under the ticker 'AINO'. The total number of shares at the start of the period, on 1 January 2021, was 26,558,298, and the number of shares at the end of the period, on 30 June 2021, was 26,558,298.

The company performed a directed new share issue to Megadeals International AB on 7 June 2021. [Read more.](#)

Options

At an extraordinary general meeting on 29 September 2020, a resolution was passed on a targeted issue of subscription options carrying the right to subscribe new shares in the company. There are 1,529,758 subscription options, which carry the right to subscribe a total of 1,529,758 new shares in the company. The maturity period of the subscription options is from 1 January 2023 to 31 March 2023. The subscription price is SEK 3.5 per share. If the options are fully subscribed, this will increase the company's share capital by SEK 28,800.

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 general shareholder's meeting, no transactions with related parties have occurred.

LARGEST SHAREHOLDERS 30 JUNE 2021

Shareholder	Number of shares	Share of votes and equity (percent)
Jyrki Eklund	1 944 360	7,3 %
Filip Engelbert	1 547 723	5,8 %
Jonas Nordlander	1 547 721	5,8 %
Andreas Larsson	1 100 000	4,1 %
Jochen Saxelin privat och genom bolag	639 372	2,4 %
Per Karlsson	522 315	2,0 %
Frame Invest AB	414 450	1,6 %
Hermansson Erik	391 391	1,5 %
Fahlin Johan	349 350	1,1 %
Hahn Stephan	300 000	1,1 %
Övriga	17 801 616	67,0 %
Totalt	26 558 298	100 %

Source: Euroclear 30 June 2021 and other reliable sources.

Certified Adviser

Erik Penser Bank AB
+46 8 463 83 00
certifiedadviser@penserbank.se

Financial calendar

Interim report January–September 2021, 29 October 2021
Year-end report 2021, 8 February 2022

Risks and uncertainty factors

Aino Health will need to acquire more capital in the future. There is a risk that the company cannot acquire further capital, enter partnerships, or find other co-financers. A loss of key staff can have negative consequences. In addition, 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, 17 August 2021
Aino Health AB (publ)

The Board

Tanja Ilic, Chairman
Jyrki Eklund, CEO and Board Director
Klas Bonde, Board Director
Troy Suda, Board Director
Daniel Koob, Board Director

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 CET on 17 August 2021

CONSOLIDATED INCOME STATEMENT IN BRIEF

<i>All figures in KSEK</i>	2021 <i>April-June</i>	2020 <i>April-June</i>	2021 <i>Jan-June</i>	2020 <i>Jan-June</i>	2020 <i>Jan-Dec</i>
Net sales	5 976	5 744	11 746	11 829	24 916
Other operating income	40	296	40	287	541
Operating expenses					
Purchased consultancy services	-250	-188	-513	-299	-1 308
Other external costs	-2 276	-2 071	-5 220	-5 346	-10 419
Employee benefit costs	-5 552	-7 284	-10 763	-14 218	-24 465
Depreciation/amortization of tangible and intangible assets	-699	-729	-1 397	-1 458	-2 883
Other operating expenses	-15	-19	-23	-34	-360
Operating profit/loss	-2 776	-4 251	-6 130	-9 239	-13 978
Financial net	-236	-314	-452	1 104	812
Profit/loss after financial items	-3 012	-4 565	-6 582	-8 135	-13 166
Net profit/loss for the period	-3 012	-4 565	-6 582	-8 135	-13 166

CONSOLIDATED BALANCE SHEET IN BRIEF

<i>All figures in KSEK</i>	2021	2020	2020
ASSETS	<i>30 June</i>	<i>30 June</i>	<i>31 Dec</i>
Fixed assets			
Intangible assets	14 337	17 456	15 615
Tangible assets	219	303	249
Financial assets	1 300	1 345	1 290
Total fixed assets	15 856	19 104	17 154
Current assets			
Current receivables	7 711	5 496	7 222
Cash and bank balances	3 544	124	9 001
Total current assets	11 255	5 620	16 223
TOTAL ASSETS	27 111	24 724	33 377
EQUITY AND LIABILITIES			
Equity			
Share capital	500	39 837	39 837
New share issue, under registration	6	-	-
Other capital contributions	65 152	6 502	63 958
Other equity, including profit/loss for the year	-54 771	-39 825	-87 780
Total equity	10 887	6 514	16 015
Liabilities			
Non-current liabilities	1 500	2 096	1 487
Current liabilities	14 724	16 114	15 875
Total liabilities	16 224	18 210	17 362
TOTAL EQUITY AND LIABILITIES	27 111	24 724	33 377

CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

<i>All figures in KSEK</i>	2021 <i>April-June</i>	2020 <i>April-June</i>	2021 <i>Jan-June</i>	2020 <i>Jan-June</i>	2020 <i>Jan-Dec</i>
Cash flow from operating activities	-1 856	-2 160	-5 466	-6 395	-12 119
Cash flow from investment activities	-	21	-	1 684	1 739
Cash flow from financing activities	-60	1 758	-	1 757	16 379
Cash flow for the period	-1 916	-381	-5 466	-2 954	5 999
Liquid assets, opening balance	5 453	508	9 001	3 041	3 041
Exchange rate differences in liquid assets	7	-3	9	37	-39
Liquid assets, closing balance	3 544	124	3 544	124	9 001

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN BRIEF

	2021 <i>April-June</i>	2020 <i>April-June</i>	2021 <i>Jan-June</i>	2020 <i>Jan-June</i>	2020 <i>Jan-Dec</i>
Opening balance	12 879	11 131	16 015	14 469	14 469
New issue	1 199	-	1 199	-	15 194
Translation differences	-179	-52	144	180	-482
Profit/loss for the period	-3 012	-4 565	-6 582	-8 135	-13 166
Closing balance	10 887	6 514	10 776	6 514	16 015

KEY FIGURES

<i>All figures in KSEK</i>	2021 <i>April-June</i>	2020 <i>April-June</i>	2021 <i>Jan-June</i>	2020 <i>Jan-June</i>	2020 <i>Jan - Dec</i>	2019 <i>Jan - Dec</i>
Financial key figures						
Net sales	5 976	5 744	11 746	11 829	24 916	25 873
Profit/loss after financial items	-3 012	-4 565	-6 582	-8 135	-13 166	-15 273
Return on equity (%)	neg	neg	neg	neg	neg	neg
Equity per share, SEK	0,4	0,4	0,4	0,4	0,6	0,9
Equity/asset ratio, %	40 %	26 %	40 %	26 %	48 %	49 %
Earnings per share after dilution, SEK	-0,1	-0,3	-0,2	-0,5	-0,7	-1,0
Earnings per share before dilution, SEK	-0,1	-0,3	-0,2	-0,5	-0,7	-1,0
Number of shares at end of period	26 558 298	15 934 307	26 558 298	15 934 979	26 558 298	15 934 307
Weighted number of shares during period	26 558 298	15 934 307	26 558 298	15 934 979	18 590 305	15 934 307

aino

Aino Health AB

c /o Embassy House Medborgarplatsen 3, 8tr
118 26 Stockholm

+46 20 482 482
info@ainohealth.com