

ANNUAL REPORT (CONDENSED) 2020



Cover photo

Filtvet Lighthouse, Norway

Photos

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Annual report 2020

CSAM Health Group AS

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01

About CSAM

Caring for Life – this is what inspires the people of CSAM each and every day. Our diverse portfolio of software solutions enables healthcare providers to access relevant clinical information at the point of care, so they can provide the highest quality care to patients.

CSAM has established itself as a leading Nordic niche player in the specialised eHealth market, with a unique blend of best-in-class innovative technology, and outstanding human skills. We have 12 offices in six countries, employing 168 talented individuals.

Our leading product portfolio includes innovative niche solutions in connected healthcare, medical imaging, women and children's health, emergency and acute care, medication management, and laboratory information management systems.

Our leading product portfolio of innovative niche solutions comprises:

Connected Healthcare

Denmark's #1 radiology information sharing network

Medical Imaging

The Nordics' #1 non - radiology medical imaging software

Women & Children's Health

The Nordics' #1 maternity software

Emergency & Acute

Norway's #1 emergency and acute software solutions & Sweden's #1 ambulance software solution

Medication Management

The Nordics' #1 oncology medication software

LIMS

The Nordics' #1 blood management software

The company's commercial headquarters are located in Oslo, Norway. CSAM also has local offices in Stockholm, Gothenburg, Uppsala, Karlstad, Copenhagen, Helsinki, Oulu, Tampere, Tromsø, and Warwickshire, as well as a wholly owned software engineering subsidiary in the Philippines.

We focus on our customers, using profits to strengthen our products and services, create a great place to work for our employees, and serve as a responsible business within the global community.

Backed by strong financial partners, CSAM aspires to achieve continued growth both organically and through selected mergers and acquisitions.

For more information on CSAM, please visit www.csamhealth.com

Our Vision

Healthcare information without boundaries.

Our Mission

Enabling excellent healthcare by providing innovative niche software.

Our People

We are daring, different, and disruptive.

Highlights

2020 revenue of MNOK 229.8, representing growth of 10.9%

2020 recurring revenue of MNOK 173.5, representing growth of 14.4%.

Increased reported EBITDA margin - from 17% in 2019 to 25% in 2020

Reported EBITDA FY 2020 amounts to 58.1 MNOK .

EBITDA FY 2020, adjusted for one-offs, amounts to 67.3 MNOK.

Successful inaugural 300 MNOK bond issue with an optional 200 MNOK tap issue.

Public listing on the Oslo Stock Exchange (Euronext Growth).

Acquired Swedish company Fertsoft AB, which provides complete care and practice management software for Assisted Reproductive Technology (ART) clinics in the Nordics and Europe.

Subsequent events

In February 2021, CSAM acquired Carmenta's Public Safety business. Carmenta had >80 MSEK sales in 2020 with a 15% EBITDA margin. This acquisition substantially increased CSAM's presence in the Emergency & Acute domain in the Nordics, in addition to expanding CSAM's position in Europe.

200 MNOK bond tap was issued 20 April 2021. This gives the company financial strength and flexibility to further execute on its M&A strategy in the near to midterm future.

Letter from the CEO

Profitability and predictability

As 2020 ends, CSAM is celebrating five years of consecutive profitable growth. Our success represents the culmination of years of hard work and dedication by our employees as well as prudent strategic and financial management by our Management Team.

Due to the outbreak of the COVID-19 pandemic home offices have become the new normal. I am proud of our employees who have managed to secure a continued predictable and profitable performance during these extraordinary times. Digital collaboration is in CSAM's DNA due to our 15-year history of daily cooperation between talented individuals across the Nordics and the Philippines. The stability of our business is built on this sustainable way of working in addition to our customers growing dependency of our highly specialised digital solutions.

The backbone of our business in 2020 is the diversified recurring revenues from the public sector. The annual recurring software income consists of several contracts with entities in health regions in the Nordics exiting 2020. This long-term vital part of our income grew 14% from 2019 to 2020 with neglectable churn which proves that our strategic focus on niches enhances our long-term stability and continued income visibility.

Buy, Integrate & Build (BIB)

In addition to our steadily growing profitable organic platform, our M&A activities continue to strengthen CSAM as the leading consolidator of the specialised e-health market in the Nordics. In 2020 we continued our M&A activities with the acquisition of another specialised niche company. Fertsoft AB is a Swedish company that provides complete care and practice management software for Assisted Reproductive Technology (ART) clinics. With this acquisition, CSAM has expanded the already comprehensive portfolio of women and children's healthcare solutions - ranging now from conception to early childhood, increasing the company's geographic and product offerings within this domain. This acquisition, in addition to the subsequent acquisition of Carmenta Public Safety a few weeks into the new year, indicates that our pipeline and approach to relevant targets supports our continued growth ambitions through M&A.

The performance of the integrate part of our BIB model is visible through comparison between 2019 and 2020 numbers. By acquiring Kibi and Arcid in 2019 CSAM temporarily diluted the margins during the acquisition year as expected. However, the increased EBITDA margin from 17% in 2019 to 25% in 2020 (29% adjusted) demonstrates that this organisational integration methodology continues to create value for our shareholders.

Bond Issue and IPO

A successful inaugural 300 MNOK bond with an optional 200 MNOK tap was issued in the third quarter 2020. In the fourth quarter, CSAM successfully launched an IPO and listing on the Oslo Stock Exchange (Euronext Growth Market).

Together, these two milestones in 2020 have given the company a financial flexibility and predictability that supports the company's continued M&A strategy in the short and mid-term perspective.

Our position and our future

Exiting 2020, our unique collection of niche software solutions has made it possible to strengthen the position as the leading provider of specialised solutions in the Nordics. Most Nordic health regions and specialised hospitals have one or more niche solution from CSAM in their application portfolios. CSAM will continue to focus on entrenched software solutions tied to advanced workflow processes. These workflows are established over many years inside clinical and acute environments and will therefore rarely change, and slowly if they do. Deeply rooted in the clinical care processes, CSAM's solutions are an essential part of the specialised care delivery in hospitals, creating stable and predictable revenue year over year.

Our employees are obviously our most valuable resource, and they have become CSAM'ers for a reason. In 2020 our software solutions supported healthcare personnel in their daily efforts helping millions of patients. In the difficult pandemic situation, our people and our customers continuously cooperate digitally to enable our software to support specialised healthcare while the customers simultaneously have been struggling with the Covid-19 challenges. CSAM has not experienced any significant impact on its current business due to the ongoing Covid-19 outbreak other than a shift in customer priorities, leading to an observable change in income composition.

CSAM will continue to pursue growth through a strategic combination of M&As, organic sales and long-term recurring revenues. Our specialised e-health solutions are globally relevant, and we expect that our income will continue to diversify and that our sales outside the Nordics gradually will increase in the years to come.

2020 is now behind us, and the business has performed well because of the dedication and effort from our talented people. I am sure that all our employees and our Management Team are proud of the fact that our day-to-day work is ultimately serving patients that meet life-changing milestones. Doing good while doing good things for patients and society is why CSAM has become the leading niche player in the Nordic e-health market.



Sincerely,
Sverre Flatby

A handwritten signature in blue ink that reads "Sverre Flatby". The signature is stylized with a large, flowing "S" and a long horizontal stroke at the end.

Chief Executive Officer

Report from the Board of Directors

CSAM's mission is to enable excellent healthcare by providing innovative niche software.

CSAM has established itself as a leading Nordic-based niche player in the specialised eHealth market, with a unique blend of best-in-class innovative technology, and outstanding human skills. Our leading product portfolio includes innovative solutions in connected healthcare, medical imaging, women and children's health, emergency and acute care, medication management, and laboratory information management systems.

CSAMs is first and foremost a Software company. Some consultancy services are provided to customers in conjunction with installation, training and integration in the customer's operating environment. In addition, there are some sales of specialised hardware used to run CSAM's software, such as special tablets used in ambulances.

CSAM has grown fast and uninterrupted over the last five years as a combination of organic growth and acquisitions. As one of the only Nordic market consolidators focused on specialised software solutions, CSAM has built a robust platform for continued growth with our M&A strategy. Our active M&A strategy forms a critical part of our value-creation and growth strategy. Acquisition targets are carefully selected based on a clear strategic fit, and fully integrated into one CSAM organisation with our unique Buy, Integrate and Build (BIB) model.

CSAM is headquartered in Oslo, with local offices in Sweden, Finland, Denmark, UK and the Philippines. CSAM delivers software and services to almost all hospitals in the Nordic region, but with clear ambitions to expand our geographical reach, primarily through selected acquisitions.

CSAM Health Group AS is listed on the Oslo Stock Exchange, Euronext Growth (CSAM).

Operational Highlights

CSAM recorded an all-time high revenue of NOK 229.8 million in 2020, which makes it the 5th year of consecutive revenue growth by the Company. For the year, reported revenue increased by 10.9%. Reported EBITDA increased to NOK 58.1 million.

In Q1 2020, the Company initiated a reorganisation of its operations, to enable the continued growth and enhance scalability:

- A more centralised approach to support functions such as Finance, Contract management, HR and IT to accelerate process improvements, synergy realisation and cost reductions.
- Organise Sales, Product Development and Service & Delivery in separate divisions.
- The various software verticals organised into separate Domains, with the potential to expand into separate business units as they reach critical size.

The reorganisation was completed in Q3 2020.

To ensure appropriate funding and financing for the next phases of growth, CSAM undertook a complete refinancing exercise in 2H 2020.

- Raised 300 MNOK through issue of bond. The bond has an additional tap option of 200 MNOK. The bond is listed on ABM with ticker code CSAM01 PRO.
- Raised 325 MNOK through an IPO and listed the share on Euronext Growth, ticker code CSAM.
- Through these listings, the Company has established lines to the financial markets.

Consolidated Financial Results for the Group

The financial accounts have been prepared in accordance with NGAAP. Figures in brackets in the text below relate to the corresponding periods in 2019. All numbers are presented in NOK.

CSAM's consolidated sales for 2020 amounted to 229.1 million (205.4). For the year, reported sales increased by 11.5%.

The organic revenue increase was primarily driven by new sales of Professional Services, upselling and increased recurring revenue based on sales in previous periods.

Reported EBITDA increased to 58.1 million (36.1). The reported EBITDA margin increased to 25.3% (17.4%).

Total one-off expenses impacting the reported EBITDA related to funding activities amount to ~7 MNOK in 2020. In addition, reclassification of Government Grants and miscellaneous accruals impacts the reported EBITDA negatively. Total one-off effects amount to almost 9.2 MNOK in 2020, bringing the adjusted EBITDA above 67 MNOK and the adjusted EBITDA margin to 29%.

Acquisitions overall show initially lower EBITDA margins than the Group average, and 2020 serves as an indication of realised synergies. In general, acquisitions should be expected to have an initial dilutive effect on overall Group margins, improving to Group average within a 12 to 24-month period.

Investments in software that is expected to provide lasting recurring revenues in the future are capitalised. Capex amounted to 25.7 million (25.9) in 2020, comprising 11.2% (12.5%) of total revenue.

Depreciation and amortisation amounted to 40.9 million (55.1) in 2020. Note that depreciation and amortisation principles were revisited for 2020 and adjusted to better reflect the actual lifespan of these assets. These changes explain the reduced amortisations in 2020 compared to 2019. Intangible assets from acquisitions are amortised over a period of five years, and Goodwill from acquisitions is amortised over a period of ten years in accordance with NGAAP.

The reported operating income (EBIT) was 17.3 million (-19.0) in 2020, and profit before tax was -8.0 (-37.3) million for the year, and -9.2 (-36.2) after tax.

The company has tax losses carried forward from previous years and expect to utilise these in the years to come, thus we expect a relatively low effective taxation of the Groups profits going forward.

Cash flow from financing activities was 280.5 million for the year (-2.6), which primarily reflects proceeds from the issue of the CSAM01 PRO and the primary part of the IPO in October. Cash and cash equivalents increased to 304.6 million (22.7) at the closing of the year.

Total assets at the end of 2020 amounted to 661.4 million (346.2). 43% (76%) of the assets are intangibles, to a large part related to the Group's active M&A strategy.

Total long-term liabilities were 284.3 million (NOK 169.8) at the end of 2020.

CSAM's consolidated booked equity amounted to 248.3 million (NOK 34.2) as of 31 December 2020. This corresponds to an equity ratio of 38% (10%).

CSAM markedly improved its financial position and flexibility through the refinancing activity referred to above.

Dividend Payment

The Board of Directors proposes that no ordinary dividend is paid based on the accounts for 2020.

An extraordinary dividend of NOK 80 million was paid out in Q4 2020.

Continuing Operation

With reference to the Norwegian Accounting Act §3-3a, the Board confirms its belief that conditions exist for continuing operations and that these financial statements have been prepared in accordance with the going concern principle. The confirmation is based on an estimated long-term profitable growth and the Company's equity standing and solid cash position.

Operational and Financial Risks

The Group is exposed to various risks and uncertainties of operational, regulatory, market and financial character. Internal controls and risk management are an integrated part of all CSAM organisational business processes and of achieving the Company's strategic and financial objectives. The below listing highlights what the Company currently regards as the main risk factors but does not in any way constitute a full or complete overview of all risks that the Company may be exposed to. Despite the Group's focus on reducing risks through internal controls and risk management, there will still be risk factors that cannot be adequately handled through preventative measures.

Operational Risks

The Group has a broad customer base, and revenues are rooted in hundreds of contracts with different customers and different products. While this reduces the dependency on specific customer or contract, there is a risk that the Group might fail to accurately forecast its ability to deliver software according to agreed contractual schedule and quality. Professional Services may not be delivered within appropriate quality or timescales or could be implemented poorly and fail to deliver savings to the customers.

If the Group underestimates the cost, complexity or time requirements to deliver on a contractual obligation, it may incur losses in the form of penalties and/or reduced future income. Such delays or failures may have an adverse effect on the Group's business, results of operations and financial conditions, and on its reputation as a trusted provider of high-quality niche software solutions.

The market in which the Company operates is strictly regulated and increasingly so, most importantly through the EU wide MDD/MDR and GDPR regulations. There is a risk that the Company fails to comply with the relevant regulation or that, in spite of rigorous testing before release, the software malfunctions and thus breaches the expectations by its users. This may have negative financial as well as reputational consequences.

The Group is dependent on its management and key personnel and the ability to retain and attract new, qualified personnel. The Group must attract, train and retain appropriate numbers of highly qualified professionals with diverse skills, in order to serve customers' needs and grow the Group's business. Management is a crucial factor for the performance and results of the Group and the loss of any key individual may adversely affect the Group's performance.

The Group has a strategy of growing in part by acquisitions and has made and may make material acquisitions in the future. Acquisitions may involve significant risks, including but not limited to: difficulties in the assimilation or integration of the operations, services and corporate culture of the acquired companies; failure to achieve expected synergies and other benefits; and diversion of management's attention from other business concerns. In addition, further acquisitions would likely result in the incurrence of additional debt.

Successful growth through acquisitions is dependent upon the Group's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and ultimately complete such acquisitions and integrate acquired entities within the Group. The Group's assessment of and assumptions regarding acquisition targets could prove to be incorrect and actual developments may differ significantly from expectations. There is also a risk that the Group may incur significant losses on its acquisitions. Any unsuccessful acquisitions may have a material adverse effect on the business, result of operations, cash flows, financial conditions and prospects for the Group.

Financial Risk

The Group has high leverage and may incur additional indebtedness in the future, also in the form of vendor loans (related to acquisitions). The Group may not be able to repay all or part of the indebtedness, or alternatively, refinance all or part of the indebtedness on commercially reasonable terms. Further, under the Bond Terms, the Group will only be allowed to make distributions if it complies with certain predefined leverage ratios. Increased debt levels may also restrict the Issuer's ability to borrow additional capital on a timely basis to fund acquisition opportunities as they arise.

The Group is dependent on having access to long-term funding and may in the future require additional funding in the form of either debt or equity in order to successfully execute its M&A-strategy and to finance further growth. There can be no assurance that the Group will be able to raise additional growth capital necessary to execute on its M&A strategy.

The Group's operations are conducted in the Nordics and increasingly in the rest of Europe. Operations in the Group's markets are subject to risks inherent in international business activities, including, but not limited to: foreign currency fluctuation; varying political conditions; cultures and business practices in different countries; overlapping of different tax structures; accounting and reporting requirement compliance; changing and, in some cases, complex or ambiguous laws and regulations; and litigation claims and judgements. The Group has subsidiaries that operates in various currencies and is subject to tax exposure in various currencies. The Group's local operations are reported in the applicable foreign currencies and then translated into NOK at the applicable foreign currency exchange rates for inclusion in the Group's consolidated financial statements. Exchange rates for currencies may fluctuate in relation to the NOK and these fluctuations may have an adverse effect on the Group's operating results when foreign currencies are translated into NOK.

The Organisation

CSAM had 168 employees at the end of 2020 (175).

Absence due to sick leave averaged 1.8% (1.9%) in 2020. No incidents of injury or accidents in the workplace were reported during 2020.

CSAM aims to have a balanced representation of gender, age, race and religion. The proportion of women is 23% in the Group. The board consists of 5 people, 2 women and 3 men.

Corporate Social Responsibility, the Environment and Employees

CSAM aspires to achieve sustainable development by striking a good balance between financial results, value creation, sustainability and corporate social responsibility (CSR). The Company's objective is to maximize the positive impact the Company has on society by enabling efficient healthcare through its many software solutions. In pursuing our business objectives, we aim to be a responsible partner to our communities, acting with integrity towards our customers, employees, business partners and shareholders, as well as society.

As a software company, the Group's operations does not pollute the environment. To minimise our carbon footprint, to the extent possible, physical travel is replaced by video conferences. We seek to locate our offices close to public transportation.

Equal Rights

CSAM promotes the benefits of equality and focuses on hiring and promoting the talent and not race, colour, gender, sexual orientation, age, disability, language, religion, employee representation, political or other opinions, national or social origin, property, birth or other status. The Company shall be a professional workplace with an inclusive working environment free from discrimination.

Life-Work Balance

CSAM strives to make it possible for employees of either gender to combine their work and private life, and therefore offers leave arrangements, home office solutions and part-time positions and other flexible work arrangements to support this objective.

Business Ethics

We pursue mutually beneficial long-term relationships with customers, partners and suppliers, and promote the application of these principles while doing so. We make decisions based on our ability to promote these principles effectively, and this is an important factor in decisions regarding whether to enter into or remain in such relationships.

CSAM requires that the Company's business partners have appropriate ethical standards that is at a minimum of those defined in the Company's Statement of General Business Principles and other relevant policies.

We insist on honesty, integrity and fairness in all aspects of our business and expect the same of all those with whom we do business. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. Employees must avoid conflicts of interest between their private financial activities and their part in the conduct of company business. All business transactions on behalf of a CSAM company must be reflected accurately and fairly in the accounts of the company, in accordance with established procedures, and be subject to audit.

Corporate Governance

CSAM's corporate governance policy is based on the Norwegian Corporate Governance Code in accordance with NUES the Norwegian Code of Practice for Corporate Governance (Norwegian: "Norsk anbefaling for eierstyring og selskapsledelse"), issued by the Norwegian Corporate Governance Board, most recently revised on 17 October 2018.

CSAM Health Group AS is incorporated and registered in Norway and is subject to Norwegian law.

Significant events after the reporting period

CSAM Health Group AS' subsidiary CSAM Sweden AB signed an Agreement 15. February 2021 to acquire 100% of the shares in Carmenta Public Safety AB, org-nr. 556928-2774. Carmenta Public Safety provides complete software solutions for managing every aspect of emergency response. The company's core products include CoordCom - a comprehensive 112 and emergency response system, and ResQMobile - emergency response software for emergency vehicles. The business is headquartered in Gothenburg, with approximately 50 employees based in Sweden and Spain. Carmenta's Public Safety business is a key complement to CSAM's leading portfolio of emergency and acute solutions, allowing CSAM to offer even more value to new and existing customers in this important domain. The acquisition is based on an agreed enterprise value of 150 MSEK on a cash-free and debt-free basis. The acquisition has been settled in cash. Both signing and closing of the acquisition took place 15 February 2021.

20. April 2021, CSAM Health Group AS successfully completed a tap issue of NOK 200 million under the Company's existing senior secured bond with maturity date 25 September 2024 and ISIN NO 0010893738. The tap issue was completed at an issue price of 103.5% of the nominal amount, corresponding to an implied coupon of approximately 3m NIBOR + 390bps. Following settlement, the outstanding amount under the bond will be NOK 500 million.

Declaration by the Board of Directors and CEO

We hereby confirm that, to the best of our knowledge, that the financial statements for the period from 1 January to 31 December 2020 have been prepared in accordance with NGAAP, and that the information in the financial statements gives a true and fair view of the Group's assets, liabilities, financial position and profit & loss taken as a whole.

The Board of Directors of CSAM Health Group AS Oslo 22 April 2021.

**Åse Aulie Michelet, Chair****Ansgar Gabrielsen, Board Member****Louise Nilsson, Board Member****Mats Hjerpe, Board Member****Mats Larson, Board Member****Sverre Flatby, CEO**

CSAM ProSang: An M&A Success Story



Over the past several years, the eHealth market has undergone a seismic shift, bringing with it new opportunities for forward-thinking companies. Within the Nordics, customers have transformed from a single hospital, to regional and national entities. While increased regulations and macroeconomic forces have driven similar consolidation within the industry.

During this time, CSAM has been quietly reshaping itself, building a solid platform for continued growth in the Nordics and European specialised eHealth solutions market with an active M&A strategy that focuses on niche software ownership and geographical expansion.

- CSAM's well-developed acquisition strategy is a vital component of the organisation's past success and future growth, said Glenn Kenneth Bruun, CSAM's Chief Strategy Officer. - Our active M&A strategy not only broadens our base of customers, solutions and highly skilled people, it amplifies opportunities for organic growth.

Over the past five years, CSAM has successfully acquired and integrated seven companies, strengthening its portfolio of niche products and leadership position in the Nordic eHealth market.

One of these acquisitions was Databyrån AB, the maker of ProSang, Scandinavia's leading blood, cell and tissue management system. With the acquisition of ProSang in 2017, CSAM expanded into a new domain, laboratory information management systems (LIMS), broadening its suite of niche software offerings and expanding its customer base across the Nordics.

ProSang's Winning Combination

ProSang is an innovative LIMS solution that provides comprehensive support for all aspects of blood,

cell and tissue management, with full traceability from donor to recipient. It is the leading blood management software in the Nordics, and is currently used by blood centres, blood donors, transfusion laboratories, clinical immunology laboratories, transplantation laboratories and stem cell facilities.

- ProSang is more than an IT system, it is a highly specialised solution that provides complete workflow support and traceability from donor to recipient, said Daniel Wiman, Domain Manager - LIMS. - The system has seen tremendous growth since its first development, now boasting a 50-year record of safety, accuracy and security.

ProSang's growth has been marked not only by technological innovation, but by its expansion into new fields. The system was designed to support all aspects of blood management and has evolved to include the management of stem cells, transplantation and other tissues within its comprehensive process.

CSAM took notice of ProSang's past success and future potential, believing it was a strong fit with their long-term strategic goals.

- When considering a new acquisition, CSAM looks for a winning combination of customers, code and competence, said Bruun. - ProSang fit all of these criteria, and importantly, provided us with an

important opportunity to expand into a new domain, strengthening our position as a leader in niche eHealth solutions.

First, ProSang had an impressive customer base with long-term recurring revenue. The ProSang team had done an incredible job cultivating a roster of loyal and satisfied customers, with the solution operating in five countries, at more than 180 blood centres, in 26 healthcare regions.

- Over the years, ProSang's customer-base has grown exponentially as the system launched new developments, expanded into new fields, and broadened its reach into new markets, said Wiman.
- Today, the software is involved in most blood, cell and tissue donations within the Nordics.

Databyrån also owned the ProSang software and intellectual property, a key requirement for CSAM. Together, ProSang and CSAM's existing solutions created a broader and more compelling product offering for existing and potential customers.

Finally, Databyrån had a roster of highly talented employees with deep knowledge of the product and customers as well as long-term experience in the eHealth market.

Creating Value, the CSAM Way

CSAM's unique strength lies in its ability to not only identify and acquire the right businesses but to effectively buy, integrate and build new businesses in the eHealth market. This BIB strategy is CSAM's key to value creation, honed over multiple successful acquisitions and integrations.

- CSAM's well-established BIB strategy allows us to fully integrate acquired companies while maintaining what made those companies great – innovative solutions, satisfied customers and highly specialised teams, added Bruun.

After acquiring ProSang, CSAM set out to fully integrate the solution, customers and team into the one CSAM organisational model, bringing common processes and a commercial focus to the business.

Within 24 months, CSAM had improved profitability and margins through a combination of efficient internal processes, strategic contract management and upgrading customer software.

- In a short time, CSAM delivered a clear focus on value creation for customers, and increased profitability for shareholders, said Bruun.

“- CSAM's well-developed acquisition strategy is a vital component of the organisation's past success and future growth, said Glenn Kenneth Bruun, CSAM's Chief Strategy Officer. - Our active M&A strategy not only broadens our base of customers, solutions and highly skilled people, it amplifies opportunities for organic growth. ”



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For customers, becoming part of the CSAM family means having a strategic partner that can offer multiple, mission-critical software solutions tied to their entrenched clinical work processes. CSAM brings important resources to the acquired solutions and customers, with a strong capability in quality, compliance and product development. Customers can also benefit from add-on opportunities with CSAM's robust product offering in the connected healthcare domain, among others.

- While the cornerstones of ProSang – safety, security, cost-efficiency and reliability – have not changed, we have gained important capabilities by becoming part of the CSAM team, said Wiman. - Now, we are focused on driving the continued growth and export of CSAM ProSang in the years to come.

Accelerating M&A Activities

Looking ahead, M&As will continue to be a key growth driver for CSAM. In fact, CSAM aims to accelerate the pace and scope of M&A activities moving forward.

CSAM's active M&A strategy means the company is consistently pursuing a number of short term and long-term discussions with potential partners. After successfully acquiring and integrating several leading businesses over the past five years, more and more companies are approaching CSAM as a future home for their solutions, customers and employees.

- CSAM has built a reputation as a significant player in the acquisition market and desirable home for companies looking to take advantage of the synergies and strength that a larger, geographically diverse company can offer, said Bruun.

CSAM continues to pursue acquisitions that fit the company's long-term strategy for growth and strengthen its position as the leading provider of niche eHealth solutions in the Nordics.

Domains

Connected Healthcare

CSAM has a range of connected healthcare solutions that provide secure information sharing and collaboration across the entire healthcare value chain, from within a healthcare organisation, across healthcare providers or regions, and between healthcare professionals and their patients.

CSAM solves connectivity challenges by implementing comprehensive solutions that address both internal connectivity and cloud services that connect healthcare professionals to their patients. We provide infrastructure applications and security components, as well as workflow support for specific domains, including image management and maternity.

Medical Imaging

CSAM supports healthcare professionals and organisations across the entire management of images – from capture to storing, sharing and archiving.

Our image management solutions are suited to any medical discipline and organisations of any size – from a small clinic to large regions and national imaging networks. CSAM is at the forefront of the medical imaging domain, offering new and innovative solutions, including mobile imaging technology and secure transfer of large volume imaging files. We help healthcare professionals capture, access, and share the medical images they need, when and where they need them, so they can make the best decisions for their patients.

Women & Children's Health

CSAM has a range of maternity solutions that support expectant mothers, hospitals, and maternity clinics in the collecting, storing, and sharing of important medical information at every stage of pregnancy and beyond.

Today, all births in Norway are registered in one of CSAM's maternity systems. Our solutions provide significant value to healthcare providers across the entire maternity treatment chain, improving the flow of critical medical information, reducing the manual collection of data, and improving risk assessment. CSAM offers both specialised software for the maternity workflow, as well as cloud-based maternity care that delivers a truly integrated sharing of information between expectant mothers, maternity clinics and midwives, as well as hospitals and private doctors.

Emergency & Acute

CSAM's emergency and acute solutions provide a complete and integrated system that supports the professionals who save lives in an emergency. CSAM is the only Nordic niche eHealth company with a full-scale software offering in emergency health, from the emergency call centre to the ambulance to the emergency room.

Our systems facilitate a robust and safe emergency response in the Nordics and Europe - from daily operations to major incidents - by ensuring that emergency response professionals at all levels have the right information at the right time so they can make the best decisions possible.

Medication Management

CSAM's leading oncology medication management solution, CSAM Cytodose, is a decision support and medication management software that uses clinically validated protocols and patient parameters to deliver safe and effective treatment for oncology patients.

Our medication management solution is designed to support all aspects of medical care for cancer patients, with seamless integration flow between prescribers, pharmacies, and nurses. It provides support for all adult and pediatric cancers and cancer medications, including chemotherapy, immunotherapy, and hormone therapy.

Laboratory Information Management Systems (LIMS)

CSAM's advanced Laboratory Information Management System, CSAM ProSang, simplifies the entire management of blood, cells, and tissues - from donation to transfusion or transplantation.

Our LIMS solution provides comprehensive support for all aspects of blood, cell and tissue management, with full traceability from donor to recipient. It is currently used by blood centres, blood donors, transfusion laboratories, clinical immunology laboratories, transplantation laboratories and stem cell facilities. It is operating in five countries, at more than 180 blood centres, in 26 healthcare regions in the Nordics.

Blodbanken i Oslo

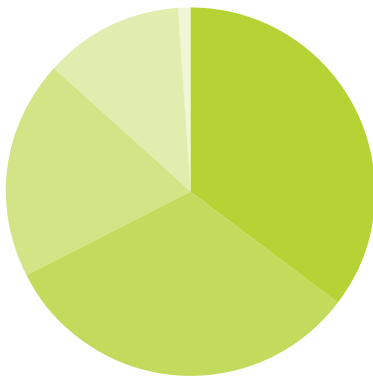
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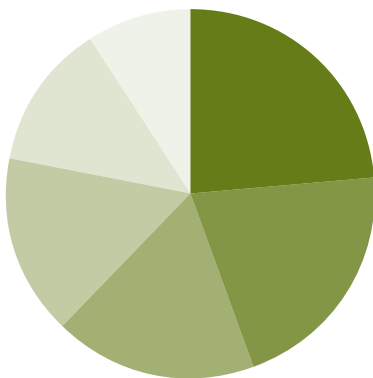
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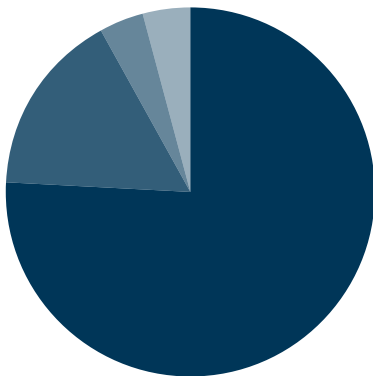
Financials

**DISTRIBUTION OF SALES, PER COUNTRY**

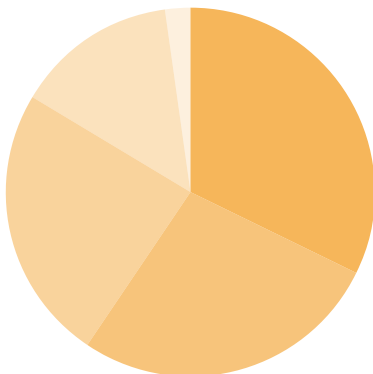
- Norway 35%
- Sweden 32%
- Finland 19%
- Denmark 12%
- Europe 1%

**DISTRIBUTION OF SALES, PER PRODUCT**

- Connected Healthcare 24%
- Women & Children's Health 21%
- LIMS 18%
- Emergency & Acute 16%
- Medical Imaging 13%
- Medication Management 9%

**DISTRIBUTION OF SALES, PER INCOME TYPE**

- Recurring Software Revenue 76%
- Professional Services 16%
- License Sales 4%
- Hardware sales 4%

**EMPLOYEES PER YE 2020 (TOTAL 168)**

- Sweden 32%
- Norway 27%
- Philippines 24%
- Finland 14%
- Denmark 2%

INCOME STATEMENT

CSAM Health Group AS, consolidated accounts

KNOK	2020	2019	Note
License sales	9 739	16 649	
Recurring Software Revenue	173 535	151 751	
Professional Services	35 817	24 837	
Other operating income	529	2 801	
Hardware	9 445	9 348	
Total Sales	229 065	205 387	
Government grants R&D (Skattefunn)	741	1 844	
Total Income	229 807	207 231	12
Cost of Goods and Services	25 683	24 693	
Salary and personnel	115 904	96 097	10,13
Other cost	30 079	50 325	13,14,17
Total Cost	171 667	171 115	
EBITDA	58 140	36 116	
EBITDA-%	25%	17%	
Depreciation	1 517	1 410	3
EBITA	56 623	34 706	
EBITA-%	25%	17%	
Amortisation of goodwill and licenses	39 360	53 720	2
Write-downs	-	-	2
EBIT	17 263	-19 014	
EBIT %	8%	-9%	
Net financials	-25 272	-18 284	5,15
Profit before tax	-8 009	-37 299	
Taxes	1 217	-1 058	11
Net profit	-9 226	-36 241	
Key ratios			
Capitalized R&D expenditure	25 708	25 949	
Capex % of total income	11.2%	12.5%	



BALANCE SHEET

CSAM Health Group AS, consolidated accounts

KNOK	31.12.2020	31.12.2019	Note
Deferred tax	39 217	30 239	11
Goodwill	85 894	101 213	2
Intangible assets	162 091	132 946	2
Total intangible assets	287 202	264 398	
Fixed durable assets	3 075	2 761	3
Total tangible assets	3 075	2 761	
Inventories	52	38	
Accounts receivables	53 514	41 250	
Other receivables	12 948	15 090	
Cash and liquid assets	304 616	22 677	7
Current assets	371 130	79 056	
Total assets	661 407	346 215	
Share capital	2 091	1 626	8,9
Share premium reserve	246 256	158 130	
Other reserves	-	-125 559	
Total equity	248 346	34 197	
Bond Loan	284 320	-	5
Long term liabilities	-	141 427	5
Other long term debt	-	28 326	5
Total long term liabilities	284 320	169 753	
Bank overdraft facility	-	17 269	
Accounts payable	11 476	11 641	
Public duties payable	20 095	18 186	
Other short term liabilities	97 170	95 170	5
Current liabilities	128 742	142 265	
Total equity and liabilities	661 407	346 215	

CASH FLOW

CSAM Health Group AS, consolidated accounts

KNOK	2020	2019
Profit/(loss) before taxation	-8 009	-37 299
Net financial items	25 272	18 284
Depreciation and amortisation	40 877	55 130
Cash earnings	58 140	36 116
Changes in accounts receivables	-12 254	-622
Changes in accounts payables	-164	-879
Changes in other current receivables/liabilities	-16 770	20 959
Taxes paid	-	-3 324
Cash flow from operating activities	28 952	52 251
Capital Expenditure IP	-25 708	-25 949
Capital Expenditure other	-1 830	-702
Acquisitions	-	-18 259
Cash flow from investing activities	-27 538	-44 910
Dividend paid	-80 000	-4 200
Proceeds from new shares issue	288 499	1 125
Change in Debt	97 298	14 520
Net financial items	-25 272	-14 031
Cash flow from financing activities	280 525	-2 586
Net change in cash and cash equivalents	281 939	4 755
Cash and cash equivalents at start of the period	22 677	17 922
Cash and cash equivalents at end of the period	304 616	22 677



INCOME STATEMENT

CSAM Health Group AS

KNOK	2020	2019	Note
Total Income	6 693	-	12
Cost of Goods and Services	-	-	
Salary and personnel	218	-	10,13
Other cost	5 701	3 946	6,13,14,17
Total cost	5 919	3 946	
EBITDA	774	-3 946	
Depreciation	-	-	3
EBITA	774	-3 946	
Amortisation of goodwill and licenses	-	-	2
Write-downs	-	-	
EBIT	774	-3 946	
Interest received, group companies	5 134	4 175	6
Other interest expenses	5 152	1 087	15
Other finance expenses	170	208	
Net Financials	-187	2 880	
Profit before tax	587	-1 066	
Taxes	129	-235	11
Net profit	458	-832	

BALANCE SHEET

CSAM Health Group AS

KNOK	31.12.2020	31.12.2019	Note
Deferred tax	13 894	5 993	11
Goodwill	-	-	
Intangible assets	-	-	
Total intangible assets	13 894	5 993	
Shares in subsidiaries	115 147	115 147	4
Total financial fixed assets	115 147	115 147	
Accounts receivables	-	50	
Short term receivables, group companies	278 798	41 356	6
Other receivables	322	-	
Cash and liquid assets	263 018	239	7
Current assets	542 138	41 645	
Total assets	671 179	162 784	
Share capital	2 091	1 626	8,9
Share premium reserve	374 194	158 130	9
Other reserves	2 910	2 452	9
Total equity	379 194	162 208	
Bond Loan	284 320	-	5
Long term liabilities	-	-	
Other long term debt	-	-	
Total long term liabilities	284 320	-	
Accounts payable	1 123	576	
Public duties payable	80	-	
Other short term liabilities	6 463	-	5
Current liabilities	7 664	576	
Total equity and liabilities	671 179	162 784	

CASH FLOW

CSAM Health Group AS

KNOK	2020	2019
Profit/(loss) before taxation	587	-1 066
Net financial items	187	-2 880
Depreciation and amortization	-	-
Cash earnings	774	-3 946
Changes in accounts receivables	50	-50
Changes in accounts payables	547	394
Changes in other current receivables/liabilities	6 218	-1 538
Taxes paid	-	-
Cash flow from operating activities	7 589	-5 140
Loan to subsidiaries	-237 442	-
Cash flow from investing activities	-237 442	-
Dividend paid	-80 000	-
Proceeds from new shares issue	288 499	16 242
Change in Debt	284 320	-13 772
Net financial items	-187	2 880
Cash flow from financing activities	492 632	5 349
Net change in cash and cash equivalents	262 779	209
Cash and cash equivalents at start of the period	239	30
Cash and cash equivalents at end of the period	263 018	239

Financial Notes

Note 1 - Accounting principles

Ownership and company structure

The company was established on 14 March 2012 by one part of previous owners who had used shares in this company as non-cash contributions in CSAM Health Group AS. At the same time, the company acquired the remaining 49.38% of the shares in CSAM Health AS from the other owners, so that the company owns 100% of the shares in CSAM Health AS.

CSAM Health AS owns 100% of the shares in CSAM Sweden AB, in Sweden.

CSAM Health AS owns 100% of the shares in CSAM Prosang AB, in Sweden.

CSAM Health AS owns 100% of the shares in CSAM Finland Oy, in Finland.

CSAM Health AS owns 100% of the shares in CSAM (UK) Ltd, in England.

CSAM Health AS owns 99.995% of the shares in CSAM Philippines Inc, in the Philippines.

CSAM Health AS owns 100 % of the shares in CSAM Arcid AS, in Norway.

CSAM Health AS owns 100 % of the shares in CSAM Denmark A/S, in Denmark.

CSAM (UK) Ltd owns 100% of the shares in CSAM Health UK Ltd.

CSAM Prosang AB owns 100% the shares in CSAM Karlstad AB.

CSAM Sweden AB owns 100 % of the shares in CSAM Fertsoft AB, which was acquired in 2020.

CSAM Finland Oy owns 100 % of the shares in CSAM Kibi Finland Oy.

Accounting principles

The Annual financial statements, together with consolidated financial statements, have been prepared under the Norwegian accounting act of 1998 and generally accepted accounting principles in Norway.

Subsidiaries/associated companies

Investments made by the parent company in the subsidiary are assessed according to the cost method.

The investment is valued at the acquisition cost of the shares unless a write-down has been necessary.

A write-down to fair value is carried out when the impairment is attributable to causes not deemed to be temporary, and where such action is deemed necessary per generally accepted accounting practice. Impairments are reversed when the basis for the impairment no longer exists.

Dividends and other distributions are recognised as income in the same year that they are proposed in the subsidiary. If the dividend exceeds the share of retained earnings after the acquisition, the excess share is deemed to represent repayment of the invested capital, and the distributions are deducted from the value of the investment in the balance sheet.

Consolidation principles

The consolidated financial statements comprise the parent company CSAM Health Group AS and companies in which the company has a controlling influence, directly or indirectly, regardless of company type.

The consolidated accounts are prepared according to uniform principles for the entire group. Internal transactions, profits, receivables, and liabilities are eliminated. The cost price for shares and shares in subsidiaries is eliminated in the consolidated financial statements against the equity in the subsidiary measured at the time of establishment or purchase (acquisition method).

Excess values are allocated to the assets concerned and are amortised over the estimated economic life of the assets. An excess value that cannot be attributed to specific assets is classified as goodwill and amortised over the expected economic life.

Translation of foreign subsidiaries

For the translation of foreign subsidiaries, balance sheet items are translated at the exchange rate on the balance sheet date. Income statement items are translated at the average exchange rate for the financial year. Currency differences on translation are recognised directly in equity.

Use of estimates

When preparing the annual accounts per good accounting practice, the best estimate is used based on the information that is available when annual accounts are presented. Consequently, actual figures may differ from the estimates. The effects of changes in accounting estimates are recognised in the income statement in the period in which the estimate changes. Contingent liabilities which are probable and quantifiable are expensed on an ongoing basis.

The general rule for valuation and classification of assets and liabilities

Assets intended for permanent ownership or long-term use are classified as fixed assets. Other assets are classified as current assets. Receivables to be repaid within one year are classified as current assets. Similar criteria are used when classifying current and long-term liabilities.

Fixed assets are recorded at acquisition cost with deductions for planned depreciation. If the fair value of fixed assets is lower than recorded value, and the write-down is not deemed to be temporary, the assets are written down to fair value. Current assets are valued at the lower of cost and fair value.

Receivables

Trade and other receivables are recognised at nominal value in the balance sheet, reduced by provisions for expected bad debts. Bad-debt provisions are based on an individual assessment of each receivable.

Foreign currencies

Foreign currency transactions are recognised at the exchange rate on the transaction date. Balance sheet items in foreign currency are valued at the exchange rate at the end of the financial year.

Intangible assets - licenses

The basis for capitalization of own licenses is the time elapsed to develop products that are not made for or on behalf of a particular customer. Capitalised amounts are depreciated on a straight-line basis over the period the product is expected to have value. A product version is amortised from the day the product is considered ready for sale, and one or more customers have approved the installation of the solution.

If there is an indication of a write-down, an impairment-test is performed. If the fair value of own licenses is lower than the book value and the impairment is not expected to be temporary, a write-down is made to fair value. Acquired licenses are amortised over the estimated economic life of the product. If the fair value of acquired licenses is lower than the book value, and the impairment is not expected to be temporary, the license values are written down to fair value.

Financial debt

Loans are recognised at fair value when the payment of the loan takes place, transaction costs deducted. In subsequent periods, loans are recognised at amortised cost using the effective interest method. The difference between the loan amount paid (principal at the time of withdrawal, transaction costs deducted) and the redemption value is recognised in the income statement over the term of the loan as part of the loan's effective interest cost. Loans are classified as short-term unless the company/group has an unconditional right to postpone settlement of the liability for at least 12 months after the balance sheet date.

Sales revenues

CSAMs revenues mostly consist of Software related income. Some consultancy services are provided to customers in conjunction with installation, training and integration in the customer's operating environment. In addition, there is some sale of specialised hardware used to run CSAM's software, e.g. special tablets used in ambulances. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts. The Company's customers are mainly hospitals in the Nordics.

Some contracts contain several commitments. For the contracts that contain several components, the revenue is distributed proportionally to the different components of the contract. In general, invoices are paid within 30 days from issuance.

License Sales

Most sales are made according to the classic "license and maintenance" model and installed on premise. License Sales is classified as a software license where the customer is provided with a right to use the software as it is when made available to the customer. Revenues from this license is recognised at the point in time when the installation of the software passes contractual milestones.

Recurring Revenue (Service & Maintenance)

This type of income is related to the fact that the software is installed at the customer's and he has the right to

use the software according to the license agreement. A small portion of CSAM's recurring revenue is related to software sold as a cloud service license ("software as a service") which entitles the customers to use the software together with the Group's IP and production network over the contract period.

Recurring revenues are recognised over time on a straight-line basis over the year. Invoices are typically generated on an annual, semi-annual or quarterly upfront basis. A minor part of such revenues are invoiced monthly in arrears.

Professional Services

Revenue from the sale of Professional Services (i.e. consultancy) consists of services such as service and customisation of products, these are reported during the period of which the service is provided, measured on a percent of completion basis for fixed contracts or routinely for ongoing routine deliveries.

Hardware Sales

Sales of hardware is typically recognised as income when the physical product is delivered at the customer's site.

Taxes

The tax expense in the income statement comprises both taxes payable for the period and changes in deferred tax liabilities/benefits. Deferred tax is calculated as 22% of the basis of temporary differences that exist at the end of the financial year between the accounting and tax written-down values, and tax loss carried forward. Tax-reducing and tax-increasing temporary differences that reverse or could reverse in the same period are set off. Net deferred tax benefits that are considered to be utilised in the future are recognised as intangible assets.

Government grants

CSAM Health AS receives government grants from "SkatteFUNN" related to research and development. A part of the yearly grant, equivalent to the sum of manhours recognised as work in progress of the product under development that has received the grant, is recognised as unearned income, and amortised over five years from the year after the grant. This part of the grant is recognised as other income. The remaining grant is recognised as a reduction of personell expenses or operating costs depending on which costs are the basis for the grant, in accordance with norwegian accounting regulation.

Related parties

CSAM Health AS, as well as the board and the management of the company, are considered to be group's related parties. Furthermore, the subsidiaries of CSAM Health AS are also considered as related parties. All transactions with related parties are based on the arm's length principle.

Cash flow statement

The cash flow statement has been prepared following the indirect method.

Cash and cash equivalents include cash, bank deposits, and other current liquid investments.

Note 2 - Intangible Assets

CSAM Health Group AS, Consolidated Accounts	Software, acquired	Software, developed	Customer contracts	Goodwill	Total
Acquisition cost at 01.01.20	44 321	162 781	37 587	193 993	438 682
Additions during the year		25 708			25 708
Additions from acquired companies	4 919	1 915	2 084		8 918
Currency effect on opening balance	3 261	10 268	2 701	3 896	20 126
Acquisition cost at 31.12.20	52 501	200 672	42 372	197 889	493 435
Accumulated amortisation as at 31.12.20	18 951	106 872	7 632	111 995	245 449
Book value at 31.12.20	33 550	93 801	34 740	85 894	247 985
Amortisation charge for the year 2020	5 016	14 355	774	19 215	39 360
Write-downs 2020	-	-	-	-	-
Linear amortisation method; amortisation period:	5 years *	5 years*	10 years**	10 years	
Linear amortisation method; amortisation period:	10 years	10 years	10 years	5 years	*)

*) CSAM's software, developed and acquired, are amortised over five years from the approved delivery of a new product or new product version to the first customer. The Group changed the amortisation period from three to five years as of 1.1.2020. The amortisation period is assessed for the number of years the program version provides income by delivery of 1-2 upgrades of the product per year.

**) CSAM changed the amortisation period of customer contracts from five to ten years as of 01.01.2020.

Goodwill is primarily related to the fact that one has acquired access to existing customer networks, partners and framework agreements that can be utilised to achieve increased sales for the entire group. The health sector is considered to be a market where growth is expected in the development of IT solutions/applications over a long period. Based on this, it is likely that one can utilise established positions to create results for several years to come. CSAM Health AS has thus paid, partially, for expected future earnings from the acquisitions of the eHealth products in the Swedish companies Databyrån AB and Mawell Sverige AB, as well as the Finnish companies Mawell Oy and the Mediware Oy, in addition to Amis, Natus and Clinsoft AS. This goodwill is considered to amortise over ten years, based on experience and sales in this sector having a long-term perspective. In 2018 CSAM Karlstad acquired an ambulance software solution of Saab AB. In 2019 CSAM Arcid AS and CSAM Kibi AB Group were acquired. In 2020 Fertsoft AB was acquired.

Note 3 - Tangible fixed assets

Tangible fixed assets	Software	Fixtures & fittings	Computer equipment	Total
Acquisition cost at 01.01.20	386	3 816	8 543	12 746
Additions during the year	-		1 863	1 863
Additions due to acquisition of Fertsoft AB			64	64
Disposal of the year			(96)	(96)
Acquisition cost at 31.12.20	386	3 816	10 374	14 576
Accumulated depreciation as at 31.12.20	386	3 014	8 101	11 501
Booked value as at 31.12.20	-	802	2 273	3 075
Depreciation charge for the year 2020		376	1 141	1 517
Linear depreciation method; depreciation period:	3 years	5 years	3 years	
Write-downs 2020	-	-	-	-
Linear amortisation method; amortisation period:	10 years	10 years	10 years	

Note 4 - Subsidiaries

CSAM Health Group AS owns shares in the following companies:

	Acquisition	Business office	Owner's share	Voting rights
CSAM Health AS	Mars 2012	Oslo, Norge	100%	100%

Investments in the subsidiary are accounted for using the cost method:

Company name	Number of shares	Book value as at 31.12.2020	Equity as at 31.12.2020	Company's result 2020
CSAM Health AS	5 000 000	115 147	35 986	(2 049)

CASAM Health AS owns shares in the following companies:

	Acquisition	Business office	Owner's share	Voting rights
CSAM Philippines Inc	June 2005	Cebu, Filippinene	99,995 %	99,995 %
CSAM (UK) Ltd	November 2008	Warwickshire	100%	100%
CSAM Sweden AB	January 2016	Solna	100%	100%
CSAM Finland OY	January 2016	Oulo	100%	100%
CSAM Prosang AB	November 2017	Solna	100%	100%
CSAM Arcid AS	March 2019	Tromsø	100%	100%
CSAM Denmark A/S	May 2019	Herlev	100%	100%
CSAM Fertsoft AB	December 2020	Uppsala	100%	100%

Investments made by the parent company in the subsidiary are accounted for using the cost method.

Note 5 - Receivables and liabilities

CSAM Health Group AS and group companies

Long-term liabilities	CSAM Health Group AS		CSAM Health Group consolidated	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Long-term loan from Cordet	-	-	-	141 427
Other long term debt from acquisitions	-	-	-	28 326
Bonds	284 320	-	284 320	-
Total	284 320	-	284 320	169 753

CSAM Health Group issued a bond loan in the end of September 2020. The bond is listed on the Oslo Stock Exchange ABM. The bond matures four years from issuance and has a tap issue of 200 million.

CSAM Health AS had per 31.12.19 a long-term loan from Cordet. The loan balance was MNOK 126.1 as of 31.12.19 and consisted of a tranche in NOK, a tranche in SEK and a tranche in EUR. This loan was repaid in 2020. CSAM Sweden AB had per 31.12.19 a long-term loan from Cordet. The loan balance was MNOK 15.3 as of 31.12.19 and consisted of a tranche in EUR. The Loan was repaid in 2020. CSAM Sweden AB has settled the debt of 28.3 MNOK to former owners of CSAM Kibi AB Group in 2020.

Other short-term debt	CSAM Health Group AS		CSAM Health Group Consolidated	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Invoiced, not earned income and prepayment from customers	-	-	66 176	53 276
Debt to previous owners of Arcid AS	-	-	5 671	10 022
Debt to previous owner of Kibi AB	-	-	-	3 252
Debt to previous owner of Fertsoft AB	6 261	-	6 261	-
Accrued payroll and other short-term items	200	-	19 062	28 620
Total	6 461	-	97 170	95 169

Mortgages and collaterals

CSAM Health Group AS has pledged its bank accounts, intercompany claims, material insurances, trade receivables, inventory, machinery and plant, each in the amount of MNOK 600, and all of the shares in CSAM Health AS in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for its obligations under the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738."

Booked value of account receivables in CSAM Health Group AS per 31.12.20 is 0.

Booked value of inventory in CSAM Health Group AS per 31.12.20 is 0.

Booked value of tangible fixed assets in CSAM Health Group AS per 31.12.20 is 0.

CSAM Health AS has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances, inventory, machinery and plant, each in the amount of MNOK 600, and all of the shares in CSAM Arcid AS, CSAM Prosang AB, CSAM Sweden AB and CSAM Finland Oy in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738". Additionally, CSAM Health AS has pledged its trade receivables in favour of Nordea Bank Abp, filial i Norge in the amount of MNOK 25.

CSAM Arcid AS has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances, trade receivables, inventory, machinery and plant, each in the amount of MNOK 600, in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738".

CSAM Prosang AB has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances, business mortgages, and all of the shares in CSAM Karlstad AB in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738".

CSAM Karlstad AB has issued a guarantee and pledged its bank accounts, intercompany claims and material insurances in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738".

CSAM Sweden AB has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances, and business mortgages in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738".

CSAM Finland Oy has issued a guarantee and pledged its bank accounts, intercompany claims, material insurances and enterprise mortgage certificates in favour of Nordic Trustee AS (as bond trustee on behalf of the bondholders) as security for the "CSAM Health Group AS FRN senior secured NOK 500,000,000 bonds 2020/2024 bond loan with ISIN NO 0010893738".

Note 6 - Intercompany balances and related party transactions

CSAM Health Group AS

	CSAM Health AS		CSAM Sweden AB		Total	Total
Transactions	2020	2019	2020	2019	2020	2019
Administration services purchased	438	438	-	-	438	438
Consulting services purchased	4 707	2 893	-	-	4 707	2 893
Interest income	5 134	4 175	-	-	5 134	4 175
Assets and liabilities as per 31.12.	2020	2019	2020	2019	2020	2019
Short-term receivables	272 223	41 356	6 575	-	278 798	41 356

Note 7 - Cash and cash equivalents

Restricted cash	CSAM Health Group AS		CSAM Health Group Consolidated	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Tax withholding	-	-	2 398	2 364
Total restricted cash	-	-	2 398	2 364

Note 8 - Share capital and shareholder information

	Number of ordinary shares	Per value	Capitalised value
Ordinary shares	20 905 157	0,1	2 091
Total	20 905 157	0,1	2 091

The company has the following shareholders:	Number of ordinary shares	Owner's share	Voting rights
Ehealth As	2 413 851	11,55%	11,55%
Qevirp 47 Limited	2 093 314	10,01%	10,01%
Equilibrium As	1 888 501	9,03%	9,03%
Morgan Stanley & Co. Llc	1 239 105	5,93%	5,93%
Skandinaviska Enskilda Banken Ab	1 071 428	5,13%	5,13%
Skandinaviska Enskilda Banken Ab	999 000	4,78%	4,78%
The Bank Of New York Mellon Sa/Nv	938 468	4,49%	4,49%
The Northern Trust Comp, London Br	800 000	3,83%	3,83%
Rødningen Consulting As	793 385	3,80%	3,80%
J.p. Morgan Bank Luxembourg S.a.	596 136	2,85%	2,85%
Hsbc Bank Plc	550 000	2,63%	2,63%
Clearstream Banking S.a.	500 920	2,40%	2,40%
Explicatio As	490 122	2,34%	2,34%
Tunium As	490 122	2,34%	2,34%
Verdipapirfondet Norge Selektiv	475 274	2,27%	2,27%
Sint As	448 002	2,14%	2,14%
Skandinaviska Enskilda Banken Ab	443 790	2,12%	2,12%
Avanza Bank Ab	406 945	1,95%	1,95%
Jpmorgan Chase Bank, N.a., London	319 500	1,53%	1,53%
Danske Bank A/S	298 124	1,43%	1,43%
Other	3 649 170	17,46%	17,46%
Total	20 905 157	100,00%	100,00%

Shares held by Board of Directors and Executive Management	Title	Owner's share
Sverre Flatby	Chief Executive Officer	9,78%
Einar Tørris Bonnevie	Chief Financial Officer	9,78%
Åse Aulie Michelet	Chair	0,05%
Mats Ivar Larson	Board member	0,01%

Note 9 - Equity

CSAM Health Group AS				
	Share capital	Share premium	Other equity	Total
Equity at 01.01.2020	1 626	158 130	2 452	162 208
Equity issue	465	324 535		325 000
Transaction costs included tax		(28 471)		(28 471)
Extraordinary dividend		(80 000)		(80 000)
Net profit/(loss) for the year			458	458
Equity at 31.12.2020	2 091	374 194	2 910	379 194

CSAM Health Group Con-solidated				
	Share capital	Share premium	Other equity	Total
Equity at 01.01.2020	1 626	158 130	(125 559)	34 197
Equity issue	465	324 535		325 000
Transaction costs included tax		(28 471)		(28 471)
Extraordinary dividend		(80 000)		(80 000)
Net profit/(loss) for the year	-	-	(9 226)	(9 226)
Translation differences	-	-	6 846	6 846
Distribution	-	(127 938)	127 938	-
Equity at 31.12.2020	2 091	246 255	-	248 346

Note 10 - Pensions

CSAM Health Group AS has no employees and no pension scheme. CSAM Health AS is required to have a contribution plan in accordance with the Norwegian Law on Required Occupational Pension. The company's pension scheme meets the requirements for all employees in Norway. In addition, voluntary pension agreements have also been signed in the subsidiaries, where each company participates with part of the contributions.

Note 11 -Tax

CSAM Health Group AS		
Payable tax	2020	2019
Profit/loss before taxes	587	(1 066)
Permanent differences (transaction costs)	(36 501)	-
Change in temporary differences	(15 680)	-
The year's tax base	(51 594)	(1 066)
Payable tax	-	-
Total tax payable	-	-

	CSAM Health Group AS		CSAM Health Group Consol- idated	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Temporary differences				
Tangible fixed assets	-	-	(48 128)	(43 217)
Borrowing costs	15 680	-	15 680	6 543
Non-deductible interest	-	-	(10 919)	(12 669)
Deferred tax loss/profit	-	-	33 894	42 367
Unearned income (Skattefunn)	-	-	(4 724)	(3 459)
Tax losses carried forward	(78 833)	(27 239)	(223 440)	(190 115)
Total temporary differences	(63 154)	(27 239)	(237 638)	(200 550)
Calculated deferred tax/(deferred tax benefit)	(13 894)	(5 993)	(64 241)	(42 912)
Of which deferred tax asset that is not capitalised	-	-	25 024	12 673
Other tax-increasing effects	-	-	-	-
Deferred tax/(deferred tax benefit)	(13 894)	(5 993)	(39 217)	(30 239)
Explanation of this year's tax expense:				
Change in deferred tax	(7 901)	(235)	(8 716)	(1 981)
Change in deferred tax related to transaction costs	8 030	-	8 030	-
Tax payable	-	-	1 903	922
This year's tax expense	129	(235)	1 217	(1 059)

Deferred tax benefit not capitalised

Entity	Country	Tax loss carried forward	Tax rate	Deferred tax benefit not capitalised
CSAM Health UK	United Kingdom	9 942	19%	1 889
CSAM Uk Ltd	United Kingdom	34 644	19%	6 582
CSAM Denmark AS	Denmark	13 765	22%	3 028
Total		58 351		11 500

Note 12 - Operating Income

	CSAM Health Group AS		CSAM Health Group Consolida- dated	
	2020	2019	2020	2019
Geographical distribution				
Norway	-	-	77 751	67 431
Sweden	6 693	-	77 391	67 528
Denmark	-	-	27 431	30 385
Finland	-	-	43 556	37 115
Spain	-	-	-	141
Estonia	-	-	169	597
Latvia	-	-	662	527
Iceland	-	-	1 660	1 647
UK	-	-	571	15
Germany	-	-	53	-
Sum	6 693	-	229 065	205 387

	CSAM Health Group AS		CSAM Health Group Consolidated	
Sales pr product group	2020	2019	2020	2019
Connected Healthcare	-	-	49 283	46 598
Women & Children's Health	-	-	43 712	37 011
LIMS	-	-	38 218	37 676
Emergency & Acute	-	-	32 785	34 021
Medical Imaging	-	-	26 215	28 102
Medication Management	-	-	17 876	12 886
Other	6 693	-	20 977	9 093
SUM	6 693	-	229 065	205 387

Note 13 - Payroll costs, number of employees, management remunerations and remuneration to the auditor

Payroll expenses	CSAM Health Group AS		CSAM Health Group Consolidated	
	2020	2019	2020	2019
Wages	-	-	115 800	98 661
Capitalised payroll, intangible assets	-	-	(25 708)	(26 702)
Government grant ("SkatteFUNN-fundings")	-	-	(2 509)	(4 128)
Pension costs	-	-	8 411	9 495
External board member fees	200	-	200	-
Social security tax	18	-	17 813	15 300
Other payroll-related costs	-	-	1 897	3 470
Total	218	-	115 904	96 097
Average number of employees	-	-	168	161

Remuneration to CEO	2020	2019
Salary	2 498	2 938
Bonus	960	960
Other	23	23
Pension	10	10
Total	3 491	3 931

The chief executive officer is required to give six months' notice of resignation on either side. Beyond that, the company has no other obligations towards the chief executive officer as of 31.12.2020.

CSAM Health Group AS

The daily operations are managed through employees of CSAM Health AS, and are invoiced from CSAM Health AS in the appropriate time period. There are no loans or guarantees to the group CEO, to members of the board or to executive personnel.

Fees to auditor (amount net of VAT):	CSAM Health Group AS		CSAM Health Group Consolidated	
	2020	2019	2020	2019
Statutory audit	17	19	1 285	1 097
Technical accounting and tax counselling	291	224	660	635
Other services	23	42	45	62
Total fees to the auditor	17	19	1 285	1 097

Note 14 - Other operating costs

Other operating costs are distributed as follows	CSAM Health Group AS		CSAM Health Group Consolidated	
	2020	2019	2020	2019
Rental costs	-	-	12 505	13 464
Data equipment, software etc.	-	-	4 111	4 254
Miscellaneous foreign services, legal services and audit	5 701	3 939	5 435	10 306
Office, seminars and telephony costs	-	-	2 980	3 435
Travel and car expenses	-	7	2 210	6 158
Advertising, marketing og exhibitions	-	-	1 490	1 877
Other	-	-	1 348	10 830
Total other operating costs	5 701	3 946	30 079	50 325

Note 15 - Other financial costs

Other interest expenses are distributed as follows	CSAM Health Group AS		CSAM Health Group Consolidated	
	2020	2019	2020	2019
Interest on liabilities to credit institutions	-	-	387	220
Amortisation of loan expenses	-	-	7 051	2 252
Other interest expenses	5 152	1 087	17 873	15 623
Total other interest expenses	5 152	1 087	25 312	18 095

Note 16 - Financial market risk

The Group does not make use of financial instruments in connection with the management of financial risk, but relies on natural hedging as the Group has income and cost in reasonable proportion in the same currencies.

Interest rate risk

Cash flows related to the company's loan obligations are affected by interest rate changes in NIBOR. Based on the book capital as of 31.12.2020, 1 percentage point change in these interest rates affects cost with about NOK 3 million before tax.

Foreign currency risk

Fluctuations in exchange rates entail both direct and indirect financial risks for the company. There are no agreements that reduce this risk as at 31.12.2020.

The Group has income and cost in NOK, SEK, DKK, EUR and GBP, which represents an indirect hedge against currency fluctuations.

It is decided to leave the cost in PHP unhedged. In conjunction with the Covid-19 outbreak in March 2020, we experienced unusual movements of the NOK against our trading currencies.

The Group had long term debt in NOK, SEK and EUR until September 2020, when the previous loan agreement with Cordet Capital was replaced through the proceeds from the issue of CSAM01 PRO. The amount of capital raised through the bond issue was 300 MNOK, and by this the currency risk related to financing was eliminated.

On consolidation, the following exchange rates are used:

Company	Currency	2020	Closing rate 31.12.	Currency	2019	Closing rate 31.12.
		Average rate			Average rate	
CSAM Prosang AB	SEK	1,0220	1,0435	SEK	0,9297	0,9442
CSAM Sweden AB	SEK	1,0220	1,0435	SEK	0,9297	0,9442
CSAM Karlstad AB	SEK	1,0220	1,0435	SEK	0,9297	0,9442
CSAM Kibi AB	SEK	1,0220	1,0435	SEK	0,9297	0,9442
CSAM Kibi Sverige AB	SEK	1,0220	1,0435	SEK	0,9297	0,9442
CSAM Philippines Inc	PHP	0,1891	0,1771	PHP	0,1681	0,1734
CSAM (UK) Ltd	GBP	12,0635	11,6462	GBP	11,2362	11,5936
CSAM Health UK Ltd	GBP	12,0635	11,6462	GBP	11,2362	11,5936
CSAM Finland OY	EUR	10,7258	10,4703	EUR	9,8759	9,8638
CSAM Kibi Finland OY	EUR	10,7258	10,4703	EUR	9,8759	9,8638
CSAM Denmark A/S	DKK	1,4389	1,4071	DKK	1,3258	1,3202
CSAM Fertsoft AB	SEK	1,0220	1,0435			

Note 17 - Non-current liabilities

Research and development

The CSAM Health Group has been involved in four projects approved by the Research Council of Norway for "SkatteFUNN" government grants in 2020.

Please refer to note 1 for a description of the accounting treatment of such government grants. The table below show the amounts recognised in the income statement and the balance sheet statement for the current and prior financial year.

	2020				2019	
	CSAM Health AS	CSAM Arcid AS	CSAM Health Group AS	CSAM Health AS	CSAM Arcid AS	CSAM Health Group AS
Other Income	706	35	741	1 844	-	1 844
Reduced personnel expenses	(2 180)	(328)	(2 509)	(3 843)	(284)	(4 127)
SkatteFUNN Grant-receivable as per 31.12	4 035	827	4 862	5 000	465	5 465
Deferred SkatteFUNN as per 31.12	(4 080)	(644)	(4 725)	(2 932)	(180)	(3 112)

The group company has following rental and leasing contracts of significance:

	Annual cost (NOK 1 000)	Contract expiry	Applies to entity
Rental costs Norway	3 742	14/08/2024	CSAM Health AS
	283	Ongoing	CSAM Arcid AS
Rental costs Denmark	135	Ongoing	CSAM Denmark A/S
Rental costs Philippines	562	Ongoing	CSAM Philippines Inc
Rental costs Finland	1 105	Ongoing	CSAM Finland OY
	344	Ongoing	CSAM Kibi Finland OY
Rental costs Sweden	3 290	31/10/2024	CSAM Prosang AB
	1 178	30/04/2023	CSAM Karlstad AB
	340	Ongoing	CSAM Fertosft AB

Note 18 – Subsequent events /Provisions

CSAM Health Group AS' subsidiary CSAM Sweden AB signed an Agreement 15. February 2021 to acquire 100% of the shares in Carmenta Public Safety AB, org-nr. 556928-2774. Carmenta Public Safety provides complete software solutions for managing every aspect of emergency response. The company's core products include CoordCom – a comprehensive 112 and emergency response system, and ResQMobile – emergency response software for emergency vehicles. The business is headquartered in Gothenburg, with approximately 50 employees based in Sweden and Spain. Carmenta's Public Safety business is a key complement to CSAM's leading portfolio of emergency and acute solutions, allowing CSAM to offer even more value to new and existing customers in this important domain. The acquisition is based on an agreed enterprise value of 150 MSEK on a cash-free and debt-free basis. The acquisition has been settled in cash. Both signing and closing of the acquisition took place 15 February 2021.

20. April 2021, CSAM Health Group AS successfully completed a tap issue of NOK 200 million under the Company's existing senior secured bond with maturity date 25 September 2024 and ISIN NO 0010893738. The tap issue was completed at an issue price of 103.5% of the nominal amount, corresponding to an implied coupon of approximately 3m NIBOR + 390bps. Following settlement, the outstanding amount under the bond will be NOK 500million.

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