



# DEDICARE

## Interim report

1 April – 30 June 2021

”Growth and increased profitability during the second quarter”

## Period 1 April – 30 June

- Operating revenue SEK 299.4 million (216.5)
- Operating profit SEK 25.6 million (10.2)
- Operating margin 8.6 percent (4.7)
- Profit after financial items SEK 25.2 million (9.5)
- Profit for the period SEK 19.3 million (6.6)
- EBITDA SEK 27.8 million (12.0)
- Cash flow from current operations SEK 20.1 million (11.9)
- Cash flow from current operations per share SEK 2.14 (1.27)
- Earnings per share SEK 2.06 (0.71)
- Equity per share SEK 15.12 (12.27)
- Return on equity 13.2 percent (6.4)

## Period 1 January – 30 June

- Operating revenue 564.9 million (387.2)
- Operating profit SEK 38.8 million (15.7)
- Operating margin 6.9 percent (4.1)
- Profit after financial items SEK 37.5 million (14.9)
- Profit for the period SEK 28.9 million (10.4)
- EBITDA SEK 44.8 million (19.6)
- Cash flow from current operations SEK 34.7 million (28.0)
- Cash flow from current operations per share SEK 3.69 (2.98)
- Earnings per share SEK 3.08 (1.11)
- Equity per share SEK 15.12 (12.27)
- Return on equity 20.3 percent (10.4)

## The CEO's statement

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**The groups revenue during the second quarter amounted to SEK 299.4 million, which is an increase by 38.3 percent compared to the same period last year. The increase in revenue is mainly attributed to growth in the Norwegian operations. Operating profit amounted to SEK 25.6 million compared to SEK 10.2 million same period last year. Operating margin also improved and amounted to 8.6 percent compared to 4.7 percent same period last year.**

### Sweden

Revenue in Sweden increased by 5.5 percent during the second quarter. The increase is explained by the demand for primary staffing of social workers, but also staffing of doctors to some extent, has increased compared to last year. Operating profit decreased, which is explained by increased salary

# DEDICARE

levels within staffing of nurses, as an effect by high demand for nurses during the pandemic. There is still a shortage of health care personnel, and the competition for the resources on the market is high.

The Swedish Municipalities and Regions (SKR) have decided to implement a national procurement of health care services in the Regions. Today, there are 21 separate procurements with different conditions, these will be merged to one joint tender procedure. SKRs ambition for the procurement is to publish it at the end of 2021, and the allocation decision at the end of the first quarter of 2022. This procurement is of high importance for the market in Sweden. In 2020 the Swedish Regions purchased health care services for a total amount of SEK 5.6 billion.

Only one in three companies in staffing of health care personnel in Sweden has collective agreements, which means most of the nurses hired by the Regions do not hold a provision for occupational pension. Dedicare is an authorized company with a collective agreement, and we have an expectation that SKR takes greater responsibility for the working conditions in the industry, that all procured suppliers in the national procurement set aside occupational pensions according to the collective agreement. For us, good working conditions are part of our work with social sustainability, and we also expect that from the Swedish regions.

During the period, Eva Brunnberg has been recruited as new CEO for the Swedish operation. The purpose is to gain more focus on the Swedish market, which has had a negative development with increased competition and is under severe pressure regarding margins.

## **Norway**

All areas in Norway have growth regarding both revenue and operating profit. Revenue increased by 80.1 percent, and the profit more than doubled during the period. During the pandemic, the operations have had challenges with travel restrictions and quarantine rules for arrivals. The restrictions are expected to ease as vaccination regarding Covid-19 continues in the Nordic countries. The Norwegian operations have had a strong development in recent quarters and continue to gain market share, which is positive.

## **Denmark**

In Denmark the revenue increased by 27.5 percent during the second quarter compared to previous year. The increase is mainly attributed to staffing of doctors. The Danish business has also had challenges with travel restrictions, but restrictions have eased during the later part of the period.

The vaccination regarding Covid-19 takes place in all Nordic countries, which is very positive. The effects of the pandemic are difficult to assess, and no action plans to deal with the accumulated care debt have yet been presented from a political point of view.

When we now end the first half of the year, I want to take the opportunity to wish all customers, consultants, and employees a nice summer!



Krister Widström  
Group President and CEO

## Financial information

### April - June 2021

#### Revenue

The Group's revenue for the period increased by 38.3 percent to SEK 299.4 million (216.5). The increase is mainly attributed to growth in the Norwegian operation. For more information, see note 1 Segment information and information about categories of revenue.

In Sweden, the revenue increased for the period by 5.5 percent to SEK 106.5 million (101.3). The increased revenue for the Swedish business is attributed to staffing of social workers. High sick leave rates within staffing of nurses have stabilized during the period. But a high demand for nurses during the pandemic has led to increased salary levels with severe pressure regarding margins as a result. Staffing of doctors has increased during the period. The number of cancellations when planned care has been postponed to the future has decreased.

In Norway the revenue increased for the period by 80.1 percent to SEK 156.4 million (86.8). The revenue in Norway increased in all business areas compared to the same period last year. Travel restrictions that have previously been introduced, and have created challenges for the Norwegian operations, are expected to ease onwards.

In Denmark the revenue increased for the period by 27.5 percent to SEK 36.2 million (28.4). The increase is mainly attributed to staffing of doctors.

#### Profit

The Group's operating profit for the period amounted to SEK 25.6 million (10.2), with an operating margin of 8.6 percent (4.7). The increased operating profit is attributed to the Norwegian business.

Sweden's operating profit for the period amounted to SEK -2.4 million (-0.7), with an operating margin of -2.3 percent (-0.6). The decreased operating profit is attributed to impaired margins as an effect by increased salary levels within staffing of nurses.

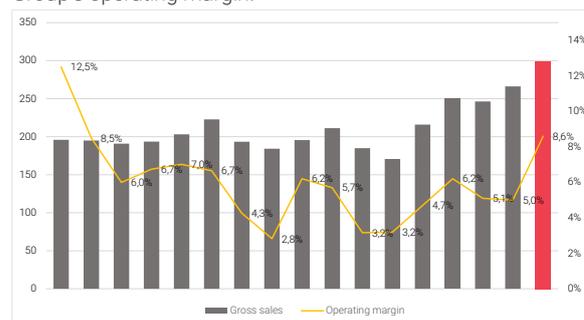
Norway's operating profit for the period amounted to SEK 26.8 million (9.0), with an operating margin of 17.2 percent (10.4). The improved profit is mainly attributed to the business growth and improved margins.

Denmark's operating profit for the period amounted to SEK 1.2 million (1.9), with an operating margin of 3.4 percent (6.5).

The profit for the period amounted to SEK 19.3 million (6.6).

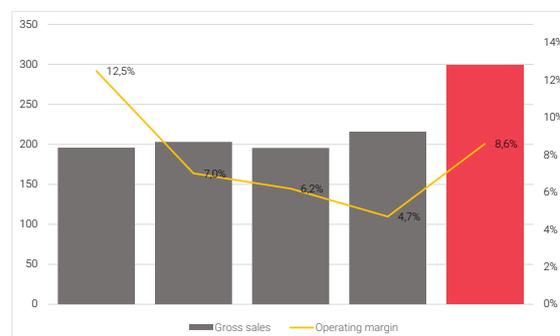
#### REVENUE AND OPERATING MARGIN PER QUARTER 2017-2021

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



#### REVENUE AND OPERATING MARGIN FOR THE SECOND QUARTER 2017-2021

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



## January - June 2021

### Revenue

The Group's revenue for the period increased by 45.9 percent to SEK 564.9 million (387.2). The increase is mainly attributed to the acquisition of Dedicare A/S and growth in the Norwegian operation. For more information, see note 1 Segment information and information about categories of revenue.

In Sweden the revenue increased for the period by 7.5 percent to SEK 211,7 million (196.9). The increased revenue for the Swedish business is primary attributed to staffing of nurses and social workers. High sick leave rates within staffing of nurses have had a negative impact on the business, but have stabilized during the later part of the period. Staffing of doctors has had challenges with cancellations when planned care has been postponed to the future during the pandemic, but have increased slightly during the later part of the period as cancellations have decreased.

In Norway the revenue increased for the period by 73.1 percent to SEK 279.6 million (161.6). The revenue in Norway increased in all business areas. Travel restrictions that have previously been introduced, and have created challenges for the Norwegian operations, are expected to ease as vaccination regarding Covid-19 continues in the Nordic countries.

In Denmark the revenue increased for the period to SEK 73.6 million (28.7). The increase is mainly attributed to the acquisition of Dedicare A/S and growth in the Danish operations.

### Profit

The Group's operating profit for the period amounted to SEK 38.8 million (15.7), with an operating profit of 6.9 percent (4.1). The increased operating profit is attributed to the Norwegian and Danish business.

Sweden's operating profit for the period amounted to SEK -5.2 million (0.3), with an operating margin of -2.5 percent (0.1). The increased operating profit is mainly attributed to amortization of intangible assets in the Group related to the acquisition of Dedicare A/S, and impaired margins as an effect by increased salary levels within staffing of nurses.

Norway's operating profit for the period amounted to SEK 39.9 million (14.2), with an operating margin of 14.3 percent (8.8). The increased profit is mainly attributed to the business growth and improved margins.

Denmark's operating profit for the period amounted to SEK 4.2 million (1.2), with an operating margin of 5.6 percent (4.3). The increase is mainly attributed to the acquisition of Dedicare A/S and growth in staffing of doctors.

The profit for the period amounted to SEK 28.9 million (10.4).

## Financial position and liquidity

### Liquidity

The Group's liquidity, per 30 June, amounted to SEK 105.2 million (96.1). The increased level of liquidity is partly attributed to the withdrawn dividends to shareholders during last year.

### Equity

Equity by the end of the period amounted to SEK 142.0 million (115.3), which is equivalent to SEK 15.1 (12.3) per outstanding share for the period January – June.

### Solidity

The solidity per 30 June amounted to 32,7 percent (32.2).

### Cash flow

The cash flow from the operating activities amounted to SEK 20.1 million (11.9) for the period April - June, to SEK 34.7 million (28.0) for the period January – June. The increase is mainly attributed to changes in current receivables and liabilities.

### Investments

Investments were made in tangible and intangible fixed assets during the period April - June amounted to SEK 0.4 million (0.9), and for the period January – June amounted to SEK 0.9 million (1.3). Investments in intangible fixed assets refer to investment in a new reporting tool, and investments in tangible fixed assets refer to investments in office furnishings.



## **Events during the period April – June**

Eva Brunberg was recruited as CEO for the Swedish operations and as part of the group management. She will start her employment on 23 August. Krister Widström, who holds the role of CEO for the Swedish operations today, will in the future entirely focus on his role as Group President and Dedicare's vision to become one of Europe's leading recruitment and staffing companies within health care and social workers.

At the Annual General Meeting on 22 April, it was decided to re-elect Anna Söderblom as a board member. Anna Lefevre Skjöldebrand has declined re-election and therefore left Dedicare's board.

The Annual General Meeting 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.

In Sweden, municipalities and regions have decided to implement a national procurement of health care services. The procurement is expected to be published during the autumn, and the allocation decision at the end of the first quarter of 2022.

During the second quarter, reliefs linked to restrictions regarding Covid-19 in the Nordic countries were initiated, as the vaccination of the population continued. Reliefs in restrictions are expected to facilitate traveling within the Nordic countries, which primarily affects Dedicare's Norwegian and Danish operations.

## **Events during the period January – June**

As of 1 January, Jessica Alarik assumed the post as new business manager for the Recruitment area in Sweden.

Dedicare monitors the developments on Covid19 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 the pandemic's impact on operations has not changed significantly during the first and second quarter of 2021, and the operations have demonstrated a good ability to be able to adapt to eventual future challenges.

Dedicare initiated during the second quarter 2020 an investigation concerning the handling of employer contribution in northern Norway. As a part of the investigation, Dedicare has sent an open letter to the Norwegian tax authorities to confirm that the Group's interpretation and handling is correct. Provisions were made during the second and fourth quarter of SEK 4.5 million as well as interest and fees if the Norwegian tax authorities consider that the handling was incorrect. Response from the Norwegian tax authorities has not yet been received, neither has any information regarding when it may happen.

## **Events after the period**

No significant events after the end of the period.

## Other information

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### Employees

The average number of employees, calculated as full-time equivalents, for the period January – June amounted to 893 persons (609). In this number sub-consultants are included, which for the period January – June amounted to 154 persons (88).

### Market trends

According to figures from the Swedish Municipalities and Regions (SKR), the hiring of health care personnel the Regions increased by 0.4 percent during the full year 2020 compared with the full year 2019.<sup>1)</sup> The hiring of doctors decreased by 6.0 percent in total, while the hiring of nurses increased by 9.0 percent during the full year 2020. According to Dedicare's assessment, the market for staffing of social workers has decreased during the full year 2020 compared to the full year 2019. Statistics for the first half year 2021 is expected to 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 26.6 percent during the first quarter 2021 compared with the first quarter 2020. Between 2013 and 2018, the market had no growth, but in 2019 and 2020 the growth amounted to 12.9 percent and 11.7 percent.<sup>2)</sup> Statistics for the second quarter 2021 have not yet been published.

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, but has been negatively affected by introduced rental stop in certain regions.

### Share-based incentive programme

The 22 April 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 shall, with deviation from the shareholders' pre-emption right, be able to subscribe by Dedicare AB, after which the company will offer share warrants to the leading executives covered by the program. All warrants were subscribed for during the second quarter.

### Risks and uncertainties

The risks that are described below are mainly the same that were described in the company's Annual Report 2020 page 40.

### 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 publicly financing 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 business can be affected by the political governance of health care to a high degree. It can be mentioned that the question of purchasing staffing services within health and care 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 and care.

### Customer dependency

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 24.6 percent (19.8) of Dedicare Sweden's revenue for the period

<sup>1)</sup> SKR: *Bemanningstrend för inhyrd personal i hälso- och sjukvård 2020*

<sup>2)</sup> NHO: *Statistikk fra bemanningsbransjen*

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 is Helse Sør Öst, accounting for approximately 11.7 percent (12.2) of Dedicare Norway's total revenue for the period January - June. In Dedicare Denmark, during the period January – June, the largest customer is Region Nordjylland, which accounts for approximately 23.9 percent (23.6) of the revenue.

### **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 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**

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.

### **Covid-19**

The pandemic has meant uncertainty in the environment in which Dedicare operates. Change is taking place in a rapid pace and the financial effects on the business are difficult to assess. Introduced restrictions could have a negative impact on the business and requires rapid adjustment to meet this.

Other risks and risk management are described in Dedicare's 2020 Annual Report page 40.

### **Transactions with related companies**

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

## 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 the operating margin amounted to 8.6 percent.

### 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, the solidity amounted to 32.7 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 2020, a

dividend of 86.4 percent of the net result is proposed.

### 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 three offices in Sweden (Stockholm, Gothenburg 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, 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	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Operating revenue</b>	1	<b>299,4</b>	<b>216,5</b>	<b>564,9</b>	<b>387,2</b>	<b>885,2</b>
Employee benefit expenses		-182,5	-135,1	-349,2	-237,2	-542,9
Purchased services		-66,8	-50,6	-126,9	-98,8	-216,7
Other operating expenses		-22,4	-18,9	-44,0	-31,6	-70,2
Depreciation of fixed assets		-2,1	-1,7	-6,0	-3,9	-11,5
<b>Operating profit*</b>	1	<b>25,6</b>	<b>10,2</b>	<b>38,8</b>	<b>15,7</b>	<b>43,9</b>
Financial items		-0,4	-0,7	-1,4	-0,9	3,7
<b>Profit after financial items</b>		<b>25,2</b>	<b>9,5</b>	<b>37,5</b>	<b>14,9</b>	<b>47,6</b>
Income taxes		-5,9	-2,9	-8,5	-4,4	-11,5
<b>Profit for the period</b>		<b>19,3</b>	<b>6,6</b>	<b>28,9</b>	<b>10,4</b>	<b>36,1</b>
<b>Of which attributable to:</b>						
Parent Company's shareholders		19,3	6,6	28,9	10,4	36,1
<b>Other comprehensive income</b>						
<i>Items that may be reclassified to profit</i>						
Currency differences		-4,1	-2,6	0,8	-3,4	-8,9
<b>Total comprehensive income for the period</b>		<b>15,2</b>	<b>4,0</b>	<b>29,7</b>	<b>7,0</b>	<b>27,2</b>
<b>Of which attributable to:</b>						
Parent Company's shareholders		15,2	4,0	29,7	7,0	27,2
<b>Earnings per share, SEK</b>		<b>2,06</b>	<b>0,71</b>	<b>3,08</b>	<b>1,11</b>	<b>3,85</b>

\* Operating profit for the period January to December 2020 includes acquisition costs of SEK 2.5 million and a provision for employer contributions of SEK 4.5 million.

## Summary consolidated statement of financial position

SEK million	note	2021-06-30	2020-06-30	2020-12-31
<b>Assets</b>				
Goodwill		61,0	79,6	60,2
Customer contract		10,6	0,0	12,8
Database		3,9	0,0	4,2
Other intangible assets		4,5	3,5	4,2
Tangible fixed assets		1,7	2,3	1,9
Right-of-use assets		9,4	13,5	11,9
Deferred tax assets		1,5	0,0	1,5
Other financial assets		4,9	4,3	4,3
Current receivables		231,9	159,0	183,3
Cash and cash equivalents		105,2	96,1	100,3
<b>Total assets</b>		<b>434,4</b>	<b>358,3</b>	<b>384,6</b>
<b>Equity and liabilities</b>				
Equity		142,0	115,3	135,4
Provisions		39,5	40,9	38,9
Long-term leasing debt		29,5	41,8	28,3
Untaxed reserves		13,4	10,7	14,0
Current tax debt		15,6	7,4	10,0
Current liabilities		194,3	142,2	157,9
<b>Total equity and liabilities</b>		<b>434,4</b>	<b>358,3</b>	<b>384,6</b>

## Summary consolidated change in equity

SEK million	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Equity at beginning of period</b>	<b>135,4</b>	<b>93,1</b>	<b>93,1</b>
Profit for the period	28,9	10,4	36,1
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit</i>			
Currency differences	0,8	-3,4	-8,9
<b>Transactions with shareholders</b>			
Issue in business combination	0,4	15,2	15,2
Dividend	-23,5	0,0	0,0
<b>Equity at end of period attributable to the Parent company's shareholders</b>	<b>142,0</b>	<b>115,3</b>	<b>135,4</b>

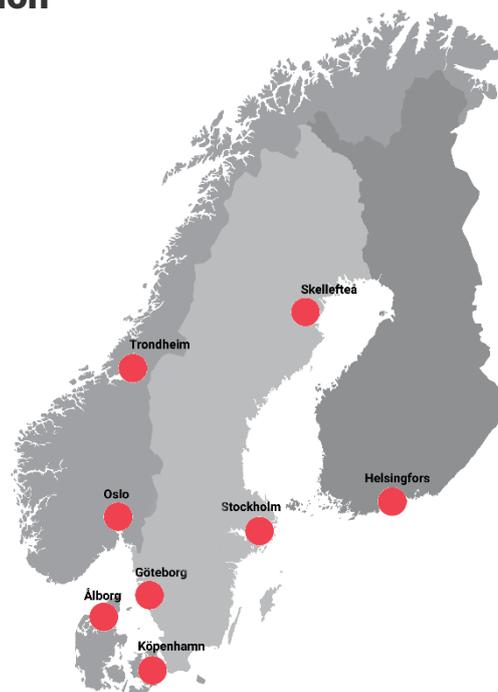
## Summary consolidated cash flow statement

SEK million	note	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-dec 2020
<b>Operating activities</b>						
Cash flow from operating activities before changes in working capital		<b>23,8</b>	<b>11,9</b>	<b>62,1</b>	<b>18,0</b>	<b>43,8</b>
Changes in working capital		-3,7	0,0	-27,4	10,0	-3,6
<b>Cash flow from operating activities</b>		<b>20,1</b>	<b>11,9</b>	<b>34,7</b>	<b>28,0</b>	<b>40,1</b>
<b>Investing activities</b>						
Acquisition of subsidiaries		0,0	-23,9	0,0	-23,9	-23,9
Acquisition of tangible and intangible fixed assets		-0,4	-0,9	-0,9	-1,3	-2,5
<b>Cash flow from investing activities</b>		<b>-0,4</b>	<b>-24,8</b>	<b>-0,9</b>	<b>-25,2</b>	<b>-26,4</b>
<b>Financial activities</b>						
Paid-in share warrants		0,4	0,0	0,4	0,0	0,0
Amortization of lease debt		-1,4	-1,2	-2,9	-3,0	-6,1
Borrowings		0,0	37,1	0,0	37,1	37,1
Provided deposits		-0,2	0,0	-0,6	0,0	0,0
Amortization loan		-1,7	-1,7	-3,4	-1,8	-5,2
Dividend paid		-23,5	0,0	-23,5	0,0	0,0
<b>Cash flow from financial activities</b>		<b>-26,4</b>	<b>34,2</b>	<b>-30,0</b>	<b>32,3</b>	<b>25,8</b>
<b>Cash flow for the period</b>		<b>-6,7</b>	<b>21,3</b>	<b>3,8</b>	<b>35,1</b>	<b>39,5</b>
Cash and cash equivalents at beginning of period		111,3	75,1	100,4	62,7	62,7
Currency differences in cash and cash equivalents		0,5	-0,2	1,0	-1,7	-1,8
<b>Cash and cash equivalents at end of period</b>		<b>105,2</b>	<b>96,1</b>	<b>105,2</b>	<b>96,1</b>	<b>100,4</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, 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 April-Juni 2021	Private April-Juni 2021	Total April-Juni 2021	Public April-Juni 2020	Private April-Juni 2020	Total April-Juni 2020
Sweden	97,1	9,7	106,8	93,4	7,9	101,3
Norway	145,2	11,2	156,4	80,4	6,4	86,8
Denmark	35,1	1,1	36,2	26,1	2,3	28,4

Allocation net revenue SEK million	Public Jan-June 2021	Private Jan-June 2021	Total Jan-June 2021	Public Jan-June 2020	Private Jan-June 2020	Total Jan-June 2020	Public Jan-Dec 2020	Private Jan-Dec 2020	Total Jan-Dec 2020
Sweden	194,5	17,1	211,7	180,2	16,7	196,9	353,7	35,2	388,9
Norway	258,5	21,1	279,6	149,5	12,1	161,6	368,7	28,7	397,4
Denmark	71,7	1,9	73,6	28,7	0,0	28,7	90,6	8,4	99,0

### Sweden

SEK million	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Operating revenue</b>	<b>106,8</b>	<b>101,3</b>	<b>211,7</b>	<b>196,9</b>	<b>388,9</b>
<b>Operating profit*</b>	<b>-2,4</b>	<b>-0,7</b>	<b>-5,2</b>	<b>0,3</b>	<b>-8,4</b>
Financial items	-0,2	-0,1	-1,0	3,4	8,9
<b>Profit after financial items</b>	<b>-2,6</b>	<b>-0,7</b>	<b>-6,2</b>	<b>3,7</b>	<b>0,5</b>
Profit margin, %	-2,3%	-0,6%	-2,5%	0,1%	-2,2%
Average number of employees	305	303	306	286	277
Revenue per employee, SEK thousand	350	334	691	689	1 405

\* The accumulated operating profit for the period January – December 2020 includes acquisition costs of SEK 2.5 million.

# DEDICARE

## Norway

SEK million	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Operating revenue</b>	<b>156,4</b>	<b>86,8</b>	<b>279,6</b>	<b>161,6</b>	<b>397,4</b>
<b>Operating profit*</b>	<b>26,8</b>	<b>9,0</b>	<b>39,9</b>	<b>14,2</b>	<b>45,8</b>
Financial items	-0,3	-0,7	-0,3	-4,4	-5,4
<b>Profit after financial items</b>	<b>26,5</b>	<b>8,3</b>	<b>39,5</b>	<b>9,8</b>	<b>40,4</b>
Profit margin, %	17,2%	10,4%	14,3%	8,8%	11,5%
Average number of employees	570	320	512	293	354
Revenue per employee, SEK thousand	275	272	547	552	1 121

\* The accumulated operating profit for the period January – December 2020 includes a provision for employer contributions of SEK 4.5 million.

## Denmark \*

SEK million	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Operating revenue</b>	<b>36,2</b>	<b>28,4</b>	<b>73,6</b>	<b>28,7</b>	<b>98,9</b>
<b>Operating profit</b>	<b>1,2</b>	<b>1,9</b>	<b>4,2</b>	<b>1,2</b>	<b>6,4</b>
Financial items	0,0	0,0	0,0	0,0	0,2
<b>Profit after financial items</b>	<b>1,2</b>	<b>1,9</b>	<b>4,1</b>	<b>1,2</b>	<b>6,6</b>
Profit margin, %	3,4%	6,5%	5,6%	4,3%	6,5%
Average number of employees	77	58	75	30	47
Revenue per employee, SEK thousand	468	489	984	948	2 098

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

Total Segments SEK million	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
Profit after financial items	<b>25,2</b>	<b>9,5</b>	<b>37,5</b>	<b>14,9</b>	<b>47,6</b>

## Performance measures

	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
Operating margin, %*	8,6%	4,7%	6,9%	4,1%	5,0%
Profit margin, %	8,4%	4,4%	6,6%	3,8%	5,4%
Equity/assets ratio, %	32,7%	32,2%	32,7%	32,2%	35,2%
Equity per share, SEK	15,12	12,27	15,12	12,27	14,41
Cash flow from current operations per share	2,14	1,27	3,69	2,98	4,27
Number of annual employees, average**	952	681	893	609	678
Revenue per employee, SEK thousand	314	318	633	636	1305
Profit per share - basic, SEK	2,06	0,71	3,08	1,11	3,84
Share price at end of period	60,2	36,4	60,2	36,4	38,1
Average number of shares	9 395 397	9 395 397	9 395 397	9 395 397	9 395 397
Number of outstanding shares	9 395 397	9 395 397	9 395 397	9 395 397	9 395 397

\*Operating margin for the period January to December 2020 includes acquisition costs of SEK 2.5 million, and an allocation for employer contributions of SEK 4.5 million. Adjusted for these non-recurring items the operating margin accumulates for the period January – December to 5.7 percent

\*\*The number of employees includes our sub-consultants. During the period January – June these amounted to 154 (88) 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

	April-June 2021	April-June 2020	April-June △	Jan-June 2021	Jan-June 2020	Jan-June △	Jan-Dec 2020
Profit for the period	19,3	6,6	12,7	28,9	10,4	18,5	36,1
Average equity	146,0	104,2	41,7	142,5	100,5	42,0	112,8
<b>Return on equity</b>	<b>13,2%</b>	<b>6,3%</b>	<b>6,9%</b>	<b>20,3%</b>	<b>10,4%</b>	<b>9,9%</b>	<b>32,0%</b>

### Return on total capital

	April-June 2021	April-June 2020	April-June △	Jan-June 2021	Jan-June 2020	Jan-June △	Jan-Dec 2020
Profit after financial items	25,2	9,5	15,7	37,5	14,9	22,6	47,5
Average total capital	444,6	293,8	150,9	424,6	275,6	149,0	317,7
<b>Return on total capital</b>	<b>5,7%</b>	<b>3,2%</b>	<b>2,4%</b>	<b>8,8%</b>	<b>5,4%</b>	<b>3,4%</b>	<b>15,0%</b>

Definitions are found on page 17.

## 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 amounted to SEK 210.5 million (196.0) and the profit after financial items amounted to SEK -7.4 million (14.2).

## Parent Company's summary statement of comprehensive income

SEK million	April-June 2021	April-June 2020	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Operating revenue</b>	106,4	100,9	210,5	196,0	387,1
Employee benefit expenses	-58,3	-54,6	-117,8	-103,6	-205,2
Purchased services	-43,7	-38,5	-82,4	-80,0	-159,6
Other operating expenses	-6,4	-5,9	-14,7	-9,8	-23,5
Depreciation of fixed assets	-0,4	-0,4	-0,9	-0,7	-1,5
<b>Operating profit</b>	-2,4	1,6	-5,2	1,8	-2,7
Profit from participations in Group companies	0,0	0,0	0,0	0,0	31,1
Other financial items	1,4	6,6	-2,1	12,3	10,5
<b>Profit after financial items</b>	-1,0	8,3	-7,4	14,2	39,0
Appropriations	0,0	0,0	0,0	0,0	1,7
Income taxes	0,2	-0,6	1,5	-1,8	-2,2
<b>Profit for the period</b>	-0,8	7,7	-5,8	12,3	38,5
<b>Other comprehensive income</b>					
<i>Items that may be reclassified to profit</i>					
Currency differences	0,0	0,0	0,0		0,0
<b>Total comprehensive income for the period</b>	-0,8	7,7	-5,8	12,3	38,5

## Parent Company's summary balance sheet

SEK million	2021-06-30	2020-06-30	2020-12-31
<b>Assets</b>			
Shares in subsidiaries	104,0	105,5	104,0
Other fixed assets	5,5	5,2	5,6
Other financial assets	4,3	4,3	4,3
Current receivables	89,2	82,5	79,6
Cash and cash equivalents	77,5	73,1	82,5
<b>Total assets</b>	<b>280,5</b>	<b>270,6</b>	<b>276,0</b>
<b>Equity and liabilities</b>			
Equity	66,2	69,1	95,2
Provision	35,0	37,0	34,4
Long-term reserves	25,5	33,4	21,9
Untaxed reserves	47,0	48,7	47,0
Current liabilities	106,7	82,4	77,5
<b>Total equity and liabilities</b>	<b>280,5</b>	<b>270,6</b>	<b>276,0</b>

## Parent Company's summary change in equity

SEK million	Jan-June 2021	Jan-June 2020	Jan-Dec 2020
<b>Equity at beginning of period</b>	<b>95,2</b>	<b>41,5</b>	<b>41,5</b>
Profit for the period	-5,8	12,3	38,5
<b>Other comprehensive income</b>			
<i>Items that may be classified to profit</i>			
Currency differences	0,0	0,0	0,0
<b>Transactions with owners</b>			
Issue in business combination	0,4	15,2	15,2
Dividend	-23,5	0,0	0,0
<b>Equity at end of period</b>	<b>66,2</b>	<b>69,1</b>	<b>95,2</b>

## 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

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.

### Average equity

The average of equity per quarter end.

### Solidity

Equity including minority interests 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, amortization of tangible and intangible fixed assets and impairments.

## Calendar for financial information

21 October 2021	Interim report July-September 2021
10 February 2022	Year-end report January-December 2021
21 April 2022	Annual General Meeting 2021

Stockholm 15 July 2021

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

Audit

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

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