



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. For more information, see page 5.

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**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.*

## COMMENTS FROM THE CEO

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.

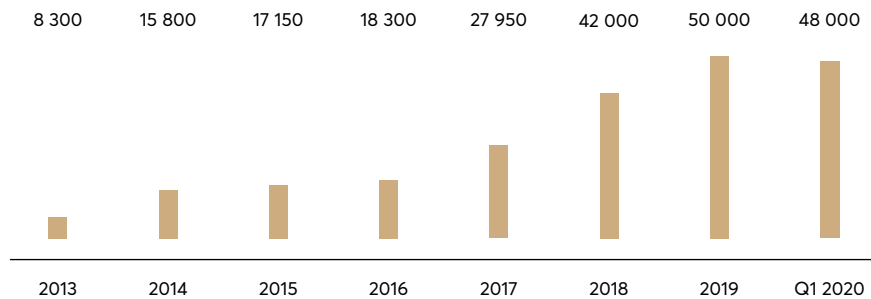
Still, to safeguard the future of the company, we have taken the following actions:

- 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 municipality, 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



*Akkumulerat antal SaaS-användare av 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

#### EVENTS DURING THE QUARTER

- The offering was adapted and expanded to support companies during the COVID-19 pandemic – offering existing clients HealthDesk free of charge for two months and adding functionality in HealthManager to measure absenteeism due to COVID-19.
- A partnership agreement was signed with UK-based Human Capital Consultancy firm, MCR.
- A partnership agreement was signed with Zalaris.
- A new client agreement was signed with Kaksineuvoinen in Finland.
- A new client agreement was signed along with our partner Aava with VRJ Group.

#### EVENTS AFTER THE END OF THE QUARTER

- A government-backed loan of around MSEK 2.

## 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 provides SaaS solutions (Software as a Service) and supplementary consultancy services 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

The ambition is to increase the growth pace by connecting with multiple strategic collaboration partners that contribute to a business model with increased flexibility and scalability.

The partner strategy has continued to prove successful during the first quarter of the year, as Aino's partners have continued to have a number of discussions with potential new clients.

With the help of partners in corporate healthcare, new clients will be reached at a faster pace. Further collaboration discussions are ongoing at the international level with several potential partners.

### 48,000 SaaS users

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

Aino Health's services contribute to improving the clients' 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.

## CORPORATE DEVELOPMENT

Figures for Q1 2020

### About the report

This interim report pertains to the period January 1–31 March 2020.

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### 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 first quarter.

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### Principles for the drawing up of the report

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

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### Net sales

Net sales for the corporation during the quarter totalled TSEK 6,085 (5,852). Most of the net sales originate in Finland. The company has not recognized result-based claims as revenue during the quarter.

The company has about SEK 3.2 million from result-based contracts. The claims 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 has begun to recognize these receivables as revenue during the fourth quarter of 2019.

Because of the COVID-19 pandemic, the company has chosen a prudential approach and not recognize accumulated result-based claims as revenue or carried them as expenses for Q1 2020.

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### Profit/loss

The corporation's profit/loss during the quarter was TSEK -3,569 (-3,267). The result was poorer than in the previous year due to an increase in salary costs and other external costs.

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### Financial position, liquidity, and COVID-19

Aino Health AB will need to acquire more capital in future. The company estimates that the current liquidity will last until the end of September 2020.

Most of Aino's revenue consists of so-called recurring revenue. Most of the client contracts have a term of at least six months. Because of this, the group's net sales have not been significantly affected by the COVID-19 pandemic.

Still, to safeguard the future of the company, we have taken the following actions in April 2020:

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

The equity/asset ratio of the corporation, calculated as equity in percent of the balance sheet total, was 42 percent as per 31 March 2020.

**Cash flow and investments**

Cash flow totalled TSEK -2,573 (-4,938) during the quarter. Cash flow for operating activities affected cash flow by TSEK -4,235 (-2,865). Cash flow from financing activities was SEK 1.66 million, as Aino Health Management Oy sold its holdings in the associated company Maresan Oy.

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**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 2020, was 15,934,979, and the number of shares at the end of the period, on 31 March 2020, was 15,934,979.

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**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.

## THE TEN LARGEST SHAREHOLDERS AS OF 31 MARCH 2020

Shareholder	Number of shares	Share of votes and equity (percent)
Eklund Jyrki	1 785 750	11,2 %
Filip Engelbert	928 634	5,8 %
Jonas Nordlander	928 633	5,8 %
Saxelin Jochen*	506 038	3,2 %
Ovaskainen Mika	262 260	1,7 %
Frame Invest AB	260 670	1,6 %
Hermansson Erik	247 229	1,6 %
Six Sis AG	242 000	1,5 %
Roth Johan	220 600	1,4 %
Fahlin Johan	209 610	1,3 %
Others	10 343 555	64,9 %
<b>Total</b>	<b>15 934 979</b>	<b>100 %</b>

Source: Euroclear 31 March 2020 and other reliable sources.

\* Jochen Saxelin personally owns 325,060 shares, while Hirvensalmen Satama Koy, controlled by Jochen Saxelin and family, owns 180,978 shares.

### Certified Adviser

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### Future reports 2020

Interim Report January-June, 21 August 2020  
Interim Report January-September, 30 October 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. 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, 12 May 2020

Aino Health AB (publ)

### The Board

Tanja Ilic, Chairman  
Jyrki Eklund, CEO and Board Director  
Klas Bonde, Board Director  
Martin Bunge-Meyer, 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 AM CEST on May 12, 2020.

**CONSOLIDATED INCOME STATEMENT IN BRIEF**

<i>All figures in TSEK</i>	2020 Q1	2019 Q1	2019
Net sales	6 085	5 852	25 873
Other operating income	-9	34	56
<b>Operating expenses</b>			
Purchased consultancy services	-111	-281	-1 727
Other external costs	-3 275	-2 503	-12 900
Employee benefit costs	-6 934	-5 584	-23 427
Depreciation/amortization of tangible and intangible assets	-729	-539	-2 282
Other operating expenses	-14	-12	-
<b>Operating profit/loss</b>	<b>-4 987</b>	<b>-3 033</b>	<b>-14 407</b>
Financial net	1 418	-231	-866
<b>Profit/loss after financial items</b>	<b>-3 569</b>	<b>-3 264</b>	<b>-15 273</b>
Appropriations	-	-	-
Taxes	-	-3	-3
<b>Net profit/loss for the period</b>	<b>-3 569</b>	<b>-3 267</b>	<b>-15 276</b>



## CONSOLIDATED BALANCE SHEET IN BRIEF

<i>All figures in TSEK</i>	2020	2019	2019
<b>ASSETS</b>	31 march	31 march	31 dec
<b>Fixed assets</b>			
Intangible assets	18 350	20 213	18 797
Tangible assets	331	437	347
Financial assets	1 366	1 628	1 339
<b>Total assets</b>	<b>20 047</b>	<b>22 278</b>	<b>20 483</b>
<b>Current assets</b>			
Inventories etc.	-	125	-
Current receivables	5 855	4 647	5 883
Cash and bank balances	508	6 632	3 042
<b>Total current assets</b>	<b>6 363</b>	<b>11 404</b>	<b>8 925</b>
<b>TOTAL ASSETS</b>	<b>26 410</b>	<b>33 682</b>	<b>29 408</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	39 837	39 836	39 837
Other capital contributions	48 764	45 810	48 764
Other equity, including profit/loss for the year	-77 470	-58 854	-74 132
<b>Total equity</b>	<b>11 131</b>	<b>26 792</b>	<b>14 469</b>
<b>Liabilities</b>			
Non-current liabilities	374	769	367
Current liabilities	14 905	6 121	14 572
<b>Total liabilities</b>	<b>15 279</b>	<b>6 890</b>	<b>14 939</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26 410</b>	<b>33 682</b>	<b>29 408</b>

### CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

<i>All figures in TSEK</i>	2020 Q1	2019 Q1	2019
Cash flow from operating activities	-4 235	-2 865	-10 776
Cash flow from investment activities	1 663	-449	-705
Cash flow from financing activities	-1	-1 624	2 927
<b>Cash flow for the period</b>	<b>-2 573</b>	<b>-4 938</b>	<b>-8 554</b>
Liquid assets, opening balance	3 041	11 543	11 543
Exchange rate differences in liquid assets	40	27	53
<b>Liquid assets, closing balance</b>	<b>508</b>	<b>6 632</b>	<b>3 042</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN BRIEF

	2020 Q1	2019 Q1	2019
<b>Opening balance</b>	<b>14 469</b>	<b>29 857</b>	<b>29 857</b>
Formation	-	-	-
Non-cash issue	-	-	-
New issue	-	-	-32
Non-restricted reserves	-	-	-
Translation differences	231	202	-80
Reduction of share capital, for disbursement	-	-	-
Profit/loss for the period	-3 569	-3 267	-15 276
<b>Closing balance</b>	<b>11 131</b>	<b>26 792</b>	<b>14 469</b>

## KEY FIGURES

<i>All figures in TSEK</i>	2020 Q1	2019 Q1	2019 <i>jan - dec</i>	2018 <i>jan - dec</i>
<b>Financial key figures</b>				
Net sales	6 085	5 852	25 873	20 754
Profit/loss after financial items	-3 569	-3 264	-15 273	-22 003
Return on equity (%)	neg	neg	neg	neg
Equity per share, SEK	0,7	1,7	0,9	1,9
Equity/asset ratio, %	42 %	80%	49 %	78%
Earnings per share after dilution, SEK	-0,2	-0,2	-1,0	-2,7
Earnings per share before dilution, SEK	-0,2	-0,2	-1,0	-2,7
Number of shares at end of period	15 934 979	15 934 307	15 934 979	15 934 307
Weighted number of shares during period	15 934 979	15 934 307	15 934 979	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
2019	Share warrants	672	15 934 979	1 680	39 837 447	2,5

**INCOME STATEMENT FOR PARENT COMPANY IN BRIEF**

<i>All figures in TSEK</i>	2020 Q1	2019 Q1	2019
Net sales	1 564	458	4 541
Other operating incomes	-9	34	58
<b>Operating expenses</b>			
Purchased consultancy services	-1 363	-275	-3 857
Other external costs	-1 079	-1 000	-5 086
Employee benefit costs	-2 101	-1 438	-6 329
Depreciation/amortization of tangible and intangible assets	-241	-	-241
Other operating expenses	-14	-11	-
<b>Operating profit/loss</b>	<b>-3 243</b>	<b>-2 232</b>	<b>-10 914</b>
Financial net	-150	14	-28
<b>Profit/loss after financial items</b>	<b>-3 393</b>	<b>-2 218</b>	<b>-10 942</b>
Appropriations	-	-	335
Taxes	-	-	-
<b>Profit/loss for the period</b>	<b>-3 393</b>	<b>-2 218</b>	<b>-10 607</b>

## BALANCE SHEET FOR PARENT COMPANY IN BRIEF

<i>All figures in TSEK</i>	2020	2019	2019
<b>ASSETS</b>	<i>31 march</i>	<i>31 march</i>	
<b>Fixed assets</b>			
Intangible assets	6 261	6 517	6 502
Financial assets	18 799	18 799	18 799
<b>Total fixed assets</b>	<b>25 060</b>	<b>25 316</b>	<b>25 301</b>
<b>Current assets</b>			
Current receivables	6 166	5 431	7 238
Cash and bank balances	286	5 981	1 174
<b>Total current assets</b>	<b>6 452</b>	<b>11 412</b>	<b>8 412</b>
<b>TOTAL ASSETS</b>	<b>31 512</b>	<b>36 728</b>	<b>33 713</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	39 837	39 836	39 837
Fund for development fees	6 502	6 517	6 502
<b>Unrestricted equity</b>			
Share premium reserve	48 764	48 797	48 764
Balanced profit/loss, including profit/loss for the year	-72 205	-60 439	-68 812
<b>Total equity</b>	<b>22 898</b>	<b>34 711</b>	<b>26 291</b>
<b>Untaxed reserves</b>			
Current liabilities	8 614	2 017	7 422
<b>Total liabilities</b>	<b>8 614</b>	<b>2 017</b>	<b>7 422</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31 512</b>	<b>36 728</b>	<b>33 713</b>

### CASH FLOW STATEMENT FOR PARENT COMPANY IN BRIEF

<i>All figures in TSEK</i>	2020 Q1	2019 Q1	2019 jan-dec
Cash flow from operating activities	-888	-3 263	-12 813
Cash flow from investment activities	-	-253	-478
Cash flow from financing activities	-	-	4 968
<b>Cash flow for the period</b>	<b>-888</b>	<b>-3 516</b>	<b>-8 323</b>
Liquid assets, opening balance	1 174	9 497	9 497
<b>Liquid assets, closing balance</b>	<b>286</b>	<b>5 981</b>	<b>1 174</b>

### STATEMENT OF CHANGES IN PARENT COMPANY'S EQUITY IN BRIEF

	2020 Q1	2019 Q1	2019
<b>Opening balance</b>	<b>26 291</b>	<b>36 929</b>	<b>36 929</b>
Share capital	-	-	-
New issue	-	-	-32
Non-cash issue	-	-	-
Non-restricted reserves	-	-	-
Reduction of share capital, for disbursement	-	-	-
Adjustment of profit/loss brought forward	-	-	-
Adjustment of acquisition analysis	-	-	-
Profit/loss for the perio	-3 393	-2 218	-10 607
<b>Closing balance</b>	<b>22 898</b>	<b>34 711</b>	<b>26 290</b>

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