



Earnings call Interim Report April – June 2026

26 August 2026

Presenters



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Agenda

- 01 The strategic opportunity
- 02 Market & TAM expansion
- 03 Our three growth pillars
- 04 Q2 2026 financial highlights
- 05 Medium-term targets
- 06 Summary & Q&A



App of the Day
Apple App Store

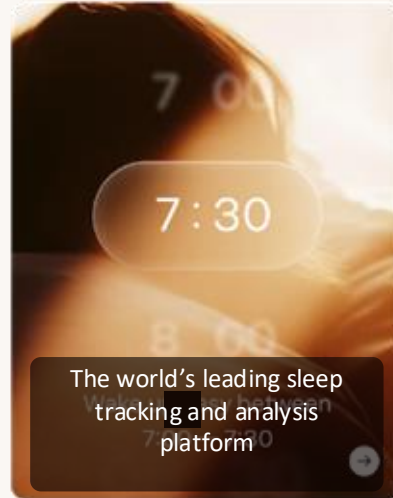


Editors Choice
Apple App Store



Our mission is to improve global health by
empowering people to take control of their sleep.

A uniquely scaled sleep platform



+4bn

Nights analyzed

2.5m

Active users¹⁾

+82m

Installs²⁾

+60

Scientifically based sleep programs

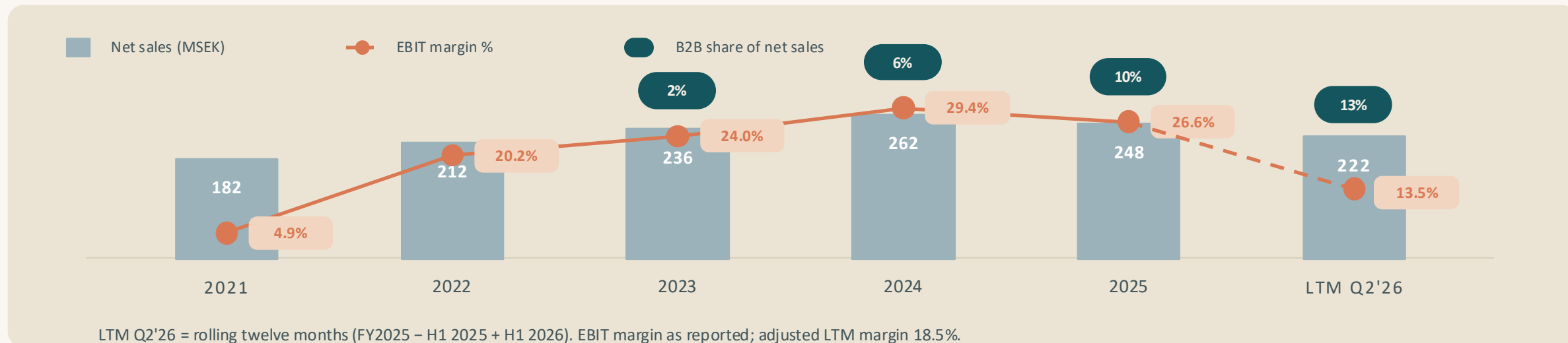
Built largely through organic growth and with a highly efficient operating model

Data, distribution and sleep expertise built over more than a decade. Difficult to replicate in a single platform.

Note(s): 1) Active users 2025. Defined as individuals with an activity in the app during the past year. 2) Up until Dec. 2025.

Profitable growth — funding the next phase

Five years of organic, profitable growth in mobile sleep apps. We now redeploy that profitability to build the platform and re-accelerate growth from 2027.



2021–2025

Profitable organic growth

+36% net sales · +22pp EBIT margin · 5× B2B share · ~35 employees, asset-light.



2026

Scaling beyond the app

Investing in Tech Licensing, Sleep Apnea and new distribution while maintaining positive underlying profitability



2027 onwards

Multiple growth engines

Multi-product platform · expanded TAM (~47 BSEK) · structurally higher B2B mix.

Sleep is growing beyond the standalone sleep app category

There is a growing recognition of sleep as a critical component of overall health, with insufficient sleep linked to various chronic conditions such as obesity, diabetes, and cardiovascular diseases

Growing relevance

Sleep is increasingly recognized as a key driver of health, recovery, performance and longevity.



New ecosystems

Sleep experiences are moving into wearables, pharma, digital health, smart home and broader health platforms.



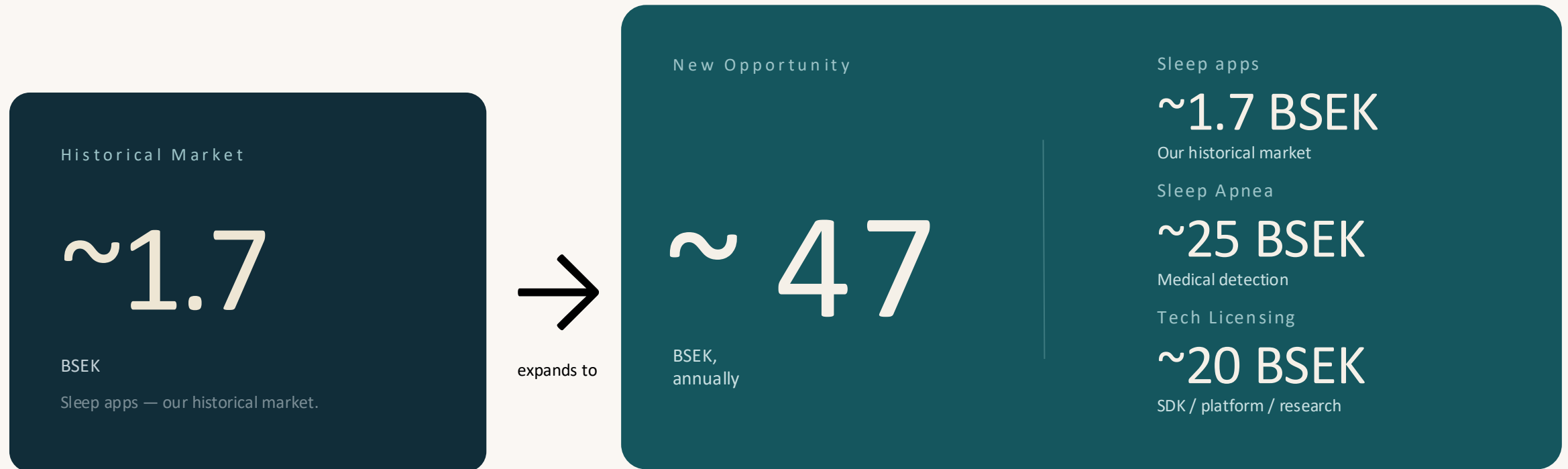
Technology fit

Demand is increasing for passive, continuous and embedded health insights — exactly where Sleep Cycle's technology is strongest.



The same core technology opens a ~27× larger addressable market

Same technology. More use cases. More distribution channels. A materially larger market.



BSEK. Source(s): Estimates are based on analysis conducted by Arkwright Consulting on behalf of Sleep Cycle, using a combination of public data sources, industry reports and internal assumptions. The total addressable market (TAM) represents an estimate of the potential market opportunity for Sleep Cycle's current and future offerings and does not reflect current revenues or realized market size.

Unlocking the company's next phase by leveraging the tech platform and powering three business areas

One technology platform powering three complementary growth engines.

Pillar 1 — B2C / B2B

Sleep Cycle App

Our cash-generating consumer engine. Large installed base and recurring revenue. Focus on retention, pricing, engagement and rebuilding acquisition.

1.5M

MAU for Q2'26

Pillar 2 — B2C / B2B

Sleep Apnea

Contactless, software-only risk detection — no external hardware. The study needs to be extended to secure the statistical basis; the Board is preparing the decision on its scope.

150k

Registered interest from potential B2C customers

Pillar 3 — B2B

Tech Licensing

Bringing Sleep Cycle technology into partner ecosystems across wearables, pharma, digital health and IoT.

Sleep Score

Live in Q2'26

Our Sleep App - A cash-generating B2C engine

TAKING MARKET SHARES

Sleep Cycle continues to gain download share within Sensor Tower's Meditation & Sleep Trackers segment on iOS

RETENTION RATE STABLE

Renewal rate stable through the quarter and versus last year. First version of earned reward concept for churned users released.

SLEEP AID

Sleep Aid listening 3× higher, while re-engagement initiatives are showing positive early results.

WEB-TO-APP GAINING TRACTION

Growing from small volumes, with better conversion and higher ARPU.



FX-ADJUSTED ARPU

SEK 280

+4% Higher compared to ARPU in Q2 2025 following price increases.

+3x

Sleep Aid listening

1.5m

Monthly Active Users, average Q2 '26

MAIN CHALLENGE: ACQUISITION

Installs remain under pressure, making top-of-funnel growth the key focus.

Sleep apnea — a large and largely undiagnosed market

Existing diagnostic pathways are expensive, cumbersome and hard to scale — which is why most cases are never found.

~1bn

People affected by sleep apnea globally

~80%

Of all cases remain undiagnosed today

~SEK 25bn

Estimated total addressable market

150,000+

people have already registered interest in the consumer offering — demand is established ahead of launch.

Sleep apnea — study status and the extension

458 / 460

Of planned study nights delivered

Design freeze

Reached July 2026 — device design locked and quality-reviewed

2027

Ambition for US regulatory approval — updated timing to follow the Board decision

Why the study is being extended

The proportion of participants with moderate-to-severe OSA has been lower than expected. Participants cannot be recruited with a previously known apnea diagnosis, so the final clinical mix becomes known only after completed study nights. Additional enrolment is therefore required to reach the statistical basis for regulatory approval.

What this means

A materially increased investment and a shifted timeline. The scope of the extension is being prepared by the newly appointed Board and will begin once decided. The ambition of US regulatory approval is unchanged — an updated timeline will be communicated when the decision is taken.

Regulatory programme — milestones completed, study to be extended

- 1

De-risked regulatory approach

External specialist consultants engaged to validate approach and ensure alignment with all relevant 510(k) and CE-marking standards.
- 2

Quality system being put in place

Processes operating under ISO 13485, ISO 14971, IEC 62366-1 and ISO 62304 to meet regulatory requirements.
- 3

Documentation audit passed

External pre-audit of all existing documentation has confirmed that our approach is sound and we are on the right regulatory path.
- 4

Base study completed

458 of 460 planned study nights delivered; Design Freeze and Design Review 2 reached in July 2026. The Board is preparing the decision on the extension required to secure the statistical basis.



Milestones after Q2 2026 are preliminary and will be updated in connection with the Board's decision on the study extension. Ambition: US regulatory approval during 2027 — timing depends on recruitment pace in the extended study.

Tech Licensing is converting from platform build to commercial adoption

SDK CAPABILITIES

Partner-ready capabilities

- Sleep Score
- Sleep Metrics
- Sleep staging (real-time)
- Smart Alarm
- Dual sensing
- Cough detection
- Snoring detection
- Movement & breathing

NEW IN Q2

UKHSA-validated

ADDRESSABLE VERTICALS

Where the SDK plugs in

- Wearables (rings, watches)
- Pharma & clinical trials
- Clinical research
- Digital health platforms
- Smart home / IoT
- Insurance & wellness
- Sleep clinics

PARTNERS LIVE

Commercial proof

- ✓ Ultrahuman - SDK license agreement
Commercial agreement signed after quarter-conversion of the Nov 2025 pilot
- ✓ SDK pilot with Ant Group
Entry into the Chinese market
- ✓ Global IoT customer agreement
Revenue contribution from Q3 2026
- ✓ UKHSA Research collaboration completion
Validating cough data vs existing early-warning signals

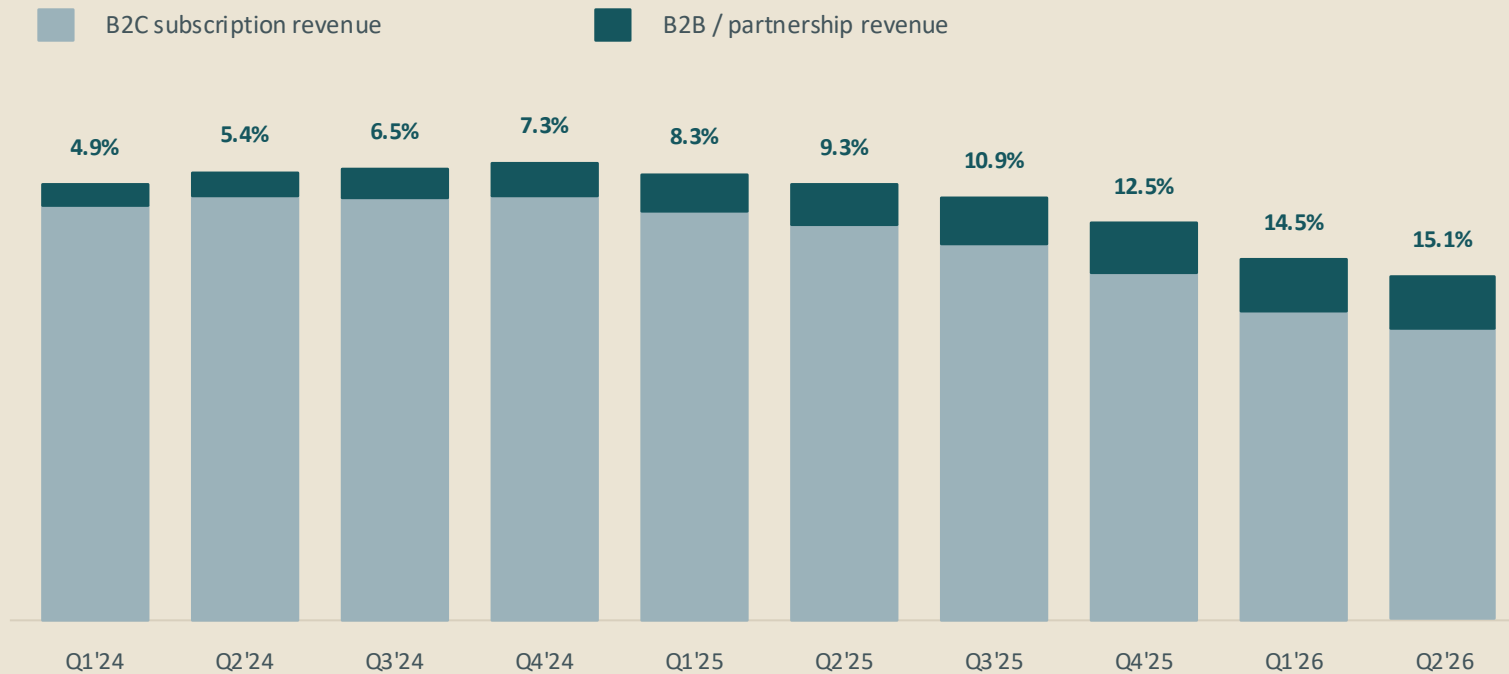
Q2: consumer pressure, continued B2B growth and positive adjusted EBIT

Top line pressured by lower consumer acquisition and FX. Reported profitability burdened by items affecting comparability of SEK 10.9m, while adjusted EBIT stayed positive.

49.9	-7.5	3.4	15.1%
Net sales, MSEK · -21.5% (-15.4% FX adj.)	EBIT, MSEK · -15.1% margin (28.4%)	Adj. EBIT, MSEK · 6.8% margin (28.4%)	B2B revenue share · +26.9% YoY

665k	257 SEK	99.1 MSEK	38
Paying subscribers · 878k LY	ARPU · 269 LY · FX-adj. 280 (274)	Liquidity, MSEK · 112.4 LY	Average no. of employees Q2'26

The pivot is already visible in the revenue mix



B2B share of revenue

4.9% → 15.1%

Q1'24 vs Q2'26 · ~3× over nine quarters

B2B revenue growth

+26.9%

Q2'26 y/y · 15.1% of total revenue (9.3%)

B2C FX-adj. ARPU

280 SEK

Reported 257 (269) — FX is the headwind, not willingness-to-pay.

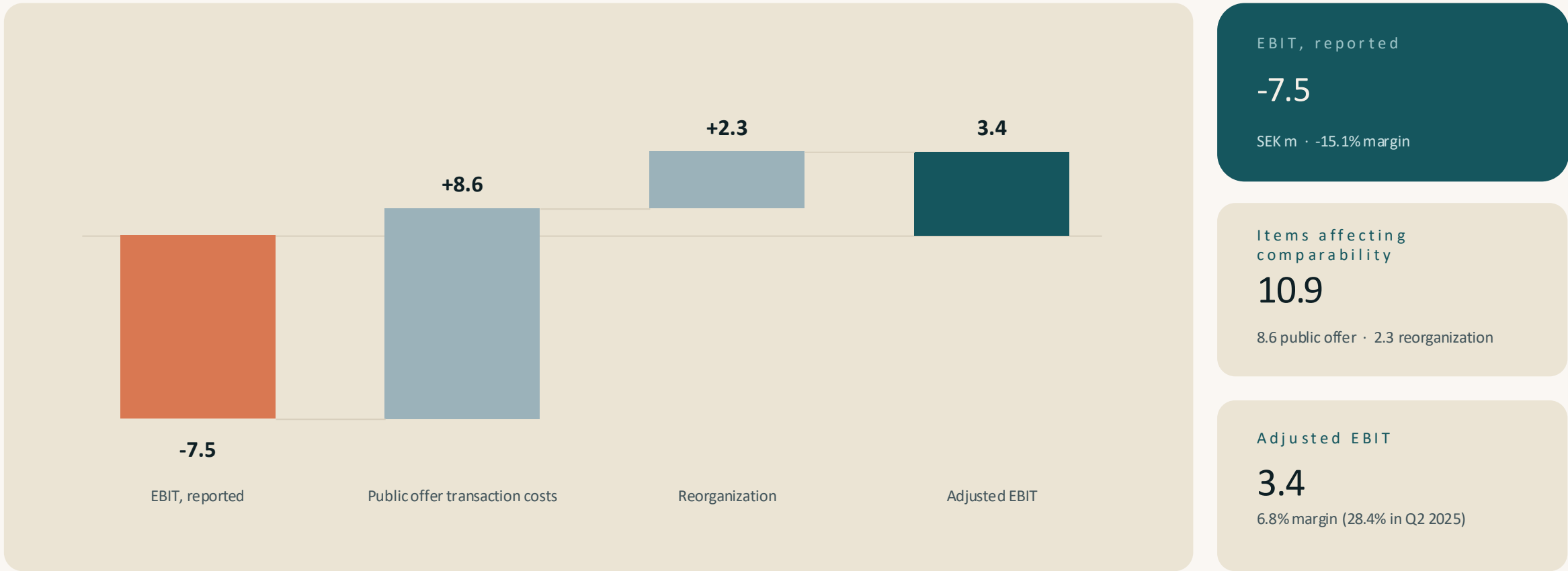
Financial performance – Q2 2026

SEK M	Q2-26	Q2-25	CHANGE
Net sales	49.9	63.6	-21.5%
Other operating income	1.0	0.0	
Capitalized work for own account	1.4	0.9	58%
Distribution costs	-8.9	-13.3	-33%
Other external expenses	-30.9	-16.1	92%
Personnel expenses	-18.0	-13.7	32%
Other operating expenses	-0.5	-2.0	-75%
EBITDA	-6.0	19.4	-25.4
EBITDA-margin	-12.0%	30.5%	
D&A	-1.5	-1.3	15%
EBIT	-7.5	18.0	-25.6
EBIT-margin	-15.1%	28.4%	
<i>Items affecting comparability</i>	<i>10.9</i>	<i>—</i>	
Adjusted EBITDA	4.9	19.4	-14.4
Adjusted EBITDA-margin	9.9%	30.5%	
Adjusted EBIT	3.4	18.0	-14.6
Adjusted EBIT-margin	6.8%	28.4%	

- **FX-adjusted net sales growth** of -15.4%, driven by lower new B2C sales in the App Store.
- **B2B revenue growth was +26.9%**, now 15.1% of total revenue (9.3%), of which SEK 7.0m recurring.
- **Excluding items affecting comparability**, other external costs were 22.3 (16.1) and personnel 15.7 (13.7).
- **EBIT-margin** of -15.1% for Q2; adjusted EBIT-margin of 6.8% (28.4%).
- **Items affecting comparability** of SEK 10.9m — SEK 8.6m transaction costs for the public cash offer and SEK 2.3m for the reorganization.
- **H1: net sales 102.5 (128.5), -20.2%**; adjusted EBIT 10.1 (35.1), a 9.9% margin.

Offer and reorganization costs mask a profitable quarter

Items affecting comparability of SEK 10.9m. Excluding these, the quarter delivered a positive EBIT margin of 6.8% (28.4% in Q2 2025).



Strong cash position, Investing for tomorrow

Operations still generate cash — the swing is a dividend plus a deliberate investment programme.

SEKm	Q2-26	Q2-25	CHANGE
Cashflow, operating activities	7.6	19.9	-12.3
Cashflow, investments	-12.2	-3.0	-9.3
Cashflow, financing	-11.5	-61.6	50.1
Total cashflow for the period	-16.2	-44.6	28.5
Liquidity at period end	99.1	112.4	-12%

Self-funded investment

- Operating cash flow +7.6 MSEK — operations still generate cash.
- Q2 cash flow -16.2 MSEK, of which dividend -10.7 MSEK and capex -12.2 MSEK — both deliberate.
- Capitalized development 38.7 MSEK at 30 June (15.6 at year-end), of which Sleep Apnea 31.3 MSEK.
- Cash 99.1 MSEK (112.4) — funded internally — we do not expect to need external capital.

Unchanged medium-term ambition

Capital discipline, growth and profitability — anchored in through-cycle targets.

Capital return

40–60%

of profit after tax, paid out to shareholders

Growth

2×

revenue doubling ambition, medium-term

Profitability

≥25%

EBIT margin per annum, through-cycle

Dividend of SEK 0.53 per share for FY2025 approved at the AGM on 13 April 2026.

Projected Outlook 2026

Decline moderating in H2 on signed B2B agreements, and a proposed apnea study extension pending a Board decision.

NET SALES

Decline moderating

Full-year net sales are still expected to decline, but the decline should moderate in H2 as B2B revenue grows out of already signed agreements. H1 was -20.2% y/y (-14.2% FX-adjusted).

B2B REVENUE IN Q3

>9 MSEK

Revenue from B2B customers, up around 30% y/y, based on signed agreements and the current revenue run-rate - before any new contracts are added.

EBIT MARGIN

~5% reported • ~9% adjusted

Reported FY2026 margin in line with what we communicated earlier. The adjusted figure excludes the SEK 10.9m of non-recurring costs taken in Q2.

SLEEP APNEA

2027

US approval ambition unchanged. The study must be extended to secure the statistical basis, and the Board is preparing the decision on its scope.

Financial targets unchanged — recovery paced by the apnea process and licensing ramp-up.

Questions & Answers