



# DEDICARE

## Interim report

1 january – 30 june 2022

” A successful quarter thanks to high delivery capacity”

## Period 1 april - 30 june

- Operating revenue SEK 427,9 million (299,4)
- Operating profit SEK 37,3 million (25,6). Operating profit adjusted for non-recurring items amounted to SEK 38,4 million
- Operating margin 8,7 percent (8,6). Operating margin adjusted for non-recurring items amounted to 8.9 percent
- Profit after financial items SEK 35,3 million (25,2)
- Profit for the period SEK 26,6 million (19,3)
- EBITDA SEK 42,1 million (27,7)
- Net debt (+)/Net cash SEK -8,3 million(-72,5)
- Cash flow from current operations SEK 17,2 million (20,1)
- Cash flow from current operations per share SEK 1,80 (2,14)
- Earnings per share, before dilution SEK 2,80 (2,06)
- Earnings per share, after dilution SEK 2,77 (2,04)
- Equity per share SEK 20,86 (15,12)
- Return on equity 13,3 percent (13,2)

## Period 1 january - 30 june

- Operating revenue SEK 829,5 million (564,9)
- Operating profit SEK 63,4 million (38,8). Operating profit adjusted for non-recurring items amounted to SEK 64,5 million
- Operating margin 7,6 percent (6,9). Operating margin adjusted for non-recurring items amounted to 7,8 percent
- Profit after financial items SEK 61,2 million (37,5)
- Profit for the period SEK 47,2 million (28,9)
- EBITDA SEK 72,2 million (44,8)
- Net debt (+)/Net cash (-) SEK-8,3 million (-34,9)
- Cash flow from current operations SEK 38,4 million (34,7)
- Cash flow from current operations per share SEK 4,02 (3,69)
- Earnings per share, before dilution SEK 4,96 (3,08)
- Earnings per share, after dilution SEK 4,91 (3,05)
- Equity per share 20,86 SEK (15,12)
- Return on equity 24,5 percent (20,3)

## The Group President's statement

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The revenue for the second quarter amounted to SEK 427.9 M (299.4), which is an increase of 42.9 percent compared with the same period last year. Organic growth amounted to 37.9 percent. Operating profit amounted to SEK 37.3 million (25.6), of which SEK 0.8 million relates to acquired operating profit. The operating margin improved to 8.7 percent (8.6), including acquisitions. The second quarter was characterized by continued high demand in all countries and in all business areas. We have succeeded very well in both attracting new consultants and retaining our existing ones, which has resulted in a high delivery capacity for customers.

In Sweden, the revenue increased during the second quarter by 35.5 percent compared with the same period last year. Organic growth amounted to 21.4 percent, which is mainly attributable to a continued positive development in staffing of sociologists, psychologists and nurses. Within the medical staff, we have made a strategic decision to focus on more profitable business cases, which in the short term has led to reduced revenue as we have chosen to close or not deliver in business cases where profitability has been too low.

The region of Västra Götaland (VGR), that coordinates the national procurement of care staffing services in Sweden, announced on 14 July that they suspend the procurement with the following explanation; "Procuring authority intend to suspend the procurement due to that imperfections have been identified in the underlying offering, for example in regards to the possibility to invoke other companies capacity. Procuring authority will also look into other parts of the procurement offering".

The background is that Sweden's Municipalities and Regions (SKR) have decided on a coordinated national procurement of care staffing services in Sweden. The procurement was designed in the autumn of 2021 and the submission of tenders was on 22 June 2022. On 17 June, five days before the submission of the tender, Dedicare submitted an application for review of the national procurement to all twelve administrative courts in Sweden. The reason for our review is that we believe that the procurement is contrary to LOU, the law on public procurement. By reviewing the procurement in its entirety, we wanted SKR and the regions to interrupt the procurement and redo it with more reasonable terms. Therefor we welcome the decision from VGR and we continue to work with all our existing agreements that Dedicare has with the regions.

In Norway, the revenue increased during the second quarter by 53.8 percent compared with the same period last year. A continued fantastic development in the Norwegian operations, where all areas are doing their best quarters ever, both in terms of sales and operating profit. Demand has been high and according to statistics from the Confederation of Norwegian Enterprise (NHO), the hiring of care staff in Norway increased by approximately 38.0 percent during the first quarter of the year compared with the same period last year. In the hiring of educators, the market increased by 13.0 percent during the first quarter of the year compared with the same period last year. Dedicare's Norwegian operations have had a much higher growth rate than the market and with that has strengthened their position as Norway's largest specialist company in care staffing.

During the second quarter, the Norwegian government presented its final bill on amendments to the Rent Act. Dedicare's assessment that this will not affect operations remains, as the changes are aimed at certain geographical areas in the construction industry and that the bill means that it is mainly companies / organizations with union agreements that may hire staff in case of temporary need. All Dedicare's customers in Norway are already covered by union agreements.

In Denmark, the revenue increased by 9.2 percent during the second quarter compared with the same period last year. We see an increase in demand from our customers in all areas. During the first half of the year, we increased our internal staff by 30 percent, during the second quarter a focus on the development and recruitment of doctors and nurses from both Sweden and Denmark. These

# DEDICARE

strategically important investments affect profitability in the short term but ensure long-term growth and profitability in the Danish operations. In addition, during the second quarter we expanded our offer with the recruitment of Danish and Swedish midwives after we signed a agreement with the Capital Region, i.e. The Copenhagen region

During the second quarter, H&P Search & Interim AB (access April 1, 2022) was consolidated into the Dedicare group. H&P Search & Interim AB contributed SEK 14.9 million in sales and SEK 0.8 million in operating profit during the second quarter, of which SEK 3.0 million is reported in the Sweden segment and SEK -2.2 million is reported in the Group-wide costs segment. The process of integrating H&P Search & Interim AB into the Group will continue during the year. The acquisition complements our operations and provides us with a stable foundation for our continued investment in Life Science in the Nordic region and the rest of Europe.

The war in Ukraine means that the uncertain situation in the rest of the world remains, which may lead to side effects such as cyclical changes, rising inflation, etc. As a starting point, Dedicare's assessment is that the business is not cyclically dependent. Dedicare monitors the continued development and makes an ongoing assessment of what effects this may have on the business and what measures may need to be taken.

In a summary, I wish all our consultants, employees and customers a really nice summer!



Krister Widström  
Group CEO

## Financial information

### April - June 2022

#### Revenue

The Group's revenue for the period increased by 42,9 percent to SEK 427,9 million (299.4). All. The organic growth constituted to 37.9 percent and amounted to SEK 113.6 million. All countries showed organic growth for the period. For more information, see Note 1, Segment information and information on categories of revenue.

In Sweden the revenue increased for the period by 35,5 percent to SEK 143,5 million (105.9), whereof SEK 14,9 million from the acquired H&P Search & Interim AB. The increase in revenue, excluding the acquired revenue, is attributable to staffing of nurses, sociologists and psychologists.

In Norway the revenue increased for the period by 53,9 percent to SEK 240,1 million (156.0). The increase in revenue is attributable to the continued high demand in health care services during the period.

In Denmark the revenue increased for the period by 9,2 percent to SEK 40,3 million (36.9). The increase is primarily attributed the doctor staffing.

#### Profit

The Group's operating profit for the period amounted to SEK 37,3 million (25,6) with an operating margin of 8,7 percent (8,6). Acquired operating profit amounted to SEK 0.8 million. The increased operating profit is attributed to the business growth and the acquisition of H&P Search & Interim AB.

Sweden's operating profit for the period amounted to SEK 9,0 million (2.8) whereof SEK 3,0 million related to the acquisition of H&P Search & Interim AB with an operating margin of 6,3 percent (2.6). The increase in operating profit is attributed to the staffing of nurses and sociologists and the acquisition of H&P Search & Interim AB.

Norway's operating profit amounted to SEK 30,1 million (21,1), with an operating margin of 12,5 percent (13,5). The increase is mainly attributed to the business growth which is related in all business areas.

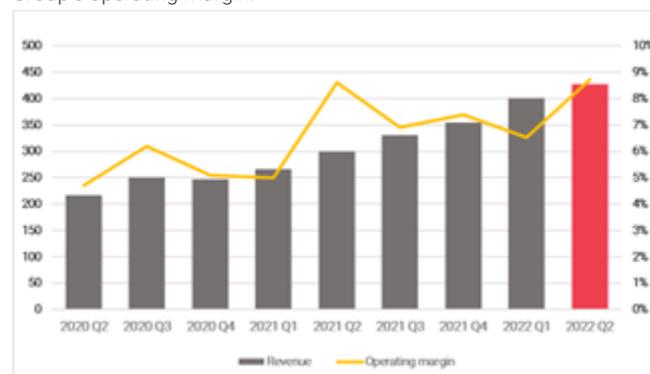
The Danish operating profit for the period amounted to SEK 0,9 million (1,6) with an operating margin of

2,2 percent (4,3). The decrease in operating profit primarily attributed to increased operating costs. Group-wide costs for the period amounted to SEK -2,7 million (-0,0). The increase is attributed to a change in the reporting of exchange rate differences relating to business operations, where these were previously reported under financial items and amortisation of surplus values on acquisitions and acquisition cost for the acquisition of the H&P Search & Interim AB.

The profit for the period amounted to SEK 26,6 million (19,3).

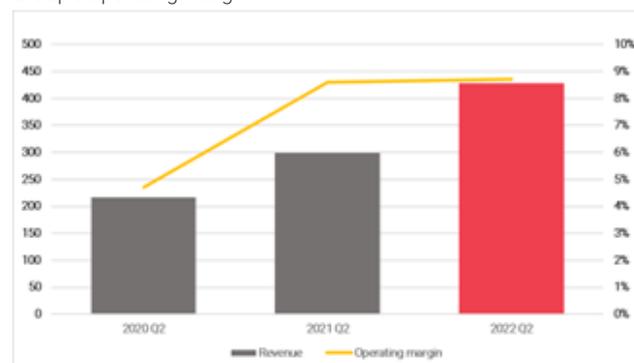
#### DEVELOPMENT IN REVENUES AND OPERATING MARGIN PER QUARTER 2020-2022

The bars show the Group's revenue, and the line shows the Group's operating margin.



#### DEVELOPMENT IN REVENUES AND OPERATING MARGIN FOR THE Second QUARTER 2020-2022

The bars show the Group's revenue, and the line shows the Group's operating margin.



## January – June 2022

### Revenues

The Group's revenue for the period increased by 46,8 percent to SEK 829,5 million (564,9). The organic growth constituted to 44,2 percent and amounted to SEK 249,7 million. All countries show organic growth for the period, with the largest growth taking place in the Norwegian business. For more information, see Note 1, Segment information and information on categories of revenue.

In Sweden the revenue increased for the period by 34,1 percent to SEK 281,5 million (209,9), whereof SEK 14,9 million from the acquired H&P Search & Interim AB. The increase in revenue is, excluding the acquired revenue, attributable to increase in staffing of sociologists and nurses.

In Norway the revenue increased for the period by 62,2 percent to SEK 455,4 million (280,8). The increase in revenue is attributable to the continued high demand in health care services during the period.

In Denmark the revenue increased for the period by 10,2 percent to SEK 81,8 million (74,2). The increase is primarily attributed the doctor staffing.

### Profit

The Group's operating profit for the period amounted to SEK 63,4 million (38,8) with an operating margin of 7,6 percent (6,9). Acquired operating profit amounted to SEK 0,8 million. The increased operating profit is attributed to the business growth and the acquisition of H&P Search & Interim AB.

Sweden's operating profit for the period amounted to SEK 15,2 million (5,5) whereof SEK 3,0 million is related to the acquisition of H&P Search & Interim AB with an operating margin of 5,4 percent (2,6). The increase in operating profit is mainly attributable to the acquisition of H&P Search & Interim AB and increased revenue.

Norway's operating profit amounted to SEK 52,3 million (31,7), with an operating margin of 11,5 percent (11,3). The increase is mainly attributed to the business growth.

The Danish operating profit for the period amounted to SEK 2,9 million (4,0) with an operating margin of 3,5 percent (5,4). The decrease in operating profit primarily attributed to increased operating costs. Group-wide costs for the period amounted to SEK -7,0 million (-2,3). The increase is attributed to a change in the reporting of exchange rate differences relating to business operations, where these were previously reported under financial items and amortisation of surplus values on acquisitions and the acquisition costs related H&P Search & Interim AB.

The profit for the period amounted to SEK 47,2 million (28,9).

## Financial position and liquidity

### Cash and cash equivalents

The Group's cash and cash equivalents, per 30 June, amounted to SEK 98,5 million (105,2). During the second quarter a dividend corresponding to SEK 38,1 million for the financial year 2021 has been paid out along with a payment of SEK 19,4 million in regards of the acquisition of H&P Search & Interim AB. An additional purchase consideration regarding the acquisition of Dedicare A / S (formerly KonZenta Aps) was also paid during the second quarter, where the majority has been financed by loans.

### Equity

Equity by the end of the period amounted to SEK 198,6 million (142,0), which is equivalent to SEK 20,9 (15.1) per outstanding share for the period January - June. The increase is attributable to the business growth and the increased operating profit

### Equity/assets ratio

The equity/assets ratio as per 30 June amounted to 34,0 percent (32,7).

### Cash flow

The cash flow from the operating activities for the period April - June amounted to SEK 17,2 million (20,1) and for the period January-June SEK 38,4 millions (34,7). The increase in cashflow is mainly

attributable to changes in short term liabilities and receivables. During the second quarter, a dividend corresponding to SEK 38,1 million for the financial year 2021 was paid and an additional purchase consideration of SEK 36.1 million regarding the acquisition of Dedicare A / S (formerly KonZenta Aps) was paid. The net cash flow relating to the acquisition of H&P Search & Interim AB amounts to SEK 15.6 million, for more information see Note 2. Dedicare's acquisition of Dedicare A / S (formerly KonZenta Aps) has for the most part been loan-financed where agreements on acquisition loans have been signed with a financial institution totaling 45 MDKK. The acquisition loan has a term of three years with an interest rate corresponding to CIBOR plus 1.5 percent.

### Investments

Investments in tangible and intangible fixed assets during the period April-June amounted to SEK 1.8 million (0,4) and for the period January-June SEK 2,9 millions (0,9). The investments mainly refer to IT systems.

The financial assets in the parent company have increased by SEK 58,9 million, which is attributable to the acquisition of 100 percent of the shares in H&P Search & Interim AB with admission from 1 April 2022.



## Events during the period January – June

On 16 March, Dedicare signed an agreement to acquire 100 percent of the shares in H&P Search & Interim AB (corporate identity number 556767–6548). H&P Search & Interim AB is a supplier to the Nordic market regarding recruitment and hiring of consultants in the area of Life Science. The company has existed since 2015 and had a revenue of approximately SEK 55 million for the financial year 2021 with an operating profit of approximately SEK 11 million. Access took place on 1 April, and H&P Search & Interim AB will be consolidated in the Dedicare Group from the second quarter of 2022. The initial purchase price for the acquisition of H&P Search & Interim AB amounted to SEK 27.6 million, of which SEK 19.3 million is paid in cash and SEK 8.3 million in the form of shares in Dedicare through a non-cash issue. The additional purchase price has been agreed and is based on H&P Search & Interim AB's earnings development over the next three years.

In association with the admission, on 1 April 2022, of the acquisition of H&P Search & Interim AB the Board of Directors decided a non-cash issue based on the authorization received on the annual general meeting 22 April 2021. The non-cash issue is part of the acquisition costs and comprises 124,998 shares Series B. The subscription price is set at SEK 66,40 and is determined based on a volume-weighted average price 30 trading days back from 26 January, which is 5 trading days from the publication of acquisition agreement. The shares have been subscribed for by the sellers of H&P Search & Interim AB (Johan Walde, Leif Olsson and Torbjörn Ströberg) who in connection with the subscription have undertaken not to sell the shares during a lock-up period of two years. After the non-cash issue, the total number of shares in Dedicare will amount to 9,520,395 (divided into 2,011,907 Series A shares and 7,508,488 Series B shares).

On 1 April, an additional purchase consideration was settled regarding Dedicare's acquisition of Dedicare A/S (formerly KonZenta Aps). The

additional purchase price amounted to DKK26 million, which corresponds to 100 percent as all agreed goals have been achieved during the period from access on 1 April 2020. In connection with the final payment, Dedicare has used the remaining part of the loan agreement for a total of DKK 45 million signed with a financial institution. The acquisition loan has a term of three years with an interest rate corresponding to CIBOR plus 1.5 percent.

At the Annual General Meeting on April 21, it was decided to authorize the Board of Directors to, on one or more occasions, during the period until the next Annual General Meeting, with or without preference for shareholders, decide on a new issue of Series B shares, issue of convertibles and / or warrants. The issue decision must be able to be made against cash payment and / or with a provision on non-cash or set-off or that subscription must be possible with other conditions. The issue may only take place on market terms. The number of shares, convertibles and / or warrants issued on the basis of the authorization may not involve a dilution of more than 10 percent of the share capital based on the total number of outstanding shares at the time of the Annual General Meeting. The purpose of the authorization and the possibility to deviate from the shareholders' preferential rights is to facilitate any future company acquisitions with a simplified decision-making process.

Dedicare changed its reporting structure as of the report for the first quarter of 2022. The previous three segments Sweden, Norway and Denmark will be expanded with another fourth segment, Group-wide. The reason for the change in the reporting structure is to streamline the Swedish business operations from Group-wide items previously reported in the Sweden segment. As previously announced, the Swedish business will be moved to a separate subsidiary, where Eva Brunnberg took over the role of CEO in August 2021. Krister Widström remains in the role of CEO and President of the parent company Dedicare AB. The parent company conducts group-wide

functions such as group management, finance and IT management. Dedicare's business operations are conducted in subsidiaries in each country with a responsible President who reports to the CEO

Russia's invasion war in Ukraine has created insecurities in the outside world. Dedicare's initial assessment is that the war will not have a direct impact on Dedicare's operations. Dedicare monitors the continued development and makes an ongoing assessment of what effects this may have on the business and what measures may need to be taken.

Anette Sandsjö was appointed new CFO and part of Group Management. She will start at her post 1 September. Johanna Eriksson left her position as CFO during the second quarter.

On 17 June, Dedicare decided to submit a review of Sweden's Municipalities and Regions' (SKR) decision on a national procurement of care staffing services to all twelve administrative courts in Sweden. The reason for the review is that Dedicare considers that the

procurement is contrary to LOU, the Public Procurement Act. By reviewing the procurement in its entirety, the ambition is for SKR and the regions to interrupt the procurement and do it with more reasonable terms. The Administrative Court in Gothenburg made an interim decision for all administrative courts relatively immediately and announced that the regions may not enter into agreements as it may be that the authorities have violated LOU.

### **Events after the period**

The region of Västra Götaland (VGR), that coordinates the national procurement of care staffing services in Sweden, announced on 14 July that they suspend the procurement with the following explanation; "Procuring authority intend to suspend the procurement due to that imperfections have been identified in the underlying offering, for example in regards to the possibility to invoke other companies capacity. Procuring authority will also look into other parts of the procurement offering".

Dedicare will continue the delivery on all the existing agreement with the regions.

## Other information

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### Employees

The average number of employees, calculated as full-time equivalents, for the period January - June amounted to 1 161 persons (879). In this number sub-consultants are included, which for the period January – June amounted to 189 (177) persons.

### Market trends

According to figures from the Swedish Municipalities and Regions (SKR), the hiring of healthcare personnel in the Regions increased by 12,0 percent during the full year 2021 in comparison to the full year 2020<sup>1</sup>. The hiring of doctors increased by 8.4 percent in total and the hiring of nurses increased by 24,0 percent during the period. According to Dedicare's assessment, the market for staffing of social workers has increased for the full year 2021 in comparison to the full year 2020. Statistics for the first six months of 2022 are expected to be published during the third quarter.

For Sweden (and the rest of the Nordic region), no official statistics regarding the Life Science market are available. Dedicare's estimation is that the needs of consultants and recruitments is continued to be high demanded. In MedTech Dedicare estimates that we can see an increase, especially in the recruitment side, while both consulting and recruitment is high in the pharmaceutical sector.

According to figures from the industry's main organization (NHO), the hiring of healthcare personnel in Norway increased by 38 percent during the first quarter 2022 in comparison to the first quarter 2021. In the market to hire educators the market increased by 13,0 percent during the first quarter 2022 in comparison to the first quarter 2021. Dedicare growth with approximately 72,5 percent and strengthened its position as Norway's largest specialist

company in care staffing with a market share of 28,0 percent.

For Denmark there is no official statistics concerning the market for health care staffing available. According to Dedicare's assessment, the market for staffing of doctors is growing. The market for staffing of nurses is also expected to grow.

### Share-based incentive programme

2021 the Annual General Meeting decided for an issue resolution of maximum 90.000 share warrants. Each share entitles a subscription right for one series B share. During the period 23 April 2021 and 7 May 2021, the subscription price amounts to 115 percent of the average latest price paid for the company's B share. The warrant runs for more than three years from the moment the subscription price is determined. The issued share warrant can, with deviation from the shareholders' preferential rights, be subscribed for by Dedicare AB (publ), after which the company shall offer share warrants to the leading executives covered by the program. All warrants have been subscribed.

### Risks and uncertainties

Significant risks and uncertainties are described below. For a more detailed description of these, see Dedicare's annual report 2021.

### Political decisions

The markets where Dedicare currently operates are Sweden, Norway, Finland, and Denmark. In these countries, health care operations are predominantly publicly financed. The public funding means that reductions, savings, rationalizations, and similar measures at state, regional or municipal level can have a significant negative impact on Dedicare's operations. Dedicare's operations can also be greatly influenced by the political control of health care. It can be mentioned that the issue

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<sup>1</sup> SKR Staffing trend for hired staff in healthcare

<sup>2</sup> NHO: Statistics from the staffing industry

of purchasing staffing services in health care and care is and has been a debated subject in periods. In both Sweden and Norway, political activities are conducted to reduce the dependency of temporary staffing within health care.

## **Customer dependency**

Dedicare has a smaller number of customers who together account for a large part of the company's total sales. The largest customer in Sweden, Region Stockholm, accounted for approximately 16,4 percent (24,6) of Dedicare Sweden's revenue for the period January – June. Regions and municipalities often procure staffing services for all their operations in one joint tender procedure. This is also true for the public sector in Norway, where the biggest customer Helse Sør Öst, accounted for approximately 7.2 percent (11,7) of Dedicare Norway's total revenue for the period January - June. In Dedicare Denmark, during the period January – June, the largest customer, the North Jutland region, accounted for approximately 34,1 percent (23,9) of the revenue.

## **Dependency on agreements**

The majority of Dedicare's customers are publicly financed and are therefore covered by the Swedish Public Procurement Act (LOU). This act stipulates the way that tenders are conducted and states that the bigger ones must be published throughout the EU. Public customers in Sweden, Norway, Finland, and Denmark normally sign framework agreements with 3-10 suppliers for contracts lasting 2-4 years. This means that there is a risk of being excluded from important markets for a long period of time if a company does not win a procurement. If Dedicare does not win tenders with major individual customers or falls down the priority ranking, it can have a major negative impact on Group sales and profitability, at least temporarily. Dedicare continually works on ensuring that the Group has the competence and staff required to maintain the high level of quality in the Group's tenders.

## **Contractual penalties**

The framework agreements with customers in the public sector in Sweden, Norway, Finland,

and Denmark normally require Dedicare to pay a penalty and in some instances additional costs incurred by a client if Dedicare cannot fulfil an agreement. If Dedicare is not able to fulfil the assignments that the company has undertaken for any reason, there is a risk that the customers will exercise their right to financial compensation or to terminate a contract early.

## **Dependency on people**

As with all service companies, Dedicare is dependent on the employees in its operations. To reduce the dependency on key people, the company's concept and working methodology have been documented in the company's internal quality system. The company's management system is certified in accordance with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

## **Liability risks and medical errors**

Dedicare's staffing assignments involve providing its customers with the competence they request. Hiring takes place in the customer's premises, minimising Dedicare's liability risk. Dedicare does not have patient liability or supervisor liability. There is always a risk of making errors and mistakes when providing healthcare. If healthcare staff supplied by Dedicare commit a serious error, this could have a negative impact on the company's reputation, even though the supervisor liability lies with the customer. To cover liability risks, the Group has adequate insurance cover, adapted to Dedicare's general terms and conditions.

## **Transactions with related companies**

There were no significant transactions with related parties during the period January – June 2022.



## Financial goals and goal completion

### Growth

Dedicare strives to grow more quickly than the market in which the company operates. This ambition will be achieved primarily through organic growth and complementary acquisitions. Dedicare is also expected to grow by establishing itself on new markets in Europe, which will mainly be achieved through acquisitions.

### Operating margin

Dedicare has a target of achieving an operating margin over a business cycle of more than 7.0 percent. The second quarter 2022 the operation margin amounted to 8,7 percent.

### Equity/assets ratio

Dedicare should have a strong capital base and its operations should mostly be financed through equity. The capital requirement is limited due to the nature of the company's operations. Against this background, Dedicare intends to have an equity/assets ratio level of at least 30 percent. As of 30 June 2022, the equity/assets ratio amounted to 34,0 percent.

### Dividend policy

Dedicare's target is for its dividend to amount to at least 50 percent of the net profit over a business cycle. For the financial year 2021, a dividend of 57.6 percent (86.4) of the net income is proposed.

### About Dedicare

Dedicare is an authorised staffing company that provides doctors, nurses and social workers, and other personnel in healthcare and social work. The company is listed on Nasdaq Stockholm and operates in Sweden, Norway, Finland, and Denmark. Dedicare has four offices in Sweden (Stockholm, Gothenburg, Skellefteå and Lund), two offices in Norway (Trondheim and Oslo), one office in Finland (Helsinki) and two offices in Denmark (Copenhagen and Aalborg).

Dedicare is a member of the Swedish Almega Staffing Agencies (Almega Kompetensföretagen) and the Association of Private Care Providers (Vårdföretagarna), so therefore has collective agreements. In Norway Dedicare is a member in The Confederation of Norwegian Enterprise (Næringslivets Hovedorganisasjon). In Denmark Dedicare is a member of Danish Business (Dansk Erhverv).

The company is quality certified in accordance with ISO 9001:2015, environmental work certified with ISO 14001:2015 and work environment certified in accordance with ISO 45001:2018.

## Summary consolidated statement of comprehensive income

SEK million	note	apr-jun 2022	apr-jun 2021	jan-jun 2022	jan-jun 2021	jan-dec 2021
<b>Operating revenue</b>						
Net sales	1	423,9	299,4	818,7	564,9	1 249,9
Other operating income <sup>1</sup>		4,0	-	10,8	-	-
<b>Total operating revenue</b>		<b>427,9</b>	<b>299,4</b>	<b>829,5</b>	<b>564,9</b>	<b>1 249,9</b>
<b>Operating expenses</b>						
Purchased services		-91,0	-66,8	-173,6	-126,9	-271,2
Personnel expenses		-254,6	-182,5	-503,2	-349,2	-780,1
Other operating expenses <sup>1</sup>		-40,2	-22,4	-80,3	-44,0	-97,4
Depreciation of tangible and intangible assets		-4,8	-2,1	-8,8	-6,0	-13,4
<b>Operating profit</b>		<b>37,3</b>	<b>25,6</b>	<b>63,5</b>	<b>38,8</b>	<b>87,8</b>
Financial items <sup>1</sup>		-2,0	-0,4	-2,2	-1,4	-0,7
<b>Profit after financial items</b>		<b>35,3</b>	<b>25,2</b>	<b>61,3</b>	<b>37,5</b>	<b>87,1</b>
Income taxes		-8,7	-5,9	-14,1	-8,5	-21,5
<b>Profit for the period</b>		<b>26,6</b>	<b>19,3</b>	<b>47,2</b>	<b>28,9</b>	<b>65,6</b>
<b>Other comprehensive income</b>						
<i>Items that may be reclassified to profit</i>						
Exchange differences		-0,1	-4,1	2,7	0,8	0,6
<b>Total comprehensive income for the period</b>		<b>26,5</b>	<b>15,2</b>	<b>49,9</b>	<b>29,7</b>	<b>66,2</b>
<b>Of which attributable to:</b>						
Parent Company's shareholders		26,5	15,2	49,9	29,7	66,2
Basic earnings per share (SEK)		2,80	2,06	4,96	3,08	6,98
Diluted earnings per share (SEK)		2,77	2,06	4,91	3,08	6,91

<sup>1</sup> As of 2022, exchange rate changes of an operating nature are reported in other operating income (exchange rate gains) and other external costs (exchange rate losses). These were previously reported in financial items. Comparative figures are not updated.

<sup>2</sup> Operating profit includes acquisition costs of SEK 1.1 million. Adjusted for these non-recurring items, the operating profit for the second quarter amounts to SEK 38.4 million and accumulated for the period January to June 2022 to SEK 64.5 million.

## Summary consolidated statement of financial position

SEK million	note	2022-06-30	2021-06-30	2021-12-31
<b>Assets</b>				
Goodwill		95,8	61,0	61,7
Customer contract		28,1	10,6	8,3
Database		10,9	3,9	3,7
Trademark		0,3	-	-
Other intangible assets		6,6	4,5	4,9
Right-of-use assets		10,3	9,4	10,9
Equipment		2,1	1,7	1,7
Deferred tax assets		1,5	1,5	1,4
Deposits paid		4,7	4,9	4,8
<b>Total fixed assets</b>		<b>160,3</b>	<b>97,4</b>	<b>97,4</b>
<b>Current assets</b>				
Current receivables		325,5	231,9	268,0
Cash and cash equivalents		98,5	105,2	132,4
<b>Total current assets</b>		<b>424,0</b>	<b>337,0</b>	<b>400,5</b>
<b>TOTAL ASSETS</b>		<b>584,3</b>	<b>434,4</b>	<b>497,9</b>
<b>Equity</b>				
		<b>198,6</b>	<b>142,0</b>	<b>178,5</b>
<b>Long-term liabilities</b>				
Provisions		6,6	39,5	42,2
Other long-term liabilities		71,9	29,5	20,2
Deferred tax liabilities		16,3	13,4	10,7
<b>Total long-term liabilities</b>		<b>94,8</b>	<b>82,5</b>	<b>73,1</b>
<b>Current liabilities</b>				
Current tax liabilities		24,6	15,6	24,3
Other current liabilities		266,3	194,3	222,0
<b>Total current liabilities</b>		<b>290,9</b>	<b>209,9</b>	<b>246,3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>584,3</b>	<b>434,4</b>	<b>497,9</b>

## Summary consolidated change in equity

SEK million	jan-jun 2022	jan-jun 2021	jan-dec 2021
Equity at beginning of period	178,5	135,4	135,4
Profit for the period	47,2	28,9	65,6
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit</i>			
Exchange differences	2,7	0,8	0,6
<b>Transactions with shareholders</b>			
New shares in issue and share warrants deposited	8,3	0,4	0,4
Dividend	-38,1	-23,5	-23,5
<b>Equity at end of period</b>	<b>198,6</b>	<b>142,0</b>	<b>178,5</b>

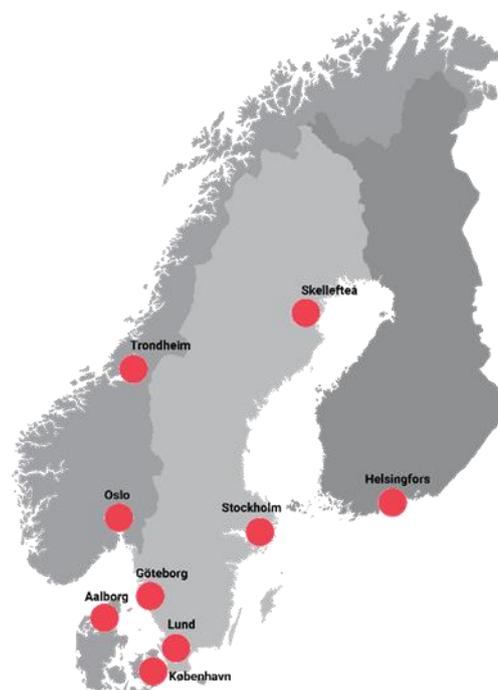
## Summary consolidated cash flow statement

SEK million	apr-jun 2022	apr-jun 2021	jan-jun 2022	jan-jun 2021	jan-dec 2021
<b>Operating activities</b>					
Cash flow from operating activities before changes in working capital	38,7	23,8	56,4	62,1	93,4
Changes in working capital	-21,5	-3,7	-18,0	-27,4	-23,8
<b>Cash flow from operating activities</b>	<b>17,2</b>	<b>20,1</b>	<b>38,4</b>	<b>34,7</b>	<b>69,6</b>
<b>Investing activities</b>					
Acquisition of subsidiaries	-15,6	-	-15,6	-	-
Acquisition of tangible and intangible fixed assets	-1,8	-0,4	-2,9	-0,9	-2,3
<b>Cash flow from investing activities</b>	<b>-17,4</b>	<b>-0,4</b>	<b>-18,5</b>	<b>-0,9</b>	<b>-2,3</b>
<b>Financial activities</b>					
Paid-in share warrants	-	0,4	-	0,4	0,4
Borrowings	-	-	28,6	-	-
Amortisation of loans	-39,4	-1,7	-41,2	-3,4	-6,9
Amortisation of lease debt	-2,0	-1,4	-4,0	-2,9	-6,2
Cash deposits	0,2	-0,2	0,2	-0,6	-0,6
Dividend paid	-38,1	-23,5	-38,1	-23,5	-23,5
<b>Cash flow from financing activities</b>	<b>-79,3</b>	<b>-26,4</b>	<b>-54,5</b>	<b>-30,0</b>	<b>-36,8</b>
<b>Cash flow for the period</b>	<b>-79,5</b>	<b>-6,7</b>	<b>-34,6</b>	<b>3,8</b>	<b>30,6</b>
Cash and cash equivalents at beginning of period	183,4	111,3	132,4	100,4	100,3
Exchange differences in cash and cash equivalents	-5,4	0,5	0,7	1,0	1,6
<b>Cash and cash equivalents at end of period</b>	<b>98,5</b>	<b>105,2</b>	<b>98,5</b>	<b>105,2</b>	<b>132,4</b>

## Note 1. Segment information and information about categories of revenue

Dedicare follows up its operations by dividing them into the business segments Sweden, Norway, Denmark, and Group-wide.

The segments Sweden, Norway and Denmark consist of the business operations regarding recruitment and staffing within each country as well as distributed central expenses such as cost for premises, financial administration, IT operations, marketing, etc. according to a distribution key based on the segments' revenue. The Group-wide segment consists of Group-wide items such as amortisation of surplus values from acquisitions, amortisation related to business transfers, IFRS16 translation, inter-company transactions, eliminations, etc.



Dedicare's segments are reported in the way that best reflects the internal reporting that is reported and followed up by the Group's CEO. The accounting principles that are applied to this segment reporting reflect the principles applied by the Group.

Allocation net revenue SEK million	Public apr-jun 2022	Private apr-jun 2022	Total apr-jun 2022	Public apr-jun 2021	Private apr-jun 2021 <sup>1,2</sup>	Total apr-jun 2021 <sup>1,2</sup>
Sweden	104,4	39,2	143,6	97,1	8,8	105,9
Norway	221,9	18,1	240,0	145,2	10,8	156,0
Denmark	39,9	0,4	40,3	35,1	1,8	36,9
<b>Total net revenue</b>	<b>366,2</b>	<b>57,7</b>	<b>423,9</b>	<b>277,4</b>	<b>21,4</b>	<b>298,8</b>

Allocation net revenue SEK million	Public jan-jun 2022	Private jan-jun 2022	Total jan-jun 2022	Public jan-jun 2021	Private jan-jun 2021	Total jan-jun 2021
Sweden	218,7	62,9	281,6	194,5	15,4	209,9
Norway	419,9	35,5	455,4	258,5	22,3	280,8
Denmark	81,0	0,7	81,7	71,7	2,5	74,2
<b>Total Net Revenue</b>	<b>719,6</b>	<b>99,1</b>	<b>818,7</b>	<b>524,7</b>	<b>40,2</b>	<b>564,9</b>

# DEDICARE

Allocation net revenue SEK million	Public jan-dec 2021	Private jan-dec 2021 <sup>1</sup>	Total jan-dec 2021 <sup>1</sup>
Sweden	404,5	45,0	449,5
Norway	603,4	47,9	651,3
Denmark	142,8	6,3	149,1
<b>Total Net Revenue</b>	<b>1 150,7</b>	<b>99,2</b>	<b>1 249,9</b>

Net revenue per operating segment, SEK million	Apr-Juni 2022	Apr-Juni 2021	Jan-Juni 2022	Jan-Juni 2021	Jan-Dec 2021
Sweden	143,5	105,9	281,5	209,9	449,5
Norway	240,1	156,0	455,4	280,8	651,2
Denmark	40,3	36,9	81,8	74,2	149,1
<b>Total net revenue</b>	<b>423,9</b>	<b>0,0</b>	<b>818,7</b>	<b>0,0</b>	<b>1 249,9</b>
Other operating income	4,0	-	10,8	-	-
<b>Total operating revenue</b>	<b>427,9</b>	<b>298,8</b>	<b>829,5</b>	<b>564,9</b>	<b>1 249,9</b>

Operating profit per operating segment, SEK million	apr-jun 2022	apr-jun 2021	jan-jun 2022	jan-jun 2021	jan-dec 2021
Sweden	9,0	2,9	0,0	5,5	14,5
Norway	30,1	21,1	0,0	31,7	72,4
Denmark	0,9	1,6	0,0	4,0	6,6
Group-wide costs	-2,7	-	0,0	-2,3	-5,8
<b>Operating profit</b>	<b>37,3</b>	<b>25,6</b>	<b>0,0</b>	<b>38,8</b>	<b>87,8</b>
Financial items	-2,0	-0,4	0,0	-1,4	-0,7
<b>Profit after financials items</b>	<b>35,3</b>	<b>25,1</b>	<b>0,0</b>	<b>37,5</b>	<b>87,1</b>

1 Correction has been made regarding the incorrect exchange rate when reporting a business transfer, where the effect is instead reported in the Group-wide segment.

2 Due to a new segment model, the comparative figures for 2021 have been adjusted.

## Note 2. Business combinations

On April 1, 2022, Dedicare acquired 100 percent of the share capital and voting rights in H&P Search & Interim AB (H&P), which conducts operations in Life Science on the Swedish market. The acquisition is in line with Dedicare's growth strategy portfolio as the business is now expanded to also include Life Science. The purchase price for the acquisition of H&P has been paid in cash and in shares in Dedicare AB (publ) through a non-cash issue. An additional purchase price has been agreed based on H&P's earnings development over the next two and two or three years, respectively. Preliminary purchase price allocation was prepared during the second quarter. The final purchase price allocation and valuation of Goodwill and any other intangible assets linked to the acquisition are expected to be completed during the third quarter as information collection continues. Acquisition-related costs have been reported as an expense in the Group's earnings.

The details of the business combination as follows:

### MSEK

<b>Real value of transferred compensation</b>	
Amount settled in cash	19,4
Share payment	8,3
Earn-out payment	30,2
Receivable adjusted transferred compensation	-0,2
<b>Total value of transferred compensation</b>	<b>57,8</b>
<b>Reported amount on identifiable net assets</b>	
Customer agreements	22,4
Database	7,8
Trademark	0,3
Tangible fixed assets	0,0
Current receivables	14,8
Cas and cash equivalents	3,8
Current tax liabilities	-3,1
Current tax liabilities	-12,0
Deferred tax liabilities	-6,3
<b>Total amount on identifiable net assets</b>	<b>27,7</b>
Goodwill on acquisition	30,1
<b>Total</b>	<b>30,1</b>
Transferred cash and compensation	19,4
Acquired cash and cash equivalents	-3,8
<b>Net cash flow on acquisition</b>	<b>15,6</b>
<b>Specification Goodwill</b>	
Goodwill Dedicare AS (Norwegian operation)	7,1
Goodwill Dedicare A/S (Danish operation)	57,0
Preliminary Goodwill H&P Search and Interim AB	30,1
<b>Total goodwill per 2022-06-30</b>	<b>94,2</b>

## Performance measures

	apr-jun 2022	apr-jun 2021	jan-jun 2022	jan-jun 2021	jan-dec 2021
Operating margin, %	8,7%	8,6%	7,6%	6,9%	7,0%
Profit margin, %	8,2%	8,4%	7,4%	6,6%	7,0%
EBITDA, SEK million	42,1	27,8	72,2	44,8	101,2
Net Debt, SEK million	-8,3	-72,5	-8,3	-34,9	-98,9
Equity/assets ratio, %	34,0%	32,7%	34,0%	32,7%	35,9%
Equity per share, SEK	20,86	15,12	20,86	15,12	19,00
Cash flow from currens operations per share, SEK	1,80	2,14	4,02	3,69	7,41
Number of employees, average <sup>1</sup>	1 241	939	1 161	879	925
Revenue per employee, SEK thousand	345	319	714	643	1 351
Share price at end of period, SEK	80,9	60,2	80,9	60,2	78,6
Number of shares before dilution	9 457 896	9 395 397	9 437 063	9 395 397	9 395 397
Number of shares after dilution	9 547 896	9 395 397	9 527 063	9 395 397	9 485 397
Number of outstanding shares	9 520 395	9 395 397	9 520 395	9 395 397	9 395 397

<sup>1</sup> The number of employees includes our sub-consultants. During the period jan-jun these amounted to 189 (177) persons.

## Reconciliation Alternative Performance Measures

Dedicare uses Alternative Performance Measures (APM). From 3 July 2016 new guidelines were introduced in the EU for alternative performance measures, which Dedicare applies. Dedicare's alternative performance measures are calculated for the financial reports that are prepared in accordance with the applicable rules for financial reporting. The performance measures that are presented below are not in accordance with IFRS but are intended to make it easier for stakeholders to analyse results and the financial structure.

### Return on equity

SEK million	apr-jun 2022	apr-jun 2021	apr-jun △	jan-jun 2022	jan-jun 2021	jan-jun △	jan-dec 2021
Profit for the period	26,6	19,3	7,3	47,2	28,9	18,3	65,6
Average equity	200,2	146,0	54,1	192,9	142,5	50,4	154,6
<b>Return on equity</b>	<b>13,3%</b>	<b>13,2%</b>	<b>0,1%</b>	<b>24,5%</b>	<b>20,3%</b>	<b>4,2%</b>	<b>42,4%</b>

### Return on total capital

SEK million	apr-jun 2022	apr-jun 2021	apr-jun △	jan-jun 2022	jan-jun 2021	jan-jun △	jan-dec 2021
Profit after financial items	35,3	25,2	10,1	61,2	37,5	23,7	87,1
Average total capital	590,0	444,6	145,4	559,3	424,6	134,7	445,8
<b>Return on total capital</b>	<b>6,0%</b>	<b>5,7%</b>	<b>0,3%</b>	<b>10,9%</b>	<b>8,8%</b>	<b>2,1%</b>	<b>19,5%</b>

Definitions can be found on page 22

## The Parent Company

Overall Group management, financial management and IT management are carried out in the Parent Company. Until December 2021 the Parent Company had a commissioner agreement with a Swedish subsidiary, which means that the results of the subsidiary's operations are recognized in the Parent Company. From January 2022, this commissioner agreement expired and the Swedish business is moved to a separate subsidiary.

### Parent Company's summary statement of comprehensive income

SEK million	note	apr-jun 2022	apr-jun 2021	jan-jun 2022	jan-jun 2021	jan-dec 2021
<b>Operating revenue</b>						
Net sales		2,8	106,4	4,8	210,5	451,1
Other operating revenue		0,7	-	4,4	-	-
<b>Total operating revenue</b>		<b>3,5</b>	<b>106,4</b>	<b>9,2</b>	<b>210,5</b>	<b>451,1</b>
<b>Operating expenses</b>						
Purchased services		-0,2	-43,7	-0,4	-82,4	-171,4
Personnel expenses		-5,5	-58,3	-12,0	-117,8	-257,0
Other external expenses		-9,8	-6,4	-19,7	-14,7	-29,2
Depreciation of tangible and intangible assets		-0,5	-0,4	-1,0	-0,9	-1,7
<b>Operating profit</b>		<b>-12,5</b>	<b>-2,4</b>	<b>-23,9</b>	<b>-5,2</b>	<b>-8,2</b>
<b>Profit from financial items</b>						
Profit from participations in group companies		-	-	-	-	73,1
Other financial items		-1,5	1,4	0,2	-2,1	-3,8
<b>Profit after financial items</b>		<b>-14,0</b>	<b>-1,0</b>	<b>-23,7</b>	<b>-7,4</b>	<b>61,0</b>
Appropriations		-	-	-	-	10,2
Tax on profit for the period		-	0,2	-	1,5	-
<b>Profit for the period<sup>1</sup></b>		<b>-14,0</b>	<b>-0,8</b>	<b>-23,7</b>	<b>-5,8</b>	<b>71,2</b>

<sup>1</sup> Parent company has no comprehensive income

## Parent Company's summary balance sheet

SEK million	note	2022-06-30	2021-06-30	2021-12-31
<b>Fixed assets</b>				
Other fixed assets		7,0	5,5	5,6
Shares in subsidiaries		164,4	104,0	104,0
Other financial assets		4,3	4,3	4,3
<b>Total fixed assets</b>		<b>175,7</b>	<b>113,9</b>	<b>113,9</b>
<b>Current assets</b>				
Other current receivables		57,4	89,2	101,0
Cash and bank		67,9	77,5	120,8
<b>Total current assets</b>		<b>125,3</b>	<b>166,7</b>	<b>221,8</b>
<b>TOTAL ASSETS</b>		<b>301,0</b>	<b>280,5</b>	<b>335,6</b>
<b>Equity</b>				
		<b>89,8</b>	<b>66,2</b>	<b>143,3</b>
<b>Untaxed reserves</b>				
		<b>37,1</b>	<b>47,0</b>	<b>37,1</b>
<b>Long-term liabilities</b>				
Provisions		-	35,0	35,6
Other long-term liabilities		66,5	25,5	15,5
<b>Total long-term liabilities</b>		<b>66,5</b>	<b>60,5</b>	<b>51,1</b>
<b>Current liabilities</b>				
Other current liabilities		107,6	106,7	104,1
<b>Total current liabilities</b>		<b>107,6</b>	<b>106,7</b>	<b>104,1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>301,0</b>	<b>280,5</b>	<b>335,6</b>

## Parent Company's summary change in equity

SEK million	jan-jun 2022	jan-jun 2021	jan-dec 2021
<b>Equity at beginning of period</b>	<b>143,3</b>	<b>95,2</b>	<b>95,2</b>
Profit for the period <sup>1</sup>	-23,7	-5,8	71,2
<b>Transactions with owners</b>			
New shares in issue and share warrants deposited	8,3	0,4	0,4
Dividend	-38,1	-23,5	-23,5
<b>Equity at end of period</b>	<b>89,8</b>	<b>66,2</b>	<b>143,3</b>

<sup>1</sup>The parent company has no other comprehensive income

## Accounting principles

The consolidated accounts for Dedicare have been prepared in accordance with the International Financial Reporting Standards (IFRS).

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 2 Accounting for Legal Entities.

The accounting principles and calculation methods applied for the Group and the Parent Company are the same as the accounting principles and calculation methods used when preparing the most recent Annual Report. New or revised IFRS and IFRIC interpretative statements with effect from 1 January 2021 have had no essential impact on Dedicare's financial reports.

## Definitions

### Profit after financial items

Operating profit including financial revenue, deducting financial expenses.

### Revenue per employee

Operating revenue divided by the average number of employees. The average number of employees is calculated by taking the total number of hours worked during the period, divided by the standard working hours for a fulltime employee. The number of employees includes our sub-consultants.

### Number of employees, average

Total number of hours worked during the period, divided by the standard working hours for a full-time employee. The number of employees includes our sub-consultants.

### Return on equity

Profit for the period divided by average equity.

### Return on total capital

Profit after financial items plus financial costs divided by the average capital employed.

### Profit per share

The profit for the period divided by the average number of shares.

### Operating margin

Operating profit as a percentage of operating revenue.

### Average equity

The average of equity per quarter-end.

### Equity/assets ratio

Equity as a percentage of total capital.

### Profit margin

Profit after financial items as a percentage of operating revenue.

### EBITDA

Operating profit before financial revenue and expenses, tax, depreciation and amortization of tangible and intangible fixed assets and write-downs.

### Net debt/Net cash

Interest-bearing debt with deduction for interest-bearing assets and cash equivalents.

## Calendar for financial information

21 October 2022	Interim report July – September 2022
17 February 2023	Year-end report January – December 2022

Stockholm 15 July 2022

Krister Widström  
Group President and CEO

Björn Örås  
Chairman of the Board

Dag Sundström  
Board member

Eva-Britt Gustafsson  
Board member

Madeleine Raukas  
Board member

Anna Söderblom  
Board member

The report has been signed by the President and CEO after authorization by the board.

Audit

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

**For more information, please contact:**

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