



DEDICARE

Interim report

1 January – 30 June 2020

”Stable quarter, but a continued uncertain situation in the world”

Period 1 April – 30 June

- Operating revenue SEK 216.5 million (195.5)
- Operating profit SEK 10.2 million (12.1). Operating profit adjusted for non-recurring items amounted to SEK 16.5 million
- Operating margin 4.7 percent (6.2). Operating margin adjusted for non-recurring items amounted to 7.6 percent
- Profit after financial items SEK 9.5 million (11.9)
- Profit for the period SEK 6.6 million (10.1)
- Cash flow from current operations SEK 11.9 million (-4.3)
- Cash flow from current operations per share SEK 1.26 (-0.47)
- Earnings per share SEK 0.70 (1.12)
- Equity per share SEK 12.27 (9.04)
- Return on equity 6.3 percent (10.7)

Period 1 January – 30 June

- Operating revenue SEK 387.2 million (379.7)
- Operating profit SEK 15.7 million (17.4), Operating profit adjusted for non-recurring items amounted to SEK 21.9 million
- Operating margin 4.1 percent (4.6), Operating margin adjusted for non-recurring items amounted to SEK 5.7 percent
- Profit after financial items SEK 14.8 million (16.9)
- Profit for the period SEK 10.4 million (14.0)
- Cash flow from current operations SEK 27.9 million (12.5)
- Cash flow from current operations per share SEK 2.97 (1.38)
- Earnings per share SEK 1.11 (1.55)
- Equity per share SEK 12.27 (9.04)
- Return on equity 10.3 percent (14.4)

The CEO's statement

The Group's revenue during the second quarter amounted to SEK 216.5 million, which is an increase by 10.7 percent compared to the same period 2019. The increase in revenue is mainly attributed to the acquisition of Dedicare A/S (KonZenta Aps). Operating profit adjusted for non-recurring items amounted to SEK 16.5 million compared to SEK 12.1 million in 2019. Operating margin adjusted for non-recurring items improved and amounted to 7.6 percent (6.2).

During the second quarter, we have had non-recurring items in the form of acquisition costs and provision for employer contributions that had a negative effect on earnings. Provision for

DEDICARE

employer contributions refer to Dedicare's Norwegian operations, which have been conducting staffing operations in northern Norway since 2016. The region is covered by regulations for reduced employer contributions. During the second quarter of 2020, we discovered that the regulations for reduced employer contributions can be interpreted differently, which is why we have contacted the Norwegian tax authorities to confirm that our interpretation and handling is correct. Provisions were made during the second quarter of SEK 3.9 million as well as interest and fees in the event that the Norwegian tax authorities consider that the handling was incorrect. The situation with Covid-19 has had both a positive and a negative impact on the business during the second quarter.

Sweden

Revenue in Sweden decreased by 17.5 percent during the second quarter. The decrease is attributed to staffing of social workers and doctors. We have growth in the staffing of nurses and the pandemic has meant an increased demand for nurses in Sweden, mainly from hospitals where the demand has been high as a result of an increased number of intensive care patients. At the same time, planned care has been postponed to the future, which is why the demand for doctors has been lower than normal with cancellations as a result. Towards the end of the second quarter, we have seen an increased demand for staffing of social workers.

Norway

The business in Norway continues to grow rapidly both regarding revenue and operating profit. The growth occurs in all areas, but the staffing of doctors has the biggest growth. The revenue increased by 19.7 percent. In Norway the demand for health care personell has also been high, but the challenge with e.g. quarantine for consultants from other nordic countries has affected the business. Day cares have been closed, which has meant that the Norwegian staffing of educators has discontinued for a period. During the latter part of the second quarter, easing of restrictions has taken place and Norwegian operations have been able to return to a more normal situation. Adjusted for non-recurring items the Norwegian business delivers a very good result.

Denmark

During the second quarter we have completed the acquisition of Dedicare A/S (KonZenta Aps) and access took place 1 April. The former branch in Denmark has been integrated into Dedicare A/S (KonZenta Aps). Kasper Madsen assumed the post as CEO from April and is now part of Dedicare's management team. The Danish business has been affected by restrictions, same as the Norwegian business, and planned care has been postponed which has created some challenges during the second quarter. The business in Denmark generates a positive operation profit during the quarter, which is attributed to the acquisition of Dedicare A/S (KonZenta Aps).

Sick leave has been high in all countries during the quarter, where staff have been urged to stay at home even with minor symptoms. Overall, however, the business performed well under the circumstances, our internal organization has adapted quickly to the new conditions. Our financial position remains strong and the Board's decision to withdraw the proposed dividend for the financial year 2019 gives us additional financial strength in the face of any challenges that may arise.

DEDICARE

I want to give a big thanks to all our employees whom have made a fantastic effort with our clients throughout Scandinavia!



Krister Widström
Group CEO

Financial information

April-June 2020

Revenue

The Group's revenue increased by 10.7 percent to SEK 216.5 million (195.5). The increase in revenue is mainly attributed to the acquisition of Dedicare A/S (KonZenta Aps). For more information, see note 1 Segment information and information about categories of revenue.

In Sweden the revenue decreased for the period by 17.5 percent to SEK 101.3 million (122.8).

During the second quarter the revenue decreased for the Swedish business, attributed to the staffing of social workers and doctors, while the staffing of nurses increased slightly. Staffing of doctors has been affected negatively because of planned care being postponed as a result of Covid-19.

In Norway the revenue increased for the period by 19.7 percent to SEK 86.8 million (72.5). The revenue in Norway increased in all business areas and staffing of doctors accounted for the greatest growth. The Norwegian staffing of educators has been affected by the closing of day cares i Norway, because of Covid-19, during the second quarter aswell. During the latter part of the second quarter the restrictions have eased and the staffing of educators has been able to assume.

In Denmark the revenue for the quarter amounted to SEK 28.4 million (0.2). The increase is entirely attributable to the acquisition of Dedicare A/S (KonZenta Aps).

Profit

The Group's operating profit amounted to SEK 10.2 million (12.1), with an operating margin of 4.7 percent (6.2). Operating profit adjusted for non-recurring items amounted to SEK 16.5 million, with an operating margin adjusted for non-recurring items of 7.6 percent. The increased operating margin is largely attributed to the Norwegian business.

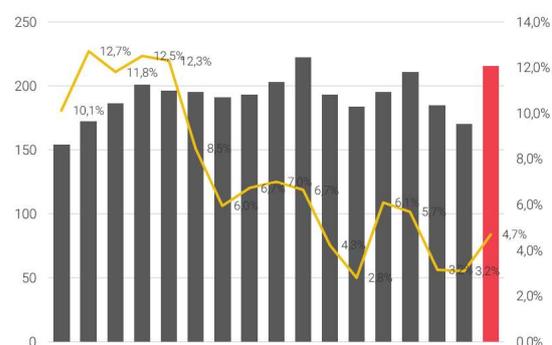
Sweden's operating profit for the period amounted to SEK -0.7 million (3.6). Operating profit for the period adjusted for non-recurring items amounted to SEK 1.6 million. The decreased operating profit is mostly attributed to a decreased revenue.

Norway's operating profit for the period amounted to SEK 9.0 million (9.3). Operating profit for the period adjusted for non-recurring items amounted to SEK 12.9 million. The improved profit is attributed to the business's growth and improved margins in business. Denmark's operating profit for the period amounted to SEK 1.9 million (-0.8). The increase is entirely attributable to the acquisition of Dedicare A/S (KonZenta Aps) with access 1 April 2020. Dedicare's previous operation in Denmark is included in Dedicare A/S (KonZenta Aps) from the second quarter.

The profit for the period amounted to SEK 6.6 million (10.1).

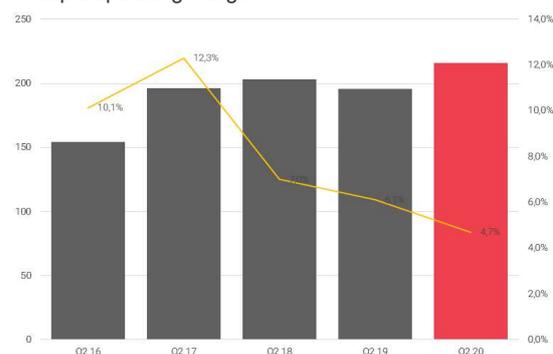
REVENUE AND OPERATING MARGIN PER QUARTER 2016-2020

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



REVENUE AND OPERATING MARGIN FOR THE SECOND QUARTER 2016-2020

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



January-June 2020

Revenue

The Group's revenue for the period increased by 2.0 percent to SEK 387.2 million (379.7).

In Sweden the revenue decreased for the period by 19.6 percent to SEK 196.9 million (245.0). During the period the revenue decreased for the Swedish operation in staffing of doctors and social workers, but increased in nurse staffing.

In Norway the revenue increased for the period by 20.1 percent to SEK 161.6 million (134.5). The revenue in Norway increased in all business areas to SEK 21.9 million with an operating margin of 5.7 percent. The improved margin is attributed to the Norwegian operation.

Sweden's operating profit for the period amounted to SEK 0.3 million (4.3). Operating profit adjusted for non-recurring items amounted to SEK 2.6 million. The decrease is mostly attributed to a deteriorated revenue and pressed margins in business.

Norway's operating profit for the period increased till SEK 14.2 million (13.9). Operating profit

and staffing of doctors accounted for the greatest growth.

In Denmark the revenue for the period amounted to SEK 28.7 million, which is attributed to the staffing of doctors and the acquisition of Dedicare A/S (KonZenta Aps).

Profit

The Group's operating profit for the period amounted to SEK 15.7 million (17.4) with an operating margin of 4.1 percent (4.6). Operating profit adjusted for non-recurring items amounted to SEK 18.1 million. The increased profit is attributed to the business's growth and improved margins in business.

Denmark's operating profit for the period amounted to SEK 1.2 million (-1.0). The increase is entirely attributable to the acquisition of Dedicare A/S (KonZenta Aps) with access 1 April 2020.

The profit for the period including non-recurring items amounted to SEK 10.4 million (14.0).

Financial position and liquidity

Liquidity

The Group's liquidity, per 30 June, amounted to SEK 96.1 million (32.3).

Equity

Equity by the end of the period amounted to SEK 115.3 million (81.8), which is equivalent to SEK 12.3 (9.0) per outstanding share for the period January – June. The increase in equity is foremost attributed to a completed issue in kind, during the second quarter, in connection to the acquisition of Dedicare A/S (KonZenta Aps). As a result of the issue in kind the number of shares in the company increased by 339,991 and the number of votes by 67,998.2. The total number of shares in the company, after the issue in kind, amounts to 9,395,397, where 2,011,907 are Series A shares with one (1) vote each and 7,383,490 are Series B shares with a fifth (1/5) of a vote each. The total number of votes amounts to 3,488,605.

Solidity

The solidity per 30 June amounted to 32.2 percent (37.2). The decreased solidity is

attributed to an increased balance sheet total in connection to the acquisition of

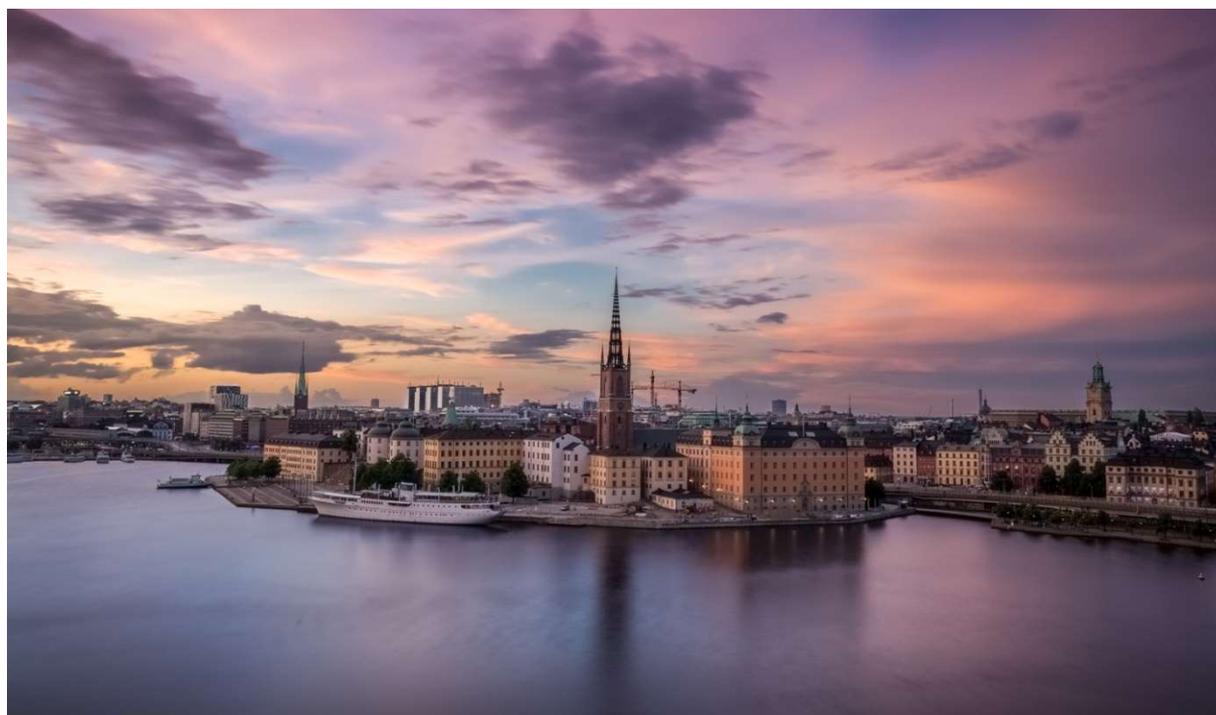
Dedicare A/S (KonZenta Aps). The solidity per 30 June adjusted for non-recurring items amounted to 34.5 percent

Cash flow

The cash flow from operating activities amounted to SEK 27.9 million (12.5) for the period January - June. The increase is mainly due to a change in the Group's current receivables and liabilities.

Investments

The Group has acquired the Danish company Dedicare A / S (KonZenta Aps) with access on 1 April 2020, which increased financial assets by SEK 23.9 million during the second quarter. In addition, investments were made in tangible and intangible fixed assets during the period January - June amounting to SEK 1.3 million (0.2). The investments in intangible fixed assets refer to investments in a new reporting tool and the investments in the tangible fixed assets refer to investments in office furnishings.



Events during the period

Lena Anderberg was hired as business manager for staffing of doctors in Sweden. She began her employment in February 2020.

On 5 March 2020, Dedicare signed a purchase agreement for 100% of the shares in the Danish staffing company KonZenta Aps (corporate registration number 36 42 03 40). KonZenta is a supplier of health care staffing to the Scandinavian health care sector with a focus on specialists and GPs and is expected to generate revenue of approximately SEK 120 million for the split financial year 2019/2020. Access took place on 1 April and KonZenta is consolidated into the Dedicare Group as of the second quarter of 2020. The acquisition means a stronger platform in Denmark and is in line with Dedicare's growth strategy. For more information see note 2 Business acquisitions.

Dedicare completed the acquisition of KonZenta on 1 April. In connection with this, the Board decided on an issue in kind with the support of the authorization obtained at the Extraordinary General Meeting on 23 January. The issue in kind is part of the purchase price in the acquisition of KonZenta and comprises 339,991 Series B shares. The subscription price was set at SEK 44.66 and was determined based on a volume weighted average price 30 trading days backwards from 29 January 2020, which is 5 trading days from the date of publication of the letter of intent regarding the acquisition of KonZenta. The shares were subscribed by the sellers to KonZenta (Carsten Vingaard, Kasper Madsen and Anders Sørensen) who, in conjunction with the subscription, undertook not to sell the shares during a lock-up period of two years. The reason for the deviation from the shareholders' preferential rights is that the shares issued in the issue in kind constitute payment for the acquisition of KonZenta. The issue in kind has a dilution effect of approximately 3.6 percent.

As a result of the issue in kind the number of shares in the company increased by 339,991 and the number of votes by 67,998.2. The total number of shares in the company, after the

issue in kind, amounts to 9,395,397, where 2,011,907 are Series A shares with one (1) vote each and 7,383,490 are Series B shares with a fifth (1/5) of a vote each. The total number of votes amounts to 3,488,605.

Dedicare monitors the developments on Covid-19 and continuously analyses the possible impact it may have on the business. Since changes in the outside world occur at a rapid pace, future effects are difficult to assess. Dedicare's assessment is that Covid-19 has had both positive and negative effects on the business, where demand has increased, but restrictions on travel within the Nordic region have posed challenges mainly to the Norwegian operations, which largely use consultants from Sweden, Denmark and Finland. During the latter part of the quarter the restrictions have eased in the Nordic region, which has been positive for the Norwegian and Danish businesses.

The prevailing situation with Covid-19 has caused Region Stockholm to postpone the procurement regarding health care staffing which was initialised during the fourth quarter 2019 and instead extended the current framework agreement to 31 December 2021. The extended framework agreement runs with a notice period of four months.

Kasper Madsen assumed the post as CEO Dedicare Danmark (previously KonZenta Aps) from 1 April and is now part of Dedicare's management team.

The Annual General Meeting was held on 23 April at the company's headquarters. The AGM approved the proposal to authorise the Board to, on one or more occasions during the period until the next annual general meeting, with or without preferential rights for the shareholders, to issue new shares of series B, issue convertibles and / or warrants. The issue decision may be made against payment in cash and / or in kind or set-off or that subscription may occur with other conditions. The issue may only take place on market terms. The number of shares, convertibles and / or warrants issued with the support of the

authorization may not entail 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.

Due to recent developments in relation to the spread of Covid-19, the Board of Dedicare decided to withdraw the proposed dividend of SEK 2.60 per share for the Annual General Meeting. The basis for the decision was the financial uncertainty that prevails in the market in general and to ensure a stable capital base for Dedicare's operations during a period of unease in the world. The Annual General Meeting resolved, in accordance with the Board's amended proposal, not to pay any dividends to the shareholders for the 2019 financial year.

Dedicare's dormant subsidiaries Acapedia AB CIN 559036-9582, Doktor24 i Skandinavien AB CIN 556599-1634, Nurse24 AB CIN 556583-6466 and Dedicare Nurse Sverige AB CIN 559006-4456 was discontinued during the second quarter through a sale to an external liquidator.

Dedicare initiated during the second quarter an investigation concerning the handling of employer contribution in northern Norway. Dedicare AS have been conducting staffing operations in northern Norway since 2016 and has in relation to this registered a sub-unit in Hammerfest CIN 917 216 886. The region is

covered by regulations for reduced employer contributions. At the time of establishment, Dedicare has, based on advice from external tax experts, made an assessment that the business conducted meets the requirements for utilising the reduced employer's contribution. In relation to the evaluation of operations in northern Norway during the second quarter of 2020, Dedicare discovered that the regulations for reduced employer contributions can be interpreted differently, which is why a new investigation was initiated together with external advisers. As part of the investigation, Dedicare has sent an open letter to the Norwegian tax authorities to confirm that the interpretation and handling is correct. Responses from the Norwegian tax authorities have not yet been received, nor has any information been given as to when in time this may happen. Provisions were made during the second quarter of SEK 3.9 million as well as interest and fees in the event that the Norwegian tax authorities consider that the handling was incorrect. Dedicare AS's sub-unit in Hammerfest was closed on the last day of June 2020, pending a response from the tax authorities in Norway.

Events after the period

No significant events after the end of the period.

Other information

Employees

The average number of employees, calculated as full-time equivalents, for the period January – June amounted to 609 persons (637). In this number our sub-consultants are included, which for the period January – June amounted to 88 persons (100).

Market trends

According to figures from the Swedish Municipalities and Regions (SKR), the hiring of health care personnel to the Regions increased by 3.4 percent for the full year 2019 compared with the full year 2018 to a total of SEK 5.5 billion. Hired staff make up a very small proportion of the total staff cost and the 5.5 billion account for only 3.8 percent of the total staff cost in health care.¹⁾ According to Dedicare's assessment, the market for staffing of social workers during the full year 2019 decreased compared to the full year 2018. Statistics for the first quarter will be published during the third quarter.

According to figures from the industry's main organization (NHO), the hiring of health care personnel in Norway increased by 13 percent in the full year 2019 compared with the full year 2018. Between 2013 and 2018, the market has no growth, but in 2019 growth was the highest ever.²⁾ During the first quarter 2020 the growth was 11 percent, which is the third consecutive quarter in which the market has grown.

For Denmark there is no official statistics concerning the market for health care staffing available.

Share-based incentive programme

Dedicare has no ongoing share-based incentive programme.

Risks and uncertainties

The risks that are described below are mainly the same that were described in the Annual Report for 2019 page 37.

Political decisions

The markets where Dedicare currently operates are Sweden, Norway, Finland and Denmark. In these countries, health care operations are predominantly publicly financed. Conditions for conducting health care can change quickly. In the long term, self-financed health care and the private market will grow, reducing this political risk in the future.

Dependency on customers

Dedicare has a small number of customers who together account for a high proportion of the company's total sales. The biggest customer in Sweden is Region Stockholm, which accounted for approximately 19.8 percent (23.0) of Dedicare Sweden's revenue for the period January - June 2020. 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 is Helse Sør Øst, accounting for approximately 12.2 percent (23.0) of Dedicare Norway's total revenue for the period January - June 2020. In Dedicare Denmark, during the period January - June 2020, the largest customer is Region North Jutland, which accounts for approximately 23.6 percent of the revenue. These public tenders are strictly regulated by law. Normally a certain number of priority suppliers are selected and ranked, with framework agreements being signed. These agreements are normally for a period of two years, with the option of extending for a maximum of two additional years. 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.

Dependency on agreements

Most 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

¹⁾ SKR: *Bemanningstrend för inhyrd personal i hälso- och sjukvård 2019*

²⁾ NHO: *Statistikk fra bemanningsbransjen*

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. 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 and ISO 14001:2015.

Liability risks

Dedicare's staffing assignments involve providing its customers with the competence they request. As a result, Dedicare does not have patient liability or supervisor liability. Hiring takes place in the customer's premises, minimising Dedicare's liability risk. To cover the remaining risks, the Group has adequate insurance cover, adapted to Dedicare's general terms and conditions.

Medical errors and criticism

There is always a risk of making errors and mistakes when providing health care. If healthcare staff supplied by Dedicare commit a serious error, this could have a negative impact on the company's reputation. This in

turn can have a negative impact on the company's operations, sales and profitability.

Other risks and risk management are described in Dedicare's 2019 Annual Report page 37.

Transactions with related companies

There were no significant transactions with related parties during the period January - June 2020.



Growth

Dedicare strives to grow more quickly than the market in which the company operates. This ambition will be achieved primarily through organic growth. This growth can partly be achieved through 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 2020 the operating margin adjusted for non-recurring items amounted to 7.6 percent and for the period January – June 2020 amounted to 5.7 percent adjusted for non-recurring items.

Solidity

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 a solidity level of at least 30 percent.

As of 30 June 2020, the solidity amounted to 32.2 percent and 34.5 percent adjusted for non-recurring items.

Dividend policy

Dedicare's target is for its dividend to amount to at least 50 percent of the net profit over a business cycle.

About Dedicare

Dedicare is an authorised staffing company that provides doctors, nurses and social workers, and other personnel in health care 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, Örebro and Skellefteå), as well as two offices in Norway (Trondheim and Oslo), one office in Finland (Helsinki) and two offices in Denmark (Copenhagen and Ålborg).

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) and Staffing agencies' trade association (Vikarbureauernes brancheforening).

The company is quality certified in accordance with ISO 9001:2015 and its environmental work is certified in accordance with ISO 14001:2015.

Summary consolidated statement of comprehensive income

SEK million	note	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating revenue	1	216,5	195,5	387,2	379,7	776,0
Employee benefit expenses		-135,1	-117,7	-237,2	-233,3	-477,6
Purchased services		-50,6	-48,2	-98,8	-95,0	-194,4
Other operating expenses		-18,9	-15,9	-31,6	-30,9	-62,2
Depreciation of fixed assets		-1,7	-1,6	-3,9	-3,2	-6,4
Operating profit*		10,2	12,1	15,7	17,4	35,3
Financial items		-0,7	-0,2	-0,9	-0,5	-0,9
Profit after financial items		9,5	11,9	14,9	16,9	34,4
Income taxes		-2,9	-1,8	-4,4	-2,9	-7,9
Profit for the period		6,6	10,1	10,4	14,0	26,4
Of which attributable to:						
Parent Company's shareholders		6,6	10,1	10,4	14,0	26,4
Other comprehensive income						
<i>Items that may be classified to profit</i>						
Currency differences		-2,6	1,0	-3,4	1,6	0,5
Total comprehensive income for the period		4,0	11,1	7,0	15,6	26,9
Of which attributable to:						
Parent Company's shareholders		4,0	11,1	7,0	15,6	26,9
Earnings per share, SEK		0,71	1,12	1,11	1,55	2,92

*Operating profit includes acquisition costs of SEK 2.3 million and a provision for employer contributions of SEK 3.9 million. Adjusted for these non-recurring items the operating revenue for the second quarter amounts to SEK 16.4 million and accumulated for the period January to June 2020 to SEK 21.9 million.

Summary consolidated statement of financial position

SEK million	note	2020-06-30	2019-06-30	2019-12-31
Assets				
Goodwill	2	79,6	7,6	7,3
Other intangible assets		3,5	2,4	2,9
Tangible fixed assets		2,3	3,1	2,6
Right-of-use asset		13,5	17,4	14,4
Other financial assets		4,3	4,3	4,3
Current receivables		159,0	152,8	145,0
Cash and cash equivalents		96,1	32,3	62,7
Total assets		358,3	219,9	239,2
Equity and liabilities				
Equity		115,3	81,8	93,1
Provisions		40,9	0,0	0,0
Long-term leasing debt		41,8	14,9	10,2
Untaxed reserves		10,7	10,9	10,7
Current tax debt		7,4	5,2	7,5
Current liabilities		142,2	107,1	117,7
Total equity and liabilities		358,3	219,9	239,2

Summary consolidated change in equity

SEK million	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Equity at beginning of period	93,1	102,4	102,4
Profit for the period	10,4	14,0	26,4
Other comprehensive income			
<i>Items that may be reclassified to profit</i>			
Currency differences	-3,4	1,6	0,5
Transactions with shareholders			
New share issue	15,2	-	-
Dividend	0,0	-36,2	-36,2
Equity at end of period	115,3	81,8	93,1

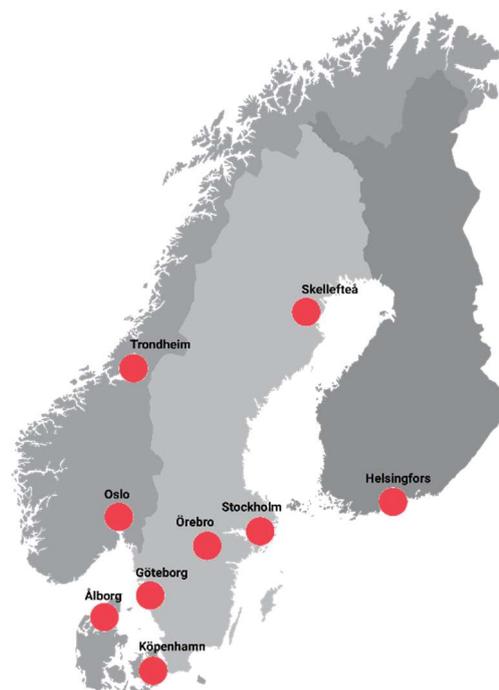
Summary consolidated cash flow statement

SEK million	note	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating activities						
Cash flow from operating activities before changes in working capital		11,9	11,6	18,0	16,0	24,8
Changes in working capital		0,0	-15,9	10,0	-3,5	22,2
Cash flow from operating activities		11,9	-4,3	28,0	12,5	47,0
Investing activities						
Acquisition of subsidiaries	2	-23,9		-23,9		
Acquisition of tangible and intangible fixed assets		-0,9	0,0	-1,3	-0,2	-1,7
Cash flow from investing activities		-24,8	0,0	-25,2	-0,2	-1,7
Financing activities						
Amortisation of lease debt		-1,2	-1,2	-3,0	-2,5	-4,9
Borrowings		37,1	-	37,1		
Amortisation loans		-1,7		-1,8		
Dividend paid		0,0	-36,2	0,0	-36,2	-36,2
Cash flow from financing activities		34,2	-37,4	32,3	-38,7	-41,1
Cash flow for the period		21,3	-41,7	35,1	-26,4	4,1
Cash and cash equivalents at beginning of period		75,1	73,9	62,7	58,2	58,2
Currency differences in cash and cash equivalents		-0,2	0,1	-1,7	0,5	0,4
Cash and cash equivalents at end of period		96,1	32,3	96,1	32,3	62,7

Note 1. Segment overview and information on revenue categories

Dedicare follows up its operations by dividing them into the business segments Sweden, Norway and Denmark. Each country includes the following professional categories: health care, social work and education.

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	Private	Public	Private
	April-June 2020	April-June 2020	April-June 2019	April-June 2019
Sweden	93,4	7,9	107,0	15,8
Norway	80,4	6,4	65,7	6,8
Denmark	26,1	2,3	0,2	0,0

Allocation net revenue SEK million	Public	Private	Public	Private	Public	Private
	Jan-June 2020	Jan-June 2020	Jan-June 2019	Jan-June 2019	Jan-Dec 2019	Jan-Dec 2019
Sweden	180,2	16,7	213,8	31,2	422,8	37,2
Norway	149,5	12,1	121,3	13,2	298,1	16,8
Denmark	28,7	0,0	0,2	0,0	1,1	0,0

DEDICARE

Sweden

SEK million	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating revenue	101,3	122,8	196,9	245,0	459,9
Operating profit*	-0,7	3,6	0,3	4,3	4,1
Financial items	-0,1	-1,1	3,4	-4,9	23,6
Profit after financial items	-0,7	2,5	3,7	-0,6	27,7
Profit margin, %	-0,6%	2,9%	0,1%	1,8%	0,9%
Average number of employees	303	355	286	354	323
Revenue per employee, SEK thousand	334	345	689	692	1 424

*Operating profit includes acquisition costs of SEK 2.3 million. Adjusted for this non-recurring item the operating revenue for the second quarter amounts to SEK 1.6 million and accumulated for the period January to June 2020 to SEK 2.6 million.

Norway

SEK million	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating revenue	86,8	72,5	161,6	134,5	314,9
Operating profit*	9,0	9,3	14,2	13,9	33,1
Financial items	-0,7	0,9	-4,4	4,4	-24,5
Profit after financial items	8,3	10,2	9,8	18,3	8,6
Profit margin, %	10,4%	12,8%	8,8%	10,3%	10,5%
Average number of employees	320	285	293	263	286
Revenue per employee, SEK thousand	272	255	552	511	1 103

*Operating profit includes a provision for employer contributions of SEK 3.9 million. Adjusted for this non-recurring item the operating revenue for the second quarter amounts to SEK 12.9 million and accumulated for the period January to June 2020 to SEK 18.1 million.

Denmark *

SEK million	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating revenue	28,4	0,2	28,7	0,2	1,2
Operating profit*	1,9	-0,8	1,2	-1,0	-1,9
Financial items	0,0	0,0	0,0	0,0	0,0
Profit after financial items	1,9	-0,8	1,2	-1,0	-1,9
Profit margin, %	6,5%	-379,6%	4,3%	-481,4%	-159,0%
Average number of employees	58	2	30	1	2
Revenue per employee, SEK thousand	489	103	948	155	500

* Previous New Markets are reported with Denmark as a separate segment. Finland, which was previously reported in New Markets, is now reported in the segment Sweden.

Note 2. Business acquisitions

On 1 April 2020, Dedicare signed a purchase agreement for 100% of the shares in Dedicare A/S (KonZenta ApS), who is a supplier of health care staffing on the Scandinavian market. The acquisition means a stronger platform in Denmark and is in line with Dedicare's growth strategy.

The purchase price for the acquisition of KonZenta has been paid in cash and in shares in Dedicare AB (publ) through an issue in kind. An additional purchase price has been agreed based on KonZenta's profit development over the next two years. Preliminary acquisition analysis was prepared during the second quarter. The final acquisition analysis 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 a cost in the Group's profit.

The details of the business acquisition are as follows:

Real value of transferred compensation	
Amount settled in cash	29,7
Share payment	15,2
Earn-out payment	37,0
Total real value of transferred compensation	81,9
Reported amount on unidentifiable net assets	
Financial assets	1,8
Total fixed assets	1,8
Current receivables	14,5
Cash and cash equivalents	5,8
Total current assets	20,3
Current tax debt	1,2
Current liabilities and other debts	15,0
Total short-term liabilities	16,2
Unidentifiable net assets	5,9
Goodwill on acquisition	76,0
Transferred compensation cash and cash equivalents	29,7
Acquired cash and cash equivalents	5,8
Net cash flow on acquisition	23,9
Specification Goodwill	
Goodwill Dedicare AS (Norwegian operation)	6,6
Goodwill Dedicare A/S (prev. KonZenta ApS) per 200401	76,0
<i>exchange rate adjustment per 200630</i>	-3,0
Total preliminary goodwill Dedicare A/S (prev. KonZenta ApS)	73,0
Total Goodwill per 200630	79,6

DEDICARE

Performance measures

	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating margin, %*	4,7%	6,2%	4,1%	4,6%	4,5%
Profit margin, %	4,4%	6,1%	3,8%	4,5%	4,4%
Equity/assets ratio, %	32,2%	37,2%	32,2%	37,2%	38,9%
Equity per share, SEK	12,27	9,04	12,27	9,04	10,28
Cash flow from current operations per share	1,27	-0,47	2,98	1,38	5,19
Number of annual employees, average**	681	661	609	637	629
Revenue per employee, SEK thousand	318	296	636	596	1234
Profit per share - basic, SEK	0,71	1,12	1,11	1,55	2,92
Share price at end of period	36,4	48,1	36,4	48,1	40,9
Average number of shares	9 395 397	9 055 406	9 395 397	9 055 406	9 055 406
Number of outstanding shares	9 395 397	9 055 406	9 395 397	9 055 406	9 055 406

*Operating profit includes acquisition costs of SEK 2.3 million and a provision for employer contributions of SEK 3.9 million. Adjusted for these non-recurring items the operating margin for the second quarter amounts to 7.6% and accumulated for the period January to June 2020 to 5.7%.

** The number of employees includes our sub-consultants. During the quarter these amounted to 88 persons (100).

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

	April-June 2020	April-June 2019	April-June △	Jan-June 2020	Jan-June 2019	Jan-June △	Jan-Dec 2019
Profit for the period	6,6	10,1	-3,5	10,4	14,0	-3,6	26,4
Average equity	104,2	94,4	9,9	100,5	97,1	3,5	94,8
Return on equity	6,4%	10,7%	-4,3%	10,4%	14,4%	-4,1%	27,9%

Return on total capital

	April-June 2020	April-June 2019	April-June △	Jan-June 2020	Jan-June 2019	Jan-June △	Jan-Dec 2019
Profit after financial items*	9,5	11,9	-2,4	14,9	16,9	-2,1	34,4
Average total capital	293,8	235,5	58,2	275,6	229,0	46,6	232,3
Return on total capital	3,2%	5,0%	-1,8%	5,4%	7,4%	-2,0%	14,8%

* Adjustments have been made of average equity and total capital for the second quarter of 2019 and for the period January-June 2019. 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. The Parent Company has a commissioner agreement with a Swedish subsidiary, which means that the results of the subsidiary's operations are recognized in the Parent Company. The revenue for the period January – June 2020 amounted to SEK 196.0 million (244.1) and the profit after financial items amounted to SEK 14.2 million (-1.1) including non-recurring items.

Parent Company's summary statement of comprehensive income

SEK million	April-June 2020	April-June 2019	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Operating revenue	100,9	121,9	196,0	244,1	457,7
Employee benefit expenses	-54,6	-66,6	-103,6	-136,5	-250,0
Purchased services	-38,5	-44,1	-80,0	-87,6	-174,6
Other operating expenses	-5,9	-7,8	-9,8	-15,0	-28,3
Depreciation of fixed assets	-0,4	-0,3	-0,7	-0,6	-1,3
Operating profit	1,6	3,1	1,8	4,5	3,5
Profit from participations in Group companies	0,0	0,0	0,0	0,0	24,9
Other financial items	6,6	-1,3	12,3	-5,6	-3,1
Profit after financial items	8,3	1,8	14,2	-1,1	25,3
Appropriations	0,0	0,0	0,0	0,0	0,8
Income taxes	-0,6	0,0	-1,8	0,0	-0,5
Profit for the period	7,7	1,8	12,3	-1,1	25,6
Other comprehensive income					
<i>Items that may be classified to the profit</i>					
Currency differences	0,0	0,0		0,0	-0,1
Total comprehensive income for the period	7,7	1,8	12,3	-1,1	25,5

Parent Company's summary balance sheet

SEK million	2020-06-30	2019-06-30	2019-12-31
Assets			
Shares in subsidiaries	105,5	21,0	21,6
Other fixed assets	5,2	4,9	5,0
Other financial assets	4,3	4,3	4,3
Current receivables	82,5	96,7	89,2
Cash and cash equivalents	73,1	24,3	54,9
Total assets	270,6	151,3	175,2
Equity and liabilities			
Equity	69,1	15,9	41,5
Provision	37,0	0,0	0,0
Long-term liabilities	33,4	0,0	0,0
Untaxed reserves	48,7	49,6	48,7
Current liabilities	82,4	85,9	84,8
Total equity and liabilities	270,6	151,3	175,2

Parent Company's summary change in equity

SEK million	Jan-June 2020	Jan-June 2019	Jan-Dec 2019
Equity at beginning of period	41,5	52,2	52,2
Profit for the period	12,3	-1,1	25,6
Other comprehensive income			
<i>Items that may be reclassified to profit</i>			
Currency differences	0,0	1,0	-0,1
Transactions with owners			
New share issue	15,2	-	-
Dividend	0,0	-36,2	-36,2
Equity at end of period	69,1	15,9	41,5

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 2020 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 full-time employee. The number of employees includes our sub-consultants.

Number of employees, average

The 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 – basic

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

Operating margin

Operating profit as a percentage of operating revenue.

Solidity

Equity including minority interests as a percentage of total capital.

Profit margin

Profit after financial items as a percentage of operating revenue.

Calendar for financial information

15 July 2020	Interim report Apr-Jun 2020
23 October 2020	Interim report Jul-Sep 2020
9 February 2021	Year-end report 2020

Stockholm 15 July 2020

Krister Widström
Group President and CEO

The report has been signed by the Group President and CEO after authorization from the Board.

Audit

This report has not been audited by the company's auditors, Grant Thornton Sweden AB.

For more information, please contact:

Krister Widström, Group President and CEO, tel. +46(0)70-526 79 91

Johanna Eriksson, CFO, tel +46(0)70-896 40 10

Dedicare AB (publ)
Corporate identity number: 556516-1501
Ringvägen 100, entrance E, 10 fl.
SE-118 60 Stockholm, Sweden
T: +46(0)8-555 656 00
www.dedicare.se