



INTERIM REPORT
January 1 - March 31, 2022

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INTERIM REPORT

January - March 2022

First quarter, January 1, 2022 - March 31, 2022 in summary

- Net sales increased to SEK 1.8 M (1.3).
- EBITDA totaled SEK -26.9 M (-13.0).
- Operating income totaled SEK -28.0 M (-13.8).
- Profit after tax was SEK -27.8 M (-13.9).
- Earnings in the period totaled SEK -27.8 M (-13.9).
- Earnings per share was SEK -0.8 (-6.8).
- Cash flow from operating activities was SEK -35.4 M (-14.3).

Events in period

- On February 9, the company announced that a review of the health economics of the Coala Heart Monitor Pro, carried out by the Swedish Dental and Pharmaceutical Benefits Agency, had demonstrated that the device was cost effective.
- On February 23, the company announced its intention to carry out a fully guaranteed rights issue of approximately SEK 150 M.
- In March, Johan Eckerdal started the position as VP R&D.
- On March 14, the company gave an update of the business progress in the US and that it had signed contracts with 10 new clinics during the first quarter.
- On March 14, the Extraordinary General Meeting resolved to authorize the Board to increase the share capital to carry out a new share issue and to introduce an incentive program in the form of options.
- On March 15, the company published its Annual Report for 2021.

- On March 17, the board of directors resolved to proceed with a fully guaranteed rights issue of approximately SEK 150 M.
- On March 24, the company published the prospectus related to a fully guaranteed rights issue.

Events after the end of the period

- On April 13, the company announced a resolution of a fully guaranteed rights issue of approximately SEK 150 M.
- On April 15, the company announced that it received FDA 510k clearance for remote lung auscultation and enhanced ECG algorithm.
- In April, the company reported that the Coala Heart Monitor had been recommended by the Medical Technology Product Council for introduction into clinical use in Sweden.
- On April 26, the company gave notice to attend the Annual General Meeting on May 30.

Contact information

CEO, Dan Pitulia	+46 70 972 08 38
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This information is such that Coala-Life Group AB is required to disclose according to the EU's Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication through the agency of the above contact person on May 24, 2022, at 07:00 a.m. (CEST).

This report has been prepared in English and Swedish versions. In the event of any discrepancy between the two versions, the Swedish report shall prevail.

Financial calendar

Interim Report, first quarter 2022	May 24, 2022
Annual General Meeting	May 30, 2022
Interim Report, second quarter 2022	August 17, 2022
Interim Report, third quarter 2022	November 16, 2022
Year-end Report 2022	February 22, 2023

Comments from the CEO

After an eventful quarter, we have progressed further in building what will become a profitable business in the US market. Great interest has been shown in Coala Life's Managed RPM and 10 new clinics connected in the quarter. After the end of the period, the Coala Heart Monitor received an additional FDA 510k clearance for remote lung auscultation and enhanced ECG algorithm. It also gained important recognition from The Swedish Medical Technology Product Council (MTP) which recommended the use of the Coala Heart Monitor in all Swedish regional councils for assessment and diagnostics of patients with suspected atrial fibrillation. During the quarter, we developed our product platform further, intensified the sales focus in the US and prepared the rights issue which was completed after the end of the period and which raised approximately SEK 150 million for Coala Life, before deduction of transaction related costs.

The expansion of our sales force in the US is progressing quickly and well. At the end of 2021, we launched a full service for remote monitoring of chronically ill patients in the home in the US, Remote Patient Monitoring (RPM), and we signed a total of 10 new agreements with clinics in the quarter. After the end of the period, at the time of writing, we have signed an additional three agreements. The target is to have connected 50 clinics in the US at the end of 2024. The clinics are expected to each generate USD 1.0 million for Coala Life annually, once full patient connection has been achieved over the course of the first 12 months. During the first quarter, these new accounts already have

a run-rate at a combined annual sales of more than SEK 10 million. Our financial target is to reach turnover of SEK 250 million in 2024 with positive operating income and to maintain a gross margin of over 80 percent. It is admittedly early, but it is pleasing to observe that we so far have delivered to plan and are in line to reach the targets.

In February, the Swedish Dental and Pharmaceutical Benefits Agency (TVL) published its review of the health economics of the Coala Heart Monitor Pro, which demonstrated that the device was cost-effective for remote monitoring and diagnosis of atrial fibrillation in primary care. The results concluded that the Coala Heart Monitor Pro gives rise to increased benefit at a lower cost than the alternatives. Several studies are also in progress on other markets, including Japan, where the results of a major ongoing clinical trial are expected to be published later this year.

After the end of the quarter, in mid-April, the Medical Technology Product Council (MTP) published its recommendation for the use of the Coala Heart Monitor in all Swedish regional councils for assessment and diagnostics of patients with suspected atrial fibrillation. The recommendation is based on an overall assessment of clinical relevance, cost-effectiveness, and data security.

In April, Coala Life received FDA 510k clearance for remote lung auscultation and enhanced ECG algorithm. The new functionality is made available immediately to existing and new users. The Coala Heart Monitor has previously been used in the US for remote lung auscultation with the support of the FDA's temporary regulations applied under Covid-19. The permanent FDA clearance broadens the opportunities



“After the end of the period, Coala Life received an additional FDA 510k clearance, for remote lung auscultation and enhanced ECG algorithm”

for care providers to use our system to monitor patients with chronic lung diseases (COPD). The prescription of the Coala Heart Monitor to this patient group is as previously, covered by the reimbursement codes for RPM.

Around 15 million Americans, mainly women, are affected by COPD, which is around twice the size of the Americans affected by atrial fibrillation.

Our main focus is the US market, with over 120 million Americans suffering from chronic cardiovascular disease. To qualify as an RPM patient, acute or chronic disease is required, which applies to almost half of the US population. We enjoy a unique position in the area of cardiac health because the Coala Heart Monitor obtained FDA clearance and is available within the RPM reimbursement system in the US.

In the US, we also see additional opportunities to accelerate our turnover and presence due to the clinics' drive towards remote monitoring of patients by external companies. This business model provides us with opportunities for improved margins by managing patient monitoring, maintaining ongoing patient contacts and ensuring correct and regular monitoring. Our monitoring center will follow patients 24/7 and report any abnormalities directly to doctors. We will also be able to handle administration and invoicing to healthcare funders, which allows clinics to focus on their core business. When we release this report we have engaged 30 clinical people. During the year we will provide

more information regarding how this operation progresses. We aim to be at the forefront in terms of further technical development and fine tuning of our system. This work was further strengthened by the recruitment of Johan Eckerdal VP R&D in January, who started his position in March. Johan has more than 20 years of experience as a development manager, project development manager and a developer of cardiovascular medical devices. Amongst other places, he has worked at St Jude Medical, and for the last five years as CTO at Zenicor Medical Systems. Johan Eckerdal has in addition to a long career in medical devices in cardiology, during recent years been at the head of new technological solutions in the field of remote arrhythmia detection and is therefore uniquely qualified to lead our R&D development.

We have gained strong market presence and are in line with our targets. Through the capital raised we have secured our intensified market penetration in the US, where we also have noted several interesting opportunities. In parallel with organic growth, we continuously monitor acquisition opportunities that would allow us to accelerate the pace. I look forward to keeping you updated about our continued journey.

Dan Pitulia
President and CEO

Coala Life in brief

The story of Coala Life started in Lund in spring 2001. Over dinner, some medical students and IT experts were discussing the problems associated with cardiac auscultation. Their frustration was palpable. Heart problems are one of the main causes of death globally, at the same time, doctors around the world are still listening to hearts with equipment invented in the mid-1800s and that has not been updated since the 1930s - the stethoscope. The low frequency sounds of the heart are difficult to hear, even with a stethoscope. Other sounds, such as breathing, also disrupt the diagnostic process. The resulting diagnosis therefore often represents a subjective assessment by the listening doctor, where the practitioner's experience becomes a critical factor. There must be a better way.

That is when the idea of creating the stethoscope of tomorrow was born: a solution that replaces subjectivity with objectivity, and enhances and filters sound to improve cardiac auscultation. Originally intended for doctors, it gradually became clear that the individual patient is an equally, if not more, important product user. The digital journey had begun,

and a range of experts within and outside healthcare services became involved. We continue to develop the product enthusiastically for several years. Technological progress generally benefited what would eventually become the end product. After the launch of the smartphone, apps, the cloud and wireless solutions have become commonplace.

The road forward is to connect every individual with a doctor through the cloud, with initial screening carried out by the patient in their own home with technology to enhance and filter the sound, and the doctor's response sent directly to the user's mobile. A patent application was filed and approved. The technology enables us to take on the fight against the no. 1 global cause of death, heart disease.

The next step was to combine heart auscultation technology with an ECG reading done by the patient in their own home. More patents were registered, the solution is unique globally, as there is no one else on the market that combines these two features.

Today, we operate in an evolved ecosystem that has been approved in Europe, the US and elsewhere. Over SEK 400 M has been invested in the company and the unique Coala system, which is protected by around 30 patents and represents a close fit with digitalized healthcare services.

The patient is the hub, backed up by healthcare providers ready to give a diagnosis, and where connectivity means that we are creating a huge database for medical research. The ability to expand opportunities derived from heart diagnostics into other fields where remote diagnostics can be used is what drives our progress towards achieving our vision: Winning the fight against the no. 1 cause of death globally, heart disease.

2022

- In March, Johan Eckerdal started the position as VP R&D.
- In March, the company updated its business progress in the US and signed contracts with 10 new clinics during the first quarter.
- In April, the company announced a resolution of a fully guaranteed rights issue of approximately SEK 150 M.
- In April, the company announced that it received FDA 510k clearance for remote lung auscultation and enhanced ECG algorithm.
- In April, the company reported that the Coala Heart Monitor has been recommended by the Medical Technology Product Council for introduction into clinical use in Sweden.

Revenue and earnings Coala-Life Group - Group

First quarter, January 1, 2022 - March 31, 2022

The Group's net sales totaled SEK 1.8 M (1.3) in the first quarter of the year. SEK 1.0 M is related to the new venture within the area of Remote Patient Monitoring (RPM), on a rolling 12 months basis at the end of March this business would have a turnover of around SEK 10 M. Net sales in Q1 is negatively affected by a correction of -0.2 M relating to 2021 in USA.

Gross margin for the Group was 86 percent (93).

Total operating expenses were higher in the first quarter year-on-year due to a larger sales team in the US as well as start up costs for the (RPM) business. To drive the build-up of

the RPM business, the group has entered into a cooperation agreement with an external party, in the first quarter these costs amounted to SEK 2.8 M.

Depreciation/Amortization for the first quarter totaled SEK -1.1 M (-0.8).

EBITDA amounted to SEK -26.9 M (-13.0). Operating income amounted to SEK -28.0 M (-13.8). Net financial items totaled SEK 0.2 M (-0.0). Earnings in the period amounted to SEK -27.8 M (-13.9).

Group overview

	3 months		12 months	
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Net sales, SEK M	1.8	1.3	4.5	4.1
Gross profit, SEK M	1.5	1.2	4.4	4.1
Gross margin, (%)	86%	93%	97%	100%
EBITDA, SEK M	-26.9	-13.0	-169.0	-155.2
EBITDA margin, (%)	neg.	neg.	neg.	neg.
Operating income, SEK M	-28.0	-13.8	-174.3	-160.1
Operating margin (%)	neg.	neg.	neg.	neg.
Net income for the period, SEK M	-27.8	-13.9	-164.6	-150.7
Earnings per share (weighted), SEK	-0.8	-6.8	-11.6	-25.4
Cash flow from operating activities, SEK M	-35.4	-14.3	-81.8	-60.7



Financial position and liquidity

The Group's total assets amounted to SEK 55.7 M at the end of the quarter, compared to SEK 80.2 M at the end of the previous financial year. Cash flow from changes in working capital was negative in the period at SEK -8.0 M (-0.5). Cash flow from operating activities was SEK -35.4 M (-14.3) in the period. After investments, cash flow was -16.2 M (-14.6).

Total Equity

Group equity was SEK 12.1 M at the end of the period, against SEK 52.3 M at the end of the previous financial year, implying an equity/assets ratio of 22 percent (65) at the beginning of the year.

Liquidity

The Group's cash and cash equivalents totaled SEK 29.3 M at the end of the period, compared to SEK 30.5 M at the end of the previous financial year.

Liabilities

The Group's liabilities consist of current operating liabilities such as liabilities to suppliers etc.

Investments and depreciation/amortization

Investments during the period, excluding investments and divestments in subsidiaries, totaled SEK -0.8 M (-0.2). Depreciation/amortization totaled SEK -1.1 M (-0.8). The group has started a new company that is operating within the area of Remote Patient Monitoring (RPM). The divestment of subsidiary Departments & Stores europe AB was finalized during the quarter.

Employees

The average number of full time employees and consultants in the period was 29 (27).

Transactions with related parties

There were no transactions in the financial year between the Coala Life Group and related parties that materially impacted the Group's financial position and results of operations. For more information on transactions with related parties, see the 2021 Annual Report.

Tax

During the period, the Group paid tax totaling SEK -0.1 M (-0.1). As the company has non-capitalized loss carry-forwards, tax expenses are expected to remain low. For further information, see the 2021 Annual Report.

Effects of reverse acquisition

On November 8, 2021, the acquisition of Coala-Life AB was completed. The parent company's accounts are included in the group's accounts as of november 2021.

Parent Company

The parent company now reports according to the same period as the group after changing the financial year from September-August to January-December. Comparative figures for the most recent financial year, which was 16 months, are also reported in the parent company's income statement. Parent Company other operating income were SEK 1.9 M in the quarter and is related to re-invoicing of office premises to former subsidiaries. Profit/loss after net financial items was SEK -5,1 M. Investments totaled SEK 0.0 M.

Risks and uncertainties

Coala Life is exposed to a number of risk factors that are wholly or partly outside the company's control, but which could affect the Group's earnings and operations.

Company and industry related risks

- Risks related to key personnel and employees.
- Risks related to competition.
- Risks related to suppliers and sub-contractors.
- Risks related to Covid-19.
- Risks related to market acceptance.
- Risks related to macroeconomics and the external environment.
- Risks related to geopolitics.

Legal risks

- Tax.
- Risks related to regulatory requirements and approvals, compliance, registration and approval from authorities.
- Risks related to intellectual property rights.
- GDPR and handling personal data.

Financial risks

- Risks associated with Coala Life's funding requirement
- Currency risk

For a more detailed description of the Group's risks and risk management, see the 2021 Annual Report.

Assessment of going concern

The Board and CEO continuously monitor Group liquidity and financial resources in the short and long term. Accordingly, in the Board's and CEO's assessment, the Group is expected to have sufficient liquidity and cash flow for continued operations in the coming 12-month period. In April, the company announced that the company will receive approximately SEK 150 million through a guaranteed new share issue.

Review

This Interim Report has not been subject to review by the Company's Auditors.

The Board of Directors and President provide their assurance that the Interim Report provides a fair and accurate view of the company's and Group's operations, financial position and results of operations, and describes the material risks and uncertainties the company and the companies included in the Group face.

Stockholm, Sweden, May 24, 2022
Coala-Life Group AB (publ)

Ebba Fåhraeus
Board member

Per Carendi
Chairman

Beverly Huss
Board member

Peter Troija
Board member

Dan Pitulia
CEO

Consolidated Statement of Comprehensive Income

SEK M	3 months		12 months	
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021- Mar 2022	Jan-Dec 2021
Net sales	1.8	1.3	4.5	4.1
Goods for resale	-0.2	-0.1	-0.2	0.0
Gross income	1.5	1.2	4.4	4.1
Other operating income	2.2	0.2	5.5	3.5
Other external expenses*	-16.7	-8.6	-142.9	-134.8
Personnel expenses	-13.9	-5.8	-36.0	-27.9
Depreciation/amortization of non-current assets	-1.1	-0.8	-5.2	-4.9
Operating income	-28.0	-13.8	-174.3	-160.1
Financial income etc.	0.3	-	9.9	9.6
Interest expenses etc	-0.1	-0.02	-0.2	-0.1
Net financial items	0.2	0.0	9.6	9.5
Profit/loss after financial items	-27.8	-13.9	-164.6	-150.7
Tax on profit for the period	0.0	0.0	0.0	-0.1
Profit/loss for the period	-27.8	-13.9	-164.6	-150.7
Profit/loss for the period attributable to:				
Parent Company shareholders	-27.8	-13.9	-164.6	-150.7
	-27.8	-13.9	-164.6	-150.7
Other comprehensive income				
Translation differences	0.0	0.0	-0.1	-0.1
Net income	0.0	0.0	-0.1	-0.1
Comprehensive income attributable to Parent Company shareholders	-27.8	-13.9	-164.7	-150.8
Earnings per share (weighted) before dilution, SEK	-0.8	-6.8	-11.6	-25.4
Earnings per share (weighted) after dilution, SEK	-0.8	-6.8	-11.6	-25.4

*Other external expenses in Q4 2021 were affected by a non-recurring item of SEK -102.3 M relating to the surplus value in the reverse acquisition of Coala-Life Group AB.

Consolidated Balance Sheet, in summary

SEK M	3/31/2022	3/31/2021	12/31/2021
Assets			
Intangible assets	5.3	6.3	5.9
Tangible assets	1.7	1.3	1.1
Right-of-use assets	1.1	2.5	4.0
Financial non-current assets	0.2	0.5	0.3
<i>Total non-current assets</i>	<i>8.3</i>	<i>10.5</i>	<i>11.3</i>
Inventories	11.8	10.0	11.9
Current receivables	6.3	2.2	26.5
Cash and cash equivalents	29.3	35.9	30.5
<i>Total current assets</i>	<i>47.4</i>	<i>48.1</i>	<i>68.9</i>
Total assets	55.7	58.6	80.2
Equity and Liabilities			
Equity attributable to Parent Company shareholders	12.1	47.3	52.3
<i>Total equity</i>	<i>12.1</i>	<i>47.3</i>	<i>52.3</i>
Long-term lease liabilities	0.7	1.4	0.8
Current lease liabilities	0.6	1.2	3.2
Other current liabilities	42.4	8.6	23.8
<i>Total liabilities</i>	<i>43.6</i>	<i>11.2</i>	<i>27.8</i>
Total equity and liabilities	55.7	58.6	80.2

Changes in shareholders' equity, in summary

SEK M	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Opening balance	52.3	22.9	22.9
Net income for the period	-27.8	-13.9	-150.7
Other comprehensive income			
Translation differences	0.0	0.0	-0.1
Total comprehensive income for the year	-27.8	-13.9	-150.8
Non-cash issue	-	-	141.3
Costs, rights issue	-12.2	-	-
Rights issue	-	38.3	39.0
Balance at the end of the period	12.1	47.3	52.3

Consolidated Cash Flow Statement, in summary

SEK M	3 months		12 months	
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021- Mar 2022	Jan-Dec 2021
Operating activities				
Operating income	-28.0	-13.8	-174.3	-160.1
Interest received and other financial income	0.0	-	0.5	0.5
Interest paid	-0.1	0.0	-0.1	-0.1
Tax paid	-0.1	-0.1	-0.3	-0.3
Adjustments for items not included in cash flow	0.7	0.2	109.5	108.9
Cash flow before change in working capital	-27.4	-13.8	-64.7	-51.1
Cash flow from change in working capital				
Change in inventories	0.2	-1.0	-2.0	-3.1
Change in accounts receivable	0.1	0.0	0.0	0.0
Decrease (+)/increase (-) in current receivables	0.8	1.0	2.9	3.2
Decrease (+)/increase (-) in current liabilities	-9.0	-0.6	-18.1	-9.8
Change in working capital	-8.0	-0.5	-17.1	-9.6
Cash flow from operating activities	-35.4	-14.3	-81.8	-60.7
Acquisition of property, plant and equipment and intangible assets	-0.8	-0.2	-0.9	-0.3
Acquisition of subsidiaries	-	-	52.7	52.7
Divestment of subsidiaries	20.0	-	10.8	-9.2
Cash flow from investing activities	19.2	-0.2	62.7	43.3
Cash flow after investments	-16.2	-14.6	-19.1	-17.4
Financing activities				
Change in other debt	15.0	-	15.0	-
Amortization of loan	-	-	-0.5	-0.5
Amortization of lease liability	-	-	-2.9	-2.9
Rights issue	0.0	38.6	0.7	39.3
Cash flow from financing activities	15.0	38.6	12.4	36.0
Cash flow for the period	-1.2	24.0	-6.7	18.5
Cash and cash equivalents at beginning of period	30.5	11.8	35.9	11.8
Exchange rate difference in cash and cash equivalents	0.0	0.1	0.1	0.2
Cash and cash equivalents at end of period	29.3	35.9	29.3	30.5

Parent Company Income Statement

SEK M	3 months		12 months		16 months
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021- Mar 2022	Jan 2021 - Dec 2021	Sep 2020 - Dec 2021
Net sales	-	-	-	-	-
Other operating income	1.9	5.0	9.5	12.6	24.4
	1.9	5.0	9.5	12.6	24.4
Operating expenses					
Other external expenses	-5.9	-32.4	-45.8	-72.3	-86.3
Personnel expenses	-1.0	-2.6	-8.35	-10.0	-13.4
Depreciation/amortization of non-current assets	-0.4	-5.2	-2.3	-7.1	-8.7
Operating income	-5.3	-35.2	-46.8	-76.8	-84.0
Profit from participations in Group companies	-	31.5	-107.6	-76.1	-76.1
Financial income etc.	0.3	0.4	3.0	3.2	3.7
Interest expenses etc	-0.1	-6.0	-5.6	-11.5	-20.1
Profit/loss after financial items	-5.1	-9.2	-157.0	-161.1	-176.5
Taxes	-	-	-	-	-
Net income for the period	-5.1	-9.2	-157.0	-161.1	-176.5

Comprehensive income for the period corresponds to net income for the period

Parent Company Balance Sheet, in summary

SEK M	3/31/2022	3/31/2021	12/31/2021
Assets			
Intangible assets	-	5.8	0.4
Tangible assets	0.0	0.0	0.0
Financial non-current assets	423.1	124.1	400.1
Other current receivables	15.3	132.9	22.8
Cash and cash equivalent	22.9	45.9	20.5
Total assets	461.2	308.5	443.7
Equity and Liabilities			
<i>Restricted equity</i>			
Share capital	8.8	30.5	8.8
<i>Total restricted equity</i>	8.8	30.5	8.8
<i>Non-restricted equity</i>			
Retained earnings	403.9	84.7	593.1
Net income for the period	-5.1	-9.2	-176.5
<i>Total non-restricted equity</i>	398.9	75.5	416.5
Total Equity	407.7	106.0	425.4
Non-current liabilities	0.0	182.9	0.0
Current liabilities	53.5	19.7	18.4
Total equity and liabilities	461.2	308.5	443.7

Notes

Note 1 Accounting principles

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2—Accounting for Legal Entities. The accounting policies applied correspond to the information provided in the Annual Report for 2021. Disclosures in accordance with IAS 34.16A appear in addition to the Financial Statements and accompanying notes in other parts of this Interim Report.

This report includes critical estimates and judgments. For more information, see Note 2 of the Annual Report for 2021.

New IFRS standards issued but not yet applied

None of the IFRS or IFRIC interpretations that have not yet become effective are expected to have any material impact on the Financial Statements of the Group and Parent Company.

Note 2 Financial assets and liabilities valued at fair value

The Group's financial instruments consist of cash and cash equivalents, trade receivables, accrued income, other receivables, trade payables, interest-bearing liabilities, accrued expenses and other liabilities. Trade receivables and trade payables are reported at estimated fair value.

Note 5 Earnings per share

Coala Life has no outstanding equity instruments that imply dilution. The calculation of the average number of shares is based on the reconciliation items indicated in the following table. On October 29, 2021, the company announced that the number of outstanding shares

NOTE 3 Lease agreements IFRS 16

Coala Life applies the standard IFRS 16 Leases, whereby lease agreements are reported in the Balance Sheet and all lease expenses are reported as amortization and interest expenses (the company applies exemptions, for more information see paragraph 3 below). The Group's lease agreements are mainly rent agreements for office premises. The lease period is determined by the contractual non-cancellable period governing extension or expected cancellation of the agreement. If it cannot be determined with reasonable certainty that an extension or cancellation will take place, the extension is not included in the calculation of the lease liability. Rent agreements are reviewed continuously. Coala Life also applies the practical exemptions regarding reporting payments attributable to short-term lease agreements and lease agreements for assets of low value as an expense in the Income Statement.

Note 4 IFRS 15 Revenue recognition

SEK M	3 months		12 months	
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Sales				
Sweden	0.7	1.2	3.0	3.5
USA	1.1	0.1	1.7	0.6
Other national markets	-	-	-	-
Total	1.8	1.3	4.6	4.1

SEK M	3 months		12 months	
	Jan-Mar 2022	Jan-Mar 2021	Apr 2021-Mar 2022	Jan-Dec 2021
Earnings per share (weighted) before dilution, SEK	-0.8	-6.8	-11.6	-25.4
Earnings per share (weighted) after dilution, SEK	-0.8	-6.8	-11.6	-25.4
Weighted number of shares for the period before dilution	35,325,171	2,034,731	14,160,556	5,929,404
Weighted number of shares for the period after dilution	35,325,171	2,034,731	14,160,556	5,929,404
Number of shares as of the record date	35,325,171	2,034,731	35,325,171	35,325,171
Number of shares as of the record date after dilution	35,325,171	2,034,731	35,325,171	35,325,171

would be reduced in a 50:1 share merger. For the comparative figure for the average number of outstanding shares, the number of shares has been adjusted for the 50:1 share merger to accurately reflect the average number of outstanding shares.

Key ratios

SEK M	Jan-Mar 2022	Jan-Mar 2021	Apr 2021 -Mar 2022	Jan-Dec 2021
Gross profit, SEK M	1.5	1.2	4.4	4.1
Gross margin, %	86%	93%	97%	100%
EBITDA, SEK M	-26.9	-13.0	-169.0	-155.2
EBITDA, %	neg.	neg.	neg.	neg.
Profit/loss after financial items	-28.0	-13.8	-174.3	-160.1
Profit/loss after financial items, %	neg.	neg.	neg.	neg.
Equity/assets ratio, %	22%	81%	22%	65%
Earnings per share (weighted), SEK	-0.8	-6.8	-11.6	-25.4
Average number of employees and consultants	29	27	27	25

See Definition of key ratios at page 16

Shareholders

Largest shareholders as of 3/31/2022

	Number of shares	Share capital/votes, %
20 North Street Co AB	6,983,467	19.8
Konsumentföreningen Stockholm	3,295,289	9.3
SEB Life International	2,834,077	8.0
Sörlander, Klas Anders Magnus	2,059,596	5.8
Åke Sundvall Holding AB	1,858,038	5.3
JRS Asset Management AB, Client Account	1,113,482	3.1
SHB Luxembourg, Client Account	947,673	2.7
CDMAR Invest AB	700,000	2.0
Regovita AB	691,542	2.0
Blue Seed AB	672,398	1.9
Total, 10 largest shareholders	21,155,562	59.9
Other	14,169,609	40.1
Total	35,325,171	100.0

Source: Euroclear Sweden AB

CEO Dan Pitulia owns 797,121 shares in the company indirectly through related parties and companies.

Definition of key ratios

This report contains financial metrics not defined in IFRS. These financial metrics are used to follow-up, analyze and control operations and to provide the Group's stakeholders with financial information about the Group's financial position, results and performance. These financial targets are considered necessary to follow and control progress of the Group's financial goals and are relevant to present on a continual basis.

A list of definitions of the key ratios used in this report follows.

MARGIN METRICS

Gross profit margin

Net sales less goods for resale in relation to net sales.

Purpose: The margin illustrates the proportion of net sales remaining to cover other expenses.

EBITDA-margin

EBITDA as a percentage of net sales.

Purpose: The measure is used to measure operational profitability.

Profit/loss after financial items - margin

Profit/loss after financial items as a percentage of net sales.

Purpose: The measure is used to measure profitability before tax in the business.

FINANCIAL METRICS

Gross profit

Sales less goods for resale

Purpose: This illustrates the proportion of net sales remaining to cover other expenses.

EBITDA

Operating income before interest, tax, impairment losses, depreciation and amortization, and goodwill amortization.

Purpose: Illustrates profitability of operations.

Profit/loss after financial items

Operating income after financial income and expense, before tax.

Purpose: Illustrates profitability before tax in the operations.

Equity/assets ratio

Shareholders' equity in relation to total assets.

Purpose: Equity/assets illustrates the proportion of assets financed by equity.

SHARE-BASED METRICS

Earnings per share

Net income for the period after deductions for the hybrid bond divided by the weighted average number of shares during the period.

Purpose: The performance measure is used to evaluate investment performance from a shareholder perspective.

OTHER TERMS

Average number of employees and consultants

Average number of full time employees and consultants in a defined period.

Average number of shares

Weighted average of outstanding ordinary shares in the period.

Total expenses

Total expenses include: other external expenses, personnel expenses and depreciation/amortization.



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