

DEDICARE



Annual Report 2021

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About Dedicare

Dedicare is the largest recruitment and staffing company in health care and social work in the Nordic region, with operations in Sweden, Norway, Finland and Denmark.

We recruit and provide doctors, nurses, social workers and preschool staff on an agency basis and by recruitment. Dedicare has customers in the public and private sectors.

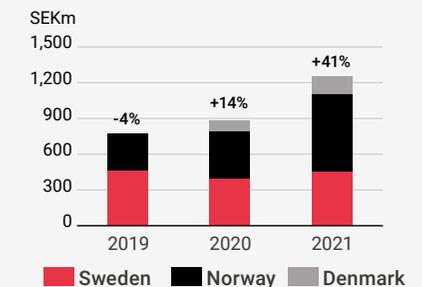
Dedicare is what is known as an authorised staffing and recruitment agency, which has implications including having collective bargaining agreements in place for all consultants and staff in Sweden. In the rest of the Nordic region, terms of employment are consistent with collective bargaining agreements



25 years of Dedicare

Dedicare was founded in Stockholm 1996 when Björn Örås, founder of staffing and recruitment agency Poolia, noticed that there was a pressing need for temporary staff in health care, who could provide support during vacations and peak periods. We have been growing since then, opening an office in Norway in 2002, Finland in 2019, and Denmark in 2020. Dedicare now has a presence in nine cities, and on average, we help 71,300 patients per month across the Nordic region.

Yearly turnover by country



The year in brief

- Revenue** was SEK 1,249.9 million (885.2) for the group, a 41.2 percent increase, mainly related to the Norwegian operation and acquisition of Dedicare A/S. In Sweden, revenue increased by 16.5 percent to SEK 453.1 million (388.9). The main reason for the higher revenue in Sweden is increased demand for nurses and social worker staffing. In Norway, revenue rose by 63.3 percent to SEK 648.9 million (397.4), sourced from all segments. Revenue in Denmark increased by 49.5 percent to SEK 147.9 million (98.9), related to the acquisition of Dedicare A/S, as well as doctor staffing.
- Operating profit.** The group's operating profit for the group amounted to SEK 87.8 million (43.8), twice the level of the previous year. The main source of the increase is the Norwegian operation. The operating profit of the Swedish operation was SEK -13.4 million (-8.4). The lower earnings in Sweden are mainly due to margin pressure in its businesses, and amortisation of intangible assets related to the acquisition in Denmark being recognised in the Sweden segment. The operating profit of the Norwegian operation was SEK 90.8 million (45.8), again twice the level of the previous year. This increase is primarily sourced from the growth of this operation. Operating profit in Denmark was SEK 10.4 million (6.4), a 62.5 percent increase. The increase is mainly sourced from the acquisition of Dedicare A/S, and operational growth.
- The operating margin** of the group was 7.0 percent (5.7¹).
- The equity/assets ratio** of the group was 35.9 percent (37.0).
- The employee headcount** of the group was 925 (678), 34,0 percent in Sweden, 58,0 percent in Norway and 8,0 percent in Denmark.
- The proposed dividend per share** is SEK 4.00. The total dividend amounts to SEK 37.6 million, which is 57,0 percent of net profit for the year.

Key indicators

	2021	2020	2019
Operating income, SEK m	1,249.9	885.2	776.0
Profit for the year, SEK m	65.6	36.1	26.4
Operating margin, %	7.0	5.7 ¹	4.5
Equity/assets ratio, %	35.9	37.0 ¹	38.9
No. of employees	925	678	629
Dividend, SEK	4.00	2.50	0.00

¹) Adjusted for non-recurring items related to acquisition expenses and employer's contributions



The year in brief, cont.

In the year, the pandemic presented challenges to the Norwegian and Danish operations in the form of travel restrictions in the Nordics. Operations have proven highly capable of reorienting when necessary. These restrictions were removed during the first quarter of 2022, and there are expectations of returning to a more normal situation going forward.



Anna Söderblom was elected as a Director by the AGM at the AGM on 22 April. Anna Lefevre Skjöldebrand declined re-election, and left Dedicare's Board of Directors

In Sweden, local government body SKR decided on coordinated nationwide tendering for health care staffing. A decision is scheduled for announcement in the second quarter of 2022.



Eva Brunnberg was hired as Managing Director of the Swedish operation in the second quarter, and became a member of group management. Her employment started on 23 August

The AGM resolved to authorise the Board of Directors to decide on the new issue of class B shares, convertibles and/or share warrants, on one or more occasions in the period prior to the next AGM, with or without preferential rights for shareholders. The issue decision will be possible with payment in cash and/or provisions for contributions in kind, or with subscription possible by other means. Such issue may only occur on market terms. The number of shares, convertibles and/or share options issued with this authorisation may not involve dilution of more than 10 percent of the share capital

based on the total number of outstanding shares at the time of the AGM.

Dedicare started investigating the treatment of employer's contributions in northern Norway. In the second quarter of 2020. As part of this investigation, Dedicare sent an open pleading to the Norwegian Tax Agencies to gain confirmation that the group's interpretation and treatment is correct. Dedicare provisioned a total of SEK 6.5 million plus interest and charges in the second and fourth quarters of 2020 as a contingency for the Norwegian Tax Agencies ruling its treatment as erroneous. No response from the Norwegian tax agencies has been received as yet, nor any information on when a decision will be forthcoming.

Significant events after the end of the period

Johanna Eriksson has announced that she will be resigning as CFO of Dedicare from the second half-year of 2022.

Anette Sandsjö was hired as the new CFO of Dedicare. Her employment will start on the 1st of October 2022.

To clarify group structure, effective January 2022, all business operations in



Sweden were merged into one company, Dedicare Sverige AB, whose operations were previously conducted within parent company Dedicare AB. Krister Widström still holds the role as CEO of the Group and Dedicare AB and Eva Brunnberg has the role of CEO of Dedicare Sverige AB, where the Swedish operations will be managed.

Dedicare signed on the 16th of March 2022 a share purchase agreement regarding 100 percent of the shares in the Swedish recruitment and staffing company H&P SEarch & Interim AB (reg. no. 556767-6548). The Company offers recruitment and consultancy services to the Nordic market within Life Science and had revenues amounting to SEK 55 million in 2021. Closing will take place on the 1st of April 2022 and H&P Search & Interim AB will be consolidated in the Dedicare Group as of the second quarter 2022. The acquisition is in line with the company strategy and adds to the current business with yet another business area.

A year of strong growth and high profitability

Turnover was SEK 1,249.9 million in 2021, the highest ever in Dedicare's history. Growth was 41.2 percent on the previous year. All countries are expanding, but growth in Norway was especially high. Operating profit was SEK 87.8 million, twice the level of the previous year, and the Norwegian operation also provided most of the operating profit for the year.

Increased revenues in Sweden

Turnover in Sweden was SEK 453.1 million, a 16.5 percent increase on the previous year. Nurse and social worker staffing saw the main increase, with the pandemic causing higher demand for nurses. Dedicare reported an operating loss in Sweden of SEK -13.4 million, down 59.5 percent on the previous year. The lower operating profit can be explained by margin pressure in our businesses, but is also due to the amortisation of intangible assets related to the Danish acquisition, reported in the Sweden segment, which also includes the parent company. To clarify group structure, all business operations in Sweden were merged into one company, Dedicare Sverige AB, effective 2022, whose operations were previously conducted within parent company Dedicare AB. Eva Brunnberg was hired as

Managing Director of Dedicare Sverige AB in the year, whose primary focus going forward will be increasing turnover and profitability.

Swedish local government body SKR decided on coordinated nationwide tendering for care staffing in the year. The tendering procedure will be structured through the autumn, with a decision scheduled for announcement in the second quarter.

High growth in Norway

Turnover in Norway was SEK 648.9 million, an increase of 63.3 percent on the previous year. All segments are maintaining high growth, and we are still winning market shares. The demand for nurse and doctor staffing has increased during the pandemic, and our Norwegian business has been highly successful in continuing to deliver consultants despite the challenges presented by travel restrictions and quarantine rules in the Nordics.

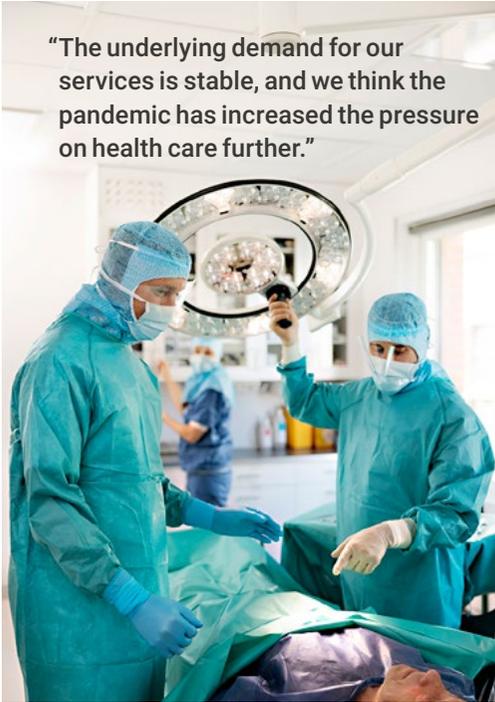
The operating profit for Norway was SEK 90.8 million, which is twice the level of the previous year. The improved operating profit is primarily an effect of the robust growth of this business.

After Norway's elections in September, the new government has submitted a bill

"Our business has been really successful delivering the services that are in demand in health care and social work."



“The underlying demand for our services is stable, and we think the pandemic has increased the pressure on health care further.”



to limit the size and role of the country's staffing sector within construction. We don't think this will impact our health care staffing operation and expect the substantial need for health care staffing services on the Norwegian market to continue.

Stable progress in Denmark

Turnover in Denmark was SEK 147.9 million, a 49.5 percent increase on the previ-

ous year. The Danish operation focuses on nurse and doctor staffing, and demand in both these job categories increased in the year. Operating profit in Denmark was SEK 10.4 million, a 62.5 percent increase.

The Danish operation also faced challenges from travel restrictions related to the pandemic, but has also succeeded in reorienting to these new conditions. Our acquisition in Denmark has been successful to date, we've consolidated our positioning on the Danish market, and our business there is continuing to progress as planned.

Focus shifts in Finland

In the year, we realised that the Finnish market for health care staffing is not sufficiently developed. Accordingly, over the past year, our Finnish operation shifted focus to hiring staff for the rest of the Nordic region. We currently have no plans to expand our presence on the Finnish market, but we will be regularly evaluating the potential going forward.

Covid-19

The pandemic continued to present challenges to our business in the year, but our business has been really successful delivering the services that are in demand. The underlying demand for our

services is stable, and we think the pandemic has increased the pressure on health care further.

Clear core values

Corporate social responsibility is important to Dedicare, and in the year, we took a standpoint on good working conditions in our sector. For us, good working conditions mean collective bargaining agreements and occupational pensions for all our staff and consultants.

Currently, only one in three of the companies active in health care staffing in Sweden have a collective bargaining agreement in place, which may result in a financially insecure old-age for staff. With this initiative, we want to make collective bargaining agreements the sector standard, and to achieve greater financial security.

In the autumn, we rolled out three major branding campaigns under the *“Arbets Livet”* banner (“Work-Life”). Their message was to showcase the potential we can offer health care and social work staff to find a good work-life balance by operating as consultants. The outcome was highly successful, creating a lot of impact.

Digitalisation continues

We continued to invest in IT and digitalisation, where we were already working on matching using AI technology. Our initiatives are designed to create highly secure and efficient operational processes, both in-house within Dedicare, as well as for our clients and consultants. We also upgraded our IT security work in the year as part of efforts to defend our business against increasing cyberthreats. Our goal is for Dedicare to be at the sector's leading edge in terms of digital solutions and IT security.

Overall, I'm really proud of how well our organisation performed in 2021—despite a challenging year of pandemic, and I'd like to take this opportunity to thank all staff and consultants for their fantastic commitment and hard work

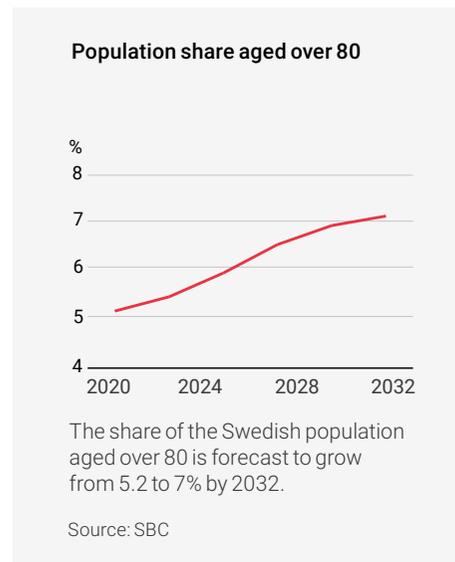
Krister Widström

Managing Director & Chief Executive Officer

Drivers and challenges

Demographic trends

Demographic trends indicating the share of older people (aged 65 and over) increasing in future is a collective driver of markets in the Nordic countries. These demographic trends are expected to create the demand for more, and specialised, health care staff, which can partly be addressed by staffing. There is a Nordic-wide shortage of nurses and doctors, which is forecast to persist for the coming years.



Higher costs of health care

The combination of demographic trends and technological advances in medicine and the demand from patients and care consumers are expected to increase the total cost of health and medical care across society. This progress can be expected to apply pressure on public health and care providers to operate as cost-efficiently as possible. Dedicare thinks that the potential for more flexible staffing solutions may become a key instrument for running a cost-efficient business that also creates the potential to reorient quickly when required.

During the pandemic, planned care has been deferred, causing still-longer health care waiting lists that need to be managed over the coming years. This will further increase the pressure on an already-strained health care sector, for which politicians have presented no clear action-plan so far.

Competitors

Dedicare's market position

There are some 80 actors on the Swedish market, of which around 30 are authorised, and accordingly, party to collective bargaining agreements. Norway has about 40 actors, of which about half are members of the Confederation of

Norwegian Enterprise, NHO, and there are a number of other Swedish and Danish actors that compete on the Norwegian market. There are around 30 actors on the Danish market, of which about half are party to collective bargaining agreements, mainly in nurse staffing.

Skills-based member companies of employers' organisation Almega estimate that only a minority of Sweden's health care staffing market consists of authorised companies. Dedicare is one of these authorised companies, which means good and secure terms of employment for our consultants and staff.

Businesses that are not authorised are not required to comply with collective bargaining agreements. If they so wish, these companies can offer their employees higher salaries without pension provisions, or charge lower prices to customers, which can cause a competition imbalance on the market. Dedicare also thinks that this may have a negative impact on consultants in health care staffing, because the absence of occupational pensions may lead to a financially insecure old age with low pensions.



Care staffing

Dedicare is the largest recruitment and staffing provider in health care and social work in the Nordic region, with operations in Sweden, Norway, Finland and Denmark.

Health care staffing, Nordics

A growing need for health care and social services is expected in the West, partly due to demographic trends, and partly because people are increasingly demanding fast access to health care. Staff shortages have been a challenge to health care in the Nordic countries for some time, and the pressure on health care systems has been intense. Dedicare thinks Covid-19 has lengthened health care waiting lists because planned care has been deferred, which is likely increase the burden ahead.

Health care staffing, Europe

The health care staffing market in the European countries is diversified. Dedicare views the Nordic markets for health care as comparatively large against the rest of Europe.

Sweden

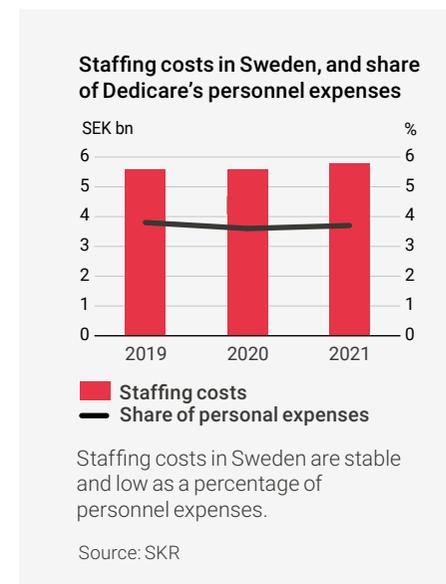
Sweden is our largest market, and according SKR, health care staffing was worth over SEK 6,3 billion in 2021. The growth 2020 was 12 percent.

Temporary health care staff are only 3,9 percent of total personnel expenses are in health care.¹

The staffing market contribution to health care and social work has become more significant over recent years. Local government body SKR has produced a program of measures entitled "Independence from Agency Staff in Health care," that came into effect on 1 January 2019. Its aim is to reduce the cost share of contracted staff compared to employed staff from 3.8 percent to 2.0 percent. Dedicare thinks that the total cost for temporary health care staff does not exceed the cost of permanent health care staff as cost such as employee administration, sick leave, overtime, training etc often is not included in the comparison.

Of the total market for health care staffing, Dedicare estimates that approximately 60 percent of the market's turnover is for doctor staffing, approximately

35 percent for nurses and approximately 5 percent for other health care job categories. The demand for nurse staffing increased in the year because of the pandemic, while doctor staffing reduced because planned care was deferred. The demand for social worker staffing also increased. The demand for social workers and contracted consultant social workers increased with the influx of refugees in 2015, expanding sharply in 2016 and 2017, but subsequently stabilised at lower levels.



¹ SKR: Bemanningstrend för inhyrd personal i hälso- och sjukvård 2020 (Staffing trends for agency health and social care staff in 2020).



“In 2021, the market grew by another 35,0 percent on 2020.”

Norway

Norway is the second largest market, and according to the Confederation of Norwegian Enterprise, NHO, health care staffing was worth some NOK 2,5 billion in 2021.

Some political parties in Norway want to abolish or stringently regulate the staffing sector. After the change of government in September, the new government has submitted a bill to limit the size and role of the country's staffing sector within construction. We think that this bill will not impact our health care staffing operation, and that the need for our services on the Norwegian market will remain substantial.

The Norwegian market did not grow between 2013 and 2018, but a change has occurred since 2019, and the market has expanded. In 2021, the market grew by another 35,0 percent on 2020.¹ Health care staffing made up some 12,0 percent of the total Norwegian staffing market, with Dedicare's share an estimated 24,5 percent. There are no statistics available on the division of Norway's staffing market between job categories. Dedicare estimates that some 30 percent of turnover is sourced from doctor staff-

ing, about 50 percent from nurses, and about 20 percent divided between other job categories. Demand for health care staffing increased in 2021 as an effect of the pandemic, but increasing underlying demand was also a contributor.

The Norwegian market has two parts:

Framework agreements with Sykehusinnkjøp

All of Norway's hospitals are served by a single collective framework agreement with purchasing organisation Sykehusinnkjøp. The framework agreement for nurses was renegotiated in 2019, with Dedicare party to a new agreement with Sykehusinnkjøp on nurse staffing since 1 October 2019. A new framework with Sykehusinnkjøp for doctor staffing came into effect in 2021. These deals have two-year terms, with further two-year extension options.

Framework agreements with municipalities

Outside the large-scale framework agreement with Norway's hospitals, the second-biggest market actors are municipalities. This market features multiple

large and small-scale framework agreements. The competitive position between the framework agreement with Sykehusinnkjøp and those with municipalities differs. This market has everything from specialist enterprises that only provide specialist nurses to those providing agency doctors exclusively.

Dedicare has been in high growth on the municipal market since 2016, and secured further framework agreements in 2021.

¹ NHO: Statistikk fra bemanningsbransjen (Staffing sector statistics)

“Our acquisition in Denmark has been successful to date, we’ve consolidated our positioning on the Danish market, and this operation has continued to progress as planned.”



Denmark

A high share of health care staffing in Denmark is conducted by public tender, with these processes covering the nurse and doctor job categories. Contracts are normally for two years, with extension options. Dedicare has framework agreements with four of the five regions for specialist physicians.

The market for nurse staffing is currently undergoing consolidation because several regions have created in-house staffing functions, thus excluding private sector actors. Dedicare has framework agreements with several of Denmark’s larger and smaller hospitals, as well as private care providers.

No official market statistics for health care staffing are available in Denmark.

Dedicare thinks that the doctor staffing market was worth some DKK 400 million in 2021, with the market for nurse staffing being far larger. The sector has nearly 30 companies, of which about half are party to collective bargaining agreements, mainly in nurse staffing.

The demand for doctor staffing increased in 2021, with this operation noting high demand for specialist physicians and nurses. The Danish operation has also undergone internal restructuring to better prepare it for future growth, with a focus on concentrating the sales and recruitment functions.

Business model and strategy

Vision and business concept

Dedicare's driving force is to make a responsible and sustainable contribution to human health, development and quality of life.

Our vision is to become one of Europe's leading recruitment and staffing providers in health care and social work.

Our business concept is to be the best at attracting and delivering health care and social work skills.

Business model

Dedicare's business model has four components.

1. Social needs
2. Strategies and objectives
3. Sales
4. Recruitment/staffing

1. Social needs

The Nordic populations are entitled to consistent and equivalent health care and social services wherever they live in the region. These needs are nearly 97 percent satisfied using societal resources. It is the remaining 3 percent that Dedicare provides assistance on by delivering skills through nurses, doctors, social workers, psychologists and preschool staff. This means health care centres can be kept open, surgery waiting times reduced, and

our citizens can get the social services they are entitled to.

2. Strategies and objectives

To realise our vision, we have defined five strategic focuses:

- Attractive employer
- Attractive client
- Market and service development
- Operational efficiency
- Customer and social benefit

Attractive employer

We will be the best employer for staff in recruitment and staffing by hiring, developing and retaining the best staff.

Attractive client

We will be the first-choice client for candidates and consultants in health care and social work by offering the widest selection of assignments and competitive terms of employment.

Market and service development

We will work proactively on starting up in developing businesses in new customer segments, geographical regions and job categories that contribute to human health, development and quality of life.

Our business model

Based on **social needs** for healthcare and social work skills, we've formulated five **strategies and objectives** to satisfy social needs and realise our vision.

By **selling** to the public and private sector, we secure assignments in **recruitment** and **staffing** to satisfy customer needs for resources in health and social care.

Social needs change continuously, and we constantly adapt our business to respond to these changes.



Operational efficiency

Dedicare will have the most efficient sales, staffing and recruitment processes in the sector by working proactively on innovative, cost-efficient and scalable digital solutions.

Customer and social benefit

Dedicare will be a specialist and market leader in attracting and delivering health care and social work skills to the public and private sectors, which help create equivalent and sustainable health care.

3. Sales

The sales process to clients is through tenders, involving comparisons between competing companies. Often, price is an important factor, although consultant skills, flexibility and support from the staffing company may also be important criteria.

Normally, publicly tendered assignments are through framework agreements with a two-year term, and maximum two-year extension. Usually, customers have framework agreements with several suppliers. Dedicare actively monitors the

progress of forthcoming tenders, and on sales to the private sector.

4. Recruitment/staffing

Most assignments are staffed by consultants from Dedicare's database. Consultants in our database report their availability themselves, and receive notifications when an assignment is active. Generally, consultants are not appointed by Dedicare until a client makes an assignment active, and then only for the period the assignment lasts. A large part of the doctors' work on a self-employed basis, and invoice Dedicare for their services.

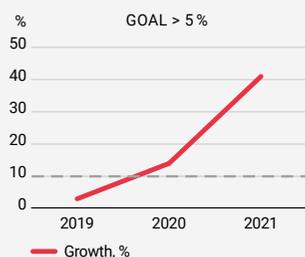
To maintain continuity for clients, the booking system limits the initial selection of consultants to those doctors, nurses, social workers, psychologists and pre-school staff previously booked on assignment with a specific client. Dedicare's consultant managers deal with the matching and sale of qualified consultants to a specific client.



Financial goals and performance

GROWTH

Dedicare's objective is to outgrow the market in the geographical locations where the company is active. Dedicare also expects to grow by starting up on new markets in Europe, which will mainly be through acquisitions.



OPERATING MARGIN

Dedicare's target is for its operating margin to exceed 7.0 percent.



EQUITY/ASSETS RATIO

Dedicare should have a secure capital base and operations should mainly be financed with equity. The nature of operations implies a limited need for capital. Against this background, Dedicare's opinion is that its equity/assets ratio should be at least 30 percent.

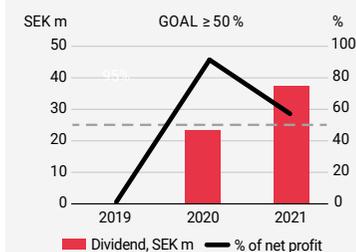


DIVIDEND POLICY

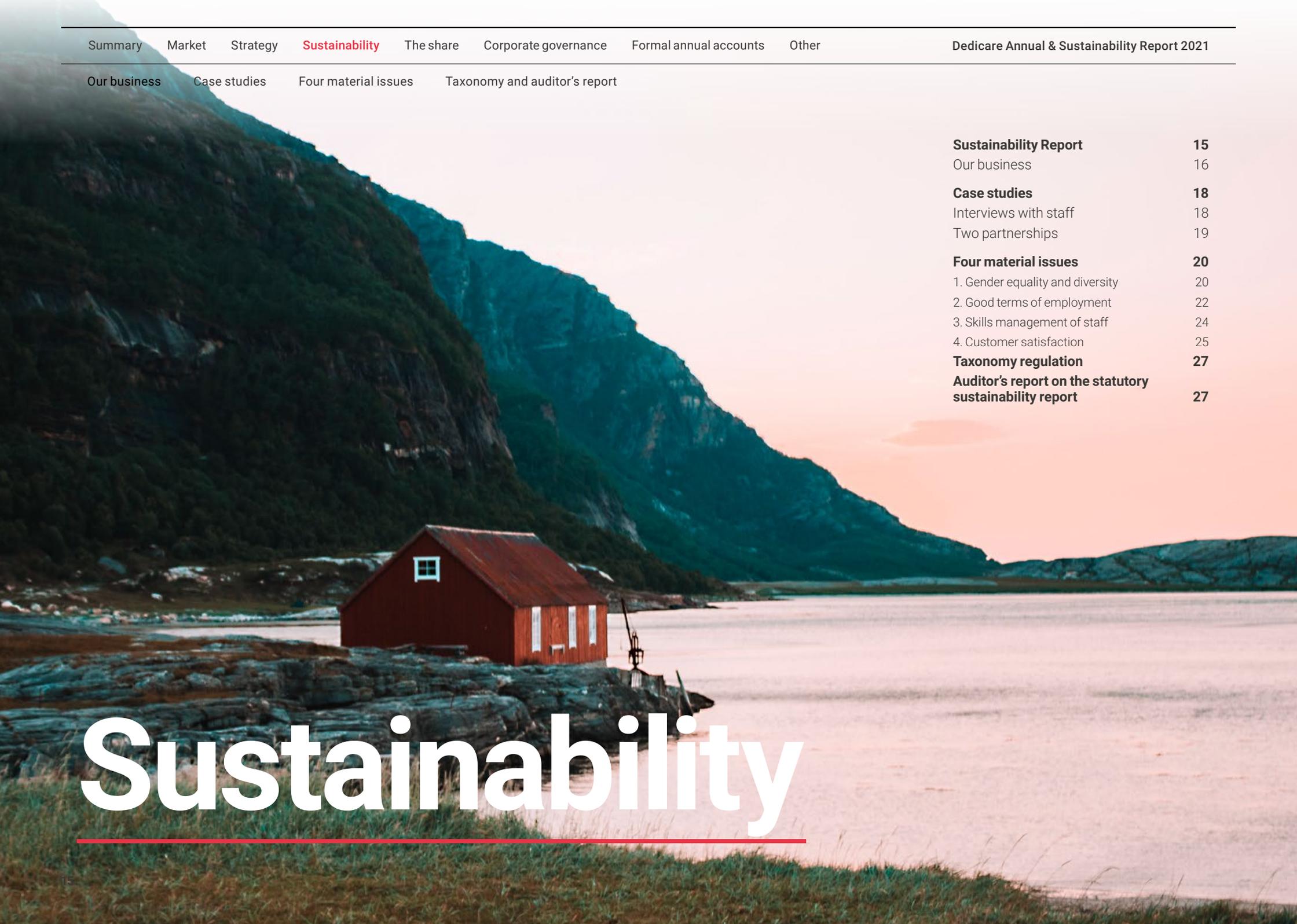
Dedicare's target is for its dividend to be at least 50 percent of net profit.

For 2021, a dividend of SEK 4.00 per share is proposed, which corresponds to 57 percent of net profit for the year.

In 2019 the Board of Directors decided to withdraw the proposed dividend given the uncertainties related to Covid-19.



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Sustainability

Our business

Dedicare provides health care and social work recruitment and staffing for the Nordic public and private sectors. Our clients have a pressing need for recruitment for permanent employment, and for flexible staffing solutions for temporary needs. In rural areas, our clients also need to supplement permanently employed staff.

In this way, Dedicare helps ensure good and equivalent health care and social services for everyone, wherever they live in the country. Our five strategic focuses, reviewed on page 12, coupled with our core values to right on this page, provide our work with direction and guidance, and help us maintain a sustainable and successful business.

Our Sustainability Report for the financial year 2021 is on pages 15-27. The Report has been prepared consistent with the provisions of the Swedish Annual Accounts Act (ARL) chapters 6 and 7 and covers the whole Dedicare group. Key indicators and content are group wide unless otherwise stated.

Dedicare's main stakeholders are our consultants and internal staff, Dedicare's management team and Board of Directors. We proceed from their ideas when formulating our sustainability work.

Sustainability governance

The Board of Directors and CEO bear joint overall responsibility for the sustainability work of operations.

In this Report, we state the objectives and outcomes associated with our most material sustainability issues.

The management systems of our operation have the following certifications: ISO 14001 (Environment), ISO 9001 (Quality), and for the Norwegian operation, 45001 (Occupational Health & Safety). External and internal audits of our management systems ensure the quality of our procedures and processes continuously. Dedicare's CFO bears overarching responsibility for these procedures, processes and policies. Each line manager is responsible for the implementation and compliance with these procedures, processes and policies in our business.

Dedicare has adopted environmental and quality policies that are the foundation of how we operate. Our policies are reviewed and revised yearly, and adopted by group management. Yearly compliance monitoring ensures that we are aware of, and comply with, legislation and standards on the environment and occupational health & safety that are relevant to our business. Group management is responsible for setting objectives, measuring performance and monitoring sustainability objectives, and the CFO presents financial and



Core values that make a difference

Committed

We're convinced that people's commitment is a decisive success factor for any organisation that wants to develop. That's why it's important for us to work on utilising and stimulating each employee's commitment. That's how we develop—as people, as a business and a community.

Dynamic

We're part of leading the development of the health and social care sectors that currently have a real need for change. To succeed, our operations need a lot of initiative and flexibility. In turn, this takes people that are entrepreneurial and that see change as a natural way to get even better.

Human

At Dedicare, almost everything is about people. This is because we offer services provided by people. But first and foremost, because everything in our work is about people being in the best possible health. Our humanist attitude means there should always be honest and sincere consideration for colleagues, customers and patients.

Reliable

Relationships with our colleagues and customers are built on trust. As our customer, we want you to feel secure and always be able to rely on us. This doesn't just mean that we should offer good service and deliver on time, but also that our customers should always feel sure that the quality is right—that we offer skilled staff who know their jobs.

non-financial objectives and performance for group management at least once yearly.

The nature of our operations mean most issues relevant to sustainability work lie within the human resources remit. Dedicare's group management is responsible for the procedures, processes and policies in these segments. We inform new staff about our policies, values and guidelines to support them in their work at induction day events. We achieve this through a group-wide induction program, which we also document. Find out more about governance and responsibility in the Corporate Governance Report on pages 30-36.

Dedicare supports Agenda 2030 and the 17 Global Sustainable Development Goals. We have identified the special focus of our business being in goals 3, 4, 5 and 8, which we discuss in the section on our material issues on page 20-26. More detail on how we contribute to these goals is in each sub-section.

Materiality analysis

In our situation assessment on sustainability work, we discussed and analysed current policies, instructions, processes and key indicators. This work helped us identify the potential sustainability risks and opportunities in our business.

We identified the following relevant sustainability aspects, which constitute supporting data for our stakeholder and materiality analysis:

- Diversity and gender equality
- Good terms of employment
- Skills management of staff
- Environmental impact of business travel
- Environmental impact of office management
- Customer satisfaction
- Business ethics and corruption
- Data and information security
- Charitable and social projects

Our stakeholders are our consultants, internal staff, Dedicare's management team and the Board of Directors, and they offered valuable input on those sustainability aspects that are most relevant to our sustainability work.

The outcome of our analysis identified four material sustainability issues as highest priority:

1. Diversity and gender equality
2. Good terms of employment
3. Skills management of staff
4. Customer satisfaction

Environment

We do not regard the environment as one of the most material issues for Dedicare because our operations exert a limited environmental impact. However, we do regard considering what environmental impact we have and how we can work to reduce it, as a hygiene factor. Our ISO-certified environmental management system means that we work on identifying environmental goals in our business that can reduce our impact. We also require our suppliers to have environmental certification, or a structured environmental management system.

We have been sending salary specifications and correspondence to our consultants digitally for several years, thus reducing our paper consumption significantly. We have also transferred to digital signing of employment contracts, which reduces paper consumption and mail management. We use digital meetings as far as possible, which reduces emissions from business travel.

Corruption and bribery

We have zero tolerance of corruption and bribery, as stated in our anti-corruption policy. We regard any risk of bribery and corruption as low and run regular checks of expenses and representation during our work. These are subject to approval by line managers and Dedicare's payroll function.

Our anti-corruption policy sets clear guidelines for what is permitted in terms of representation for clients. This policy is communicated to all staff, and line managers are responsible for compliance with the guidelines.

Global goals we have a special focus on:



Interviews with staff

Something that astonished me

is that despite the fact that the market for new staffing agencies has exploded, only a few of them have collective bargaining agreements. I think it's important that a consultant should be able to compare staffing agencies so they can verify that occupational pensions really are part of the package, for example. It's easy to forget that you don't automatically have equal job security when working in the staffing sector, as you do, say, in local government, where collective bargaining agreements are always in place. In other words, you need to be certain about what your staffing agency is actually offering.

At Dedicare, we think it's self-evident that our consultants should be covered by collective bargaining agreements and occupational pensions, and this is something we always try to inform our consultants about clearly.

It's not unusual that when they do initially decide to go to a competitor, they return to us later when they finally realise the security they get by working with us. I'm really proud of being able to offer my consultants this, and it also offers security to our clients.

Linda Cahling, Consultant Manager, Dedicare Nurse SE

"At Dedicare, we think it's self-evident that our consultants should be covered by collective bargaining agreements and occupational pensions."



I worked for Dedicare for a few years, then when my life entered a new phase, I applied for a permanent job. But at my new workplace, I often missed the freedom I had with Dedicare. Finally, this feeling became so strong that I re-applied. There's a lot that makes working as a consultant really enjoyable, for example, the enormous contact network you build, and the fact that you constantly develop as a person.

Right from the start I was delighted to have Linda Cahling as my contact. She's always cared about me, visited me at work, listened and shown an interest in finding out about how I was getting on with my assignment. It means a lot when a client is satisfied and wants me back. I'm convinced that this is closely related to Linda's ability to make the right match—the right person in the right place.

Denise Christensen, Consultant & District Nurse, Dedicare Nurse SE

"There's a lot that makes working as a consultant really enjoyable."



I started back in January 2001, with what was called Active-Nurse at that time (Dedicare Norway's predecessor). When I started, health care staffing was a new sector in Norway. It was unstructured without any framework, but today, has evolved into a sector with professional actors that comply with legislation and regulations and maintain good business practice. Many actors are now ISO certified, and there is a self-assessment audit system for members of the employers' organisation.

The need for health care staffing will keep increasing, and I think most of the staffing agencies currently active in health care will remain, but new ones will also appear. Norway's health care system will remain dependent on staffing in order to maintain a good standard of health care services.

Berit Tromsdal, Director, Dedicare Nurse NO

"Today, it's evolved into a sector with professional actors that comply with legislation and regulations and maintain good business practice."



Two partnerships



Milkrun Care

Since the end of May 2021, Dedicare has been contributing to a joint project with Milkrun Care to provide drop-in Covid-19 vaccination in Stockholm's lower-income suburbs like Rinkeby-Kista and Botkyrka, where vaccination uptake has been about 10 percent below the regional average. Over 31,000 vaccinations have been administered in these locations.

"We've enjoyed staffing our busses with nurses and district nurses from Dedicare, and the partnership has been amazing. We've gained expert nurses who are the right appointments for this mission. We hadn't previously used Dedicare to find nurses, but I've worked as a district nurse for Dedicare in Sweden and Norway in the past, and always enjoyed the work.

In the period we had one bus in the southern suburbs of Alby, Fittja and Hallunda, and one covering Tensta, Husby and Rinkeby to the north. The people who come to get vaccinated have given us a positive reception, and with drop-in vaccinations, we've helped people who've had difficulty in booking appointments for various reasons. We've been working intensely in the community, and partnered with various charities and the municipality, our consistent aim being to inform people that you can easily get vaccinated on our bus."

Liselott Ek, Founder, Milkrun Care



iCare

Dedicare is a project partner of iCare, a project helping to restore the sight of people affected by blindness in Nepal. Since 2019, consultants and staff from our Norwegian operation have been making donations enabling 210 surgical procedures worth NOK 70,500 to be conducted.

Surgeries conducted with the help of Dedicare staff	2021	2020	2019
No. of surgeries	71	61	78
Cost, NOK	28,700	18,300	23,500

"32 million people are needlessly affected by blindness in the world today. About 80 percent of all blind people could be helped. In developing countries, many people lose their sight at a young age due to cataracts. In countries with poor welfare systems, simple procedures can prevent a life of extreme poverty. We've offered many people eye surgery to restore their sight thanks to the campaigns we've been running with iCare. I'd like to say a big thank-you to all our consultants and staff for the work they're doing: together we're making a difference!"

Ida Rindal, Consultant Manager, Dedicare Nurse Norway

1. Diversity and gender equality

Dedicare is the largest recruitment and staffing company operating in health care and social work in the Nordics, and also wants to be no. 1 in gender equality and diversity. This is important to us from a human perspective, but also for our competitiveness. This is why we work systematically on each staff member's complete journey with Dedicare to promote gender equality and diversity, and to counter discrimination and victimisation.

For example, we use a standardised, skills-based selection and recruitment process to minimise the risk of discrimination, thus promoting diversity at Dedicare. We're very careful to design job specifications that are non-discriminatory, and produce ads that we think can

attract broad candidate bases. We want to select from the client's formal requirements profile, and ensure that the wants and needs of our clients are non-discriminatory, if necessary, helping them make adjustments and prepare ads as part of our advisory services in recruitment or staffing assignments.

Dedicare utilises standard employment templates and terms & conditions, as well as conducting salary mapping to verify that pay levels are non-discriminatory. Our processes for appraisal interviews are consistent to ensure that everyone gets the same opportunity to discuss career development. Our promotion process requires staff to satisfy predefined criteria, and all management appointments require group management approval.

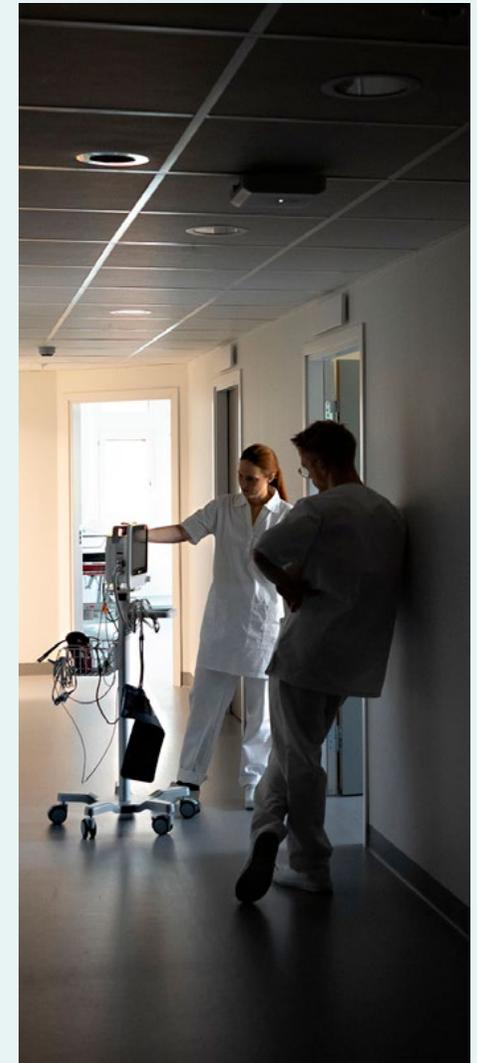
One of Sweden's most gender equal companies 2021

In 2021, Dedicare appeared on Swedish non-profit Allbright's Green List once again. Allbright ranked Dedicare as Sweden's tenth-best listed company in terms of gender equality out of a total of 357. Its ranking measures gender equality in management, line positions, and the Board of Directors, with the objective of 50:50 gender division.

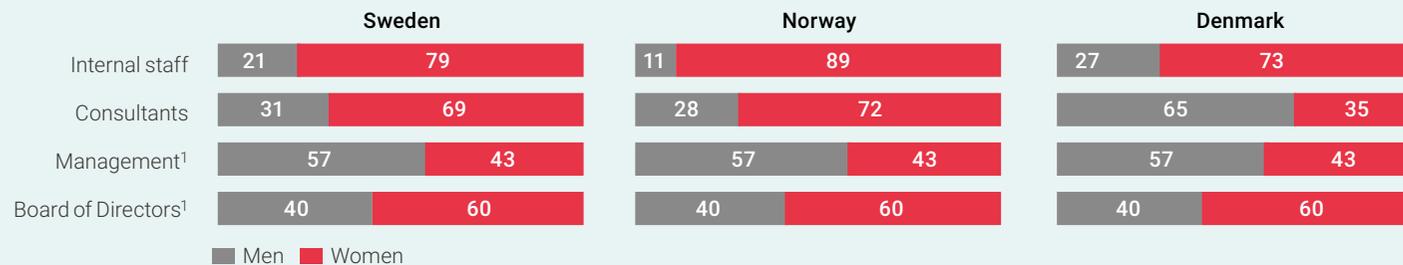
Gender division

We have more female staff at Dedicare, which is because most of the jobs we staff are traditionally female dominated. But our objective is the most even gender division possible.

The average number of employees in 2021 was 925 (678). In 2021, Dedicare's



Gender division, %



1) The values are on group level.

gender division was 70.4 percent (72.2) women, and 29.6 percent (27.8) men.

Material risks

The biggest obstacle to Dedicare's growth is a shortage of resources. Our core business consists of recruitment and staffing in jobs subject to shortage, which means that attracting as many potential candidates as possible regardless of gender, gender-fluid identity or expression, ethnic origin, sexual orientation, religion or other faith, disability or age, is business critical for us. This is also important to staff recruitment at our offices. If we are unsuccessful in recruiting, there is a risk that a shortage of candidates limits our growth.

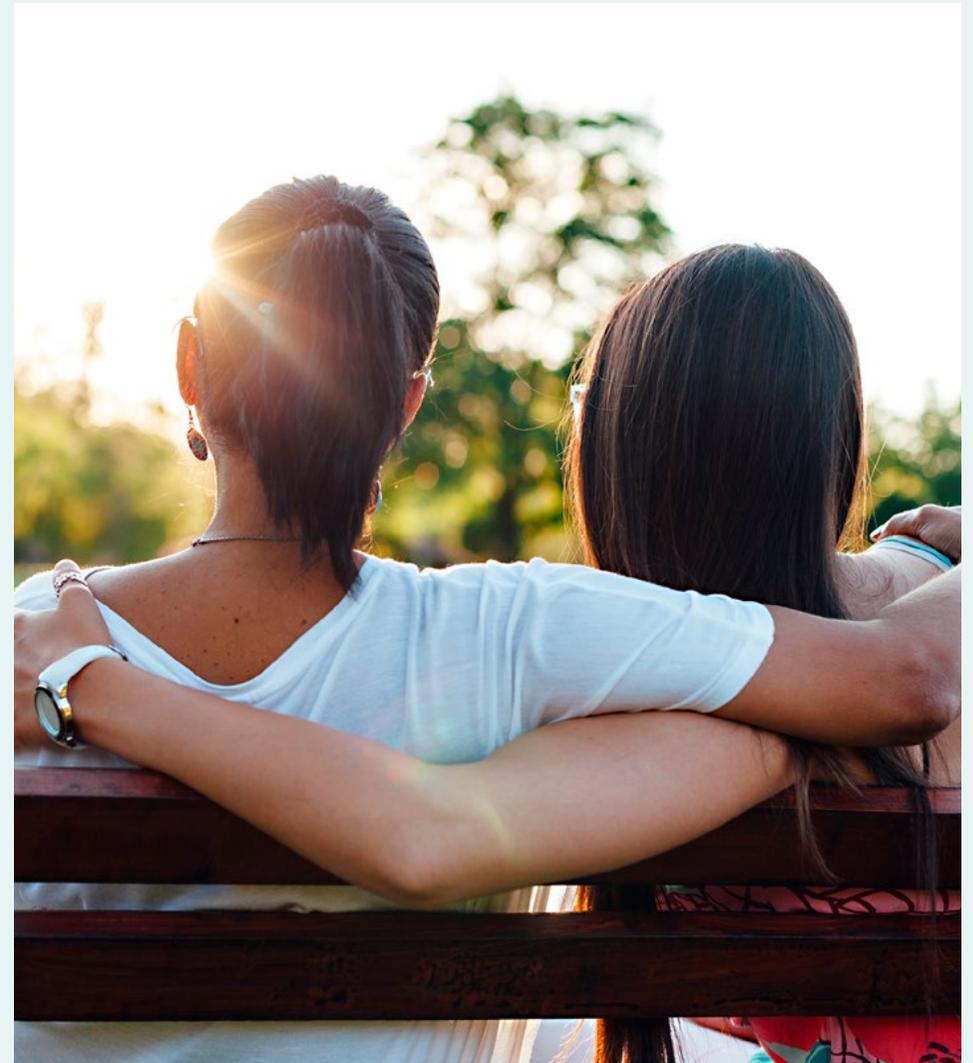
Risk management

Dedicare's anti-discrimination work is systematic, and founded on the company's core values, with clear procedures to counter discrimination and victimisation.

Our anti-harassment and discrimination policy states how managers and staff should conduct themselves in different situations and processes. For example, we have standard processes for skills-based recruitment, and for providing feedback and developing our staff to enable equal developmental opportu-

nities. We also have a promotion process that has high integrity. We have not dealt with any cases of discrimination in the past three years.

Dedicare contributes to goal 5, and more precisely target 5-5, by promoting and ensuring that our female staff can exercise leadership and decision-making fully. We have achieved good gender division for the third consecutive year. Half of Dedicare's senior executives and Board of Directors are women.



2. Good terms of employment

We offer both our consultants and internal staff secure terms of employment. It's important for us that our staff feel secure during their employment with us, but also that their futures are secure. We provision collectively bargained occupational pensions for our employees, which distinguishes us from many of our competitors.

Collective bargaining agreements govern our terms of employment

In Sweden, Dedicare is a member of sector organisation Almega Kompetensföretagen, and is also one of its authorised recruitment and staffing companies. This authorisation is a seal of approval ensuring the security of staff and clients. Annual audits verify financial stability, collective bargaining agreements being in

place, and compliance with Kompetensföretagen's ethical guidelines. Dedicare has collective bargaining agreements with the Swedish Association of Health Professionals, the Swedish Medical Association, Unionen, the Swedish Union for Professionals, and the Swedish Municipal Workers' Union. Accordingly, all staff in Sweden are covered by collective bargaining agreement insurance policies and models for occupational pensions. Usually, collective bargaining agreements run for between one and three years.

In Norway, Dedicare is a member of sector organisation NHO (Naeringslivets Hovedorganisasjon). Dedicare's Norwegian organisation is also a registered employer. To qualify for this, apart from qualifying as a member of NHO, a company must be registered with the Norwegian Labour Inspection Authority.

An external auditor, approved by the NHO, verifies that the company satisfies the standards stipulated by the Norwegian Working Environment Act. Operational procedures are reviewed in random tests on selected segments.

In Norway and Denmark, Dedicare offers terms & conditions for all staff that are comparable to collective bargaining agreements.

Sickleave absence

Dedicare's sickleave absence in 2021 was 2.1 percent (2.2), which means we achieved our target of sub-3.0 percent sickleave absence. To avoid long-term sickleave absence, we assign the appropriate resources at an early stage, and follow up with interviews when a staff member has high short-term sickleave absence.

Sickleave absence, % ¹	Operation	2021		2020		2019	
		Internal staff	Consultants	Internal staff	Consultants	Internal staff	Consultants
Short-term sickleave absence	Sweden	0.82	0.35	0.51	5.15	2.42	3.58
	Norway	2.66	2.29	4.86	1.60	5.58	1.08
	Denmark ²	1.05	–	0.69	–	1.35	–
Long-term sickleave absence	Sweden	0.29	0.01	0	1.12	2.04	6.32
	Norway	1.86	0.01	4.24	0.02	2.94	0.05
	Denmark ²	0.11	–	0	–	0	–

1) The definitions of short-term and long-term sickleave absence for the countries vary. See definitions on page 75.

2) Measurement of sickleave absence in Denmark does not yet involve consultants.



Keep-fit subsidies

Dedicare offers keep-fit subsidies for the purchase of gym memberships or other qualifying keep-fit services to all our staff in Sweden, internal staff in Norway, and nurse consultants in Denmark. We regularly remind staff to use their keep-fit subsidies, because we believe this improves well-being, and with it, professional performance.

Material risks

Unless we work continually on critical HR issues, we run the risk of higher staff turnover, sickleave and ill health of staff, and a compromised reputation on the labour market.

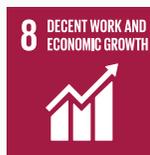
Risk management

Dedicare conducts regular surveys of its consultants and internal staff. Each busi-

ness area reviews the survey results of its own staff, which they then use to prepare an action-plan. One of our quality targets is for consultants to rate us an average 9 out of 10 in satisfaction with their contact. Our survey result for 2021 was 9.1. This metric does not yet cover Denmark.



All Dedicare's appointments should have good terms of implement. In Sweden, we have collective bargaining agreements in place for staff at our offices, and all consultants. In Norway and Denmark, we offer terms equivalent to collective bargaining agreements. By making this undertaking, we want to guarantee the protection of employee rights, and to reduce the number of people with insecure employment conditions, consistent with target 8-8. We also believe that our management of sickleave absence and active reminders to internal staff about their keep-fit subsidies, make a positive contribution to goal 8 decent work.



3. Skills management of staff

Our client needs change continuously, and one of our key competitive edges is that our staff have relevant skills. So it's important for us that staff skills develop continuously.

Job rotation and continuous development

Our consultants get the opportunity for continuous skills development by our staffing operations enabling job rotation, enabling them to gain experience of different workplaces and methods. We offer our consultants ongoing training in CPR, journal systems and appropriate Internet training packages in other segments so they can keep their daily work skills up to date. We also encourage our consultants to participate in internal training offered on site with the customer.

Training and reviewing internal staff

Dedicare also trains and reviews its internal staff. Development requests are compiled and serve as the foundation for individualised training programmes in segments including IT systems, labour law, public tenders, sales, leadership and recruitment.

Courses conducted in 2021

We offered our staff a variety of different courses and training packages in the year. The following table reviews them in relation to the staff number of staff that took them. We also introduced a mandatory leadership development program for all our managers.

Material risks

Unless our internal staff and consultants perceive their employment with Dedicare as stimulating, and challenging, we risk

terminations, and will have more difficulty hiring. Unless we can deliver the right skills on assignment to clients, we risk losing framework agreements.

Risk management

Staff are reviewed by line managers in regular follow-up and appraisal interviews. To promote professional development, we offer our consultants the opportunity to work in other countries, and offer all our staff various courses and training packages.

Courses conducted in 2021	No. of internal staff	No. of consultants
Leadership	25	
Sales Management	23	
IT	5	
Conflict management and problematic HR issues	4	
Social Selling at LinkedIn	78	
S-HLR		9
A-HLR		3
Basic HLR		22
Advanced diabetes nursing training		1
Digital courses <i>(Pain management for the elderly, anti-infection, drug administration, preventive use of restraint, dementia, care and the elderly, Covid, HLR)</i>		618
Total	135	653

By offering our internal staff and consultants' skills and career development, they can develop expertise enabling better performance at work, and develop personally. That's why we believe Dedicare enhances the potential for all our staff to be able to achieve financial security, in accordance with target 4-4.



4. Customer satisfaction

Dedicare works continuously to achieve maximum customer satisfaction. Customer satisfaction is one of the group's principal quality objectives, and decisive to our economic growth.

Dedicare's customer base

Sweden

In Sweden, our customer base consists of regional health authorities, municipalities, as well as private health and social care providers. In 2021, municipalities and regional health authorities represented 89.0 percent (91.0) of Dedicare's revenue, private health and social care providers 11.0 percent (9.0). The largest

customer, Stockholm regional health authority, generated 22.8 percent (23.8) of total revenue in Sweden in the year.

Norway

Dedicare's customer base in Norway consists of regional health authorities through the collective purchasing organisation Sykehusinnkjøp. In 2021, municipalities and regional health authorities provided 93.0 percent (93.0) of revenue, and private sector players, 7.0 percent (7.0). Dedicare's largest customer is Helse Sør Øst (South-Eastern regional health authority), representing 11.4 percent (13.0) of total revenue in Norway.

Denmark

Dedicare's main customers in Denmark are public hospitals, providing 97.0 percent (92.0) of revenue, and private hospitals represented 3.0 percent (8.0). Dedicare's largest customer is the North Jutland regional health authority, which generated 25.5 percent (23.0 in April-December) of total revenue in Denmark in the year.

Customer proposition

Dedicare provides doctors, nurses, social workers, psychologists and preschool staff as consultants, all of them being important resources for our customers. Dedicare's fundamental principle is offering the right consultant with the right

skills to the customer faster than the competitors. The company's database of available consultants is very extensive, enabling effective matching. Clients can always terminate assignments if dissatisfied at any time. Most of Dedicare's consultant managers are trained nurses and social workers, often with a close understanding of customer and consultant perspectives. Customers also retain a single contact throughout their business relationship.

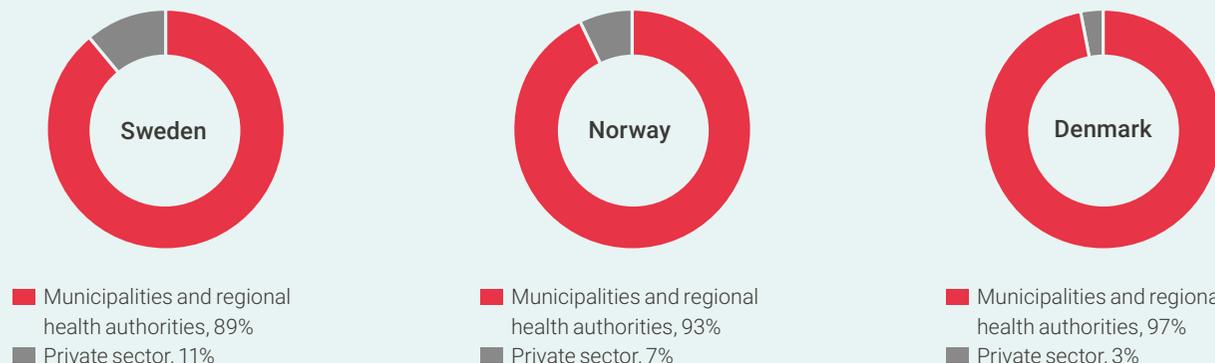
Customer satisfaction surveys

Once an assignment concludes, we follow up on customer satisfaction with the consultant, and with Dedicare's delivery. This is documented in our ERP system and subject to regular evaluation by consultant managers. Customer satisfaction surveys are conducted regularly through the year and distributed electronically. The outcome of this yearly customer satisfaction survey is presented to, and analysed by, management teams in each country, and by group management. Any variances from predetermined targets result in detailed plans for improvement.

Tenders

A high share of Dedicare's customer contracts are covered by framework

Customer base



agreements pursuant to the Swedish Public Procurement Act (LoU). Dedicare works continuously to satisfy the standards procurement bodies set, and assigns high priority to securing good ratings in the quality metrics applying to tenders. Normally, public tender assignments are through framework agreements with two-year terms, with maximum extensions of two years. Usually, customers have framework agreements in place with several providers.

Yearly customer satisfaction survey and results

Our goal is for our customers to rate us at least 9 out of 10 in customer satisfaction. In our most recent survey from 2021, most of Dedicare's customers stated that they were satisfied with Dedicare as a provider.

Customer satisfaction survey result (out of 10)

	Result 2021	Target	Result 2020	Target
Yearly customer satisfaction survey	9.0	9.0	9.0	9.0

High-quality, efficient processes a success factor

Audited processes – Dedicare has invested in developing and documenting its processes and has ISO 9001, ISO 14001 and ISO 45001 (Norway) certification. These are a necessity for the company to maintain good quality and operational efficiency. Additionally, well-established processes and working methods are a precondition for growth.

Digitalisation – our current digitalisation work should increase Dedicare's growth, efficiency and profitability by optimising processes and enhancing our visibility on the market. As part of this work, the group has invested in a raft of rationalisation projects in its back office and continued to invest in tools to automate order processing and matching.

Rationalising operations – Dedicare has executed many actions to streamline the digital workplace for staff such as

optimising processes and improving its external contact interface, through channels including digital matching, to facilitate communication between all parties. Dedicare has made major advances in achieving its objective of a scalable environment in the form of effective integration and cloud solutions, and the results of this work are already apparent.

IT – the main focus of the year was on digitalising, rationalising operations and a sharper focus on IT security.

Security and regulatory compliance – the focus was on IT security in the year, the starting-point of this work being ISO 27001 to make operations comply with best practice.

Material risks

Unless our customers perceive that Dedicare's deliveries satisfy specific quality, or we get low rankings in quality surveys, we risk losing framework agreements to our competitors. So the recruitment process is decisive for finding the right consultants.

Risk management

The recruitment process specifies how communication and feedback with the

candidate happens at every stage. During these stages, we collate data and run checks such as language checks, expectations and references, to guarantee we offer the right consultants for the customer.

To ensure quality standards are satisfied in tendering, Dedicare has tender managers in all business segments. We measure customer satisfaction regularly through surveys. Any variances and complaints from surveys are managed by procedures that are included in our ISO 9001 quality system.

By being able to offer skills and the right staffing quickly, we can satisfy customer needs and avoid critical staff shortages.

Our customer satisfaction surveys are also an effective tool to maintain dialogue with the aim of continuously assuring, and increasing, customer satisfaction. This enhances the potential for successful client deliveries, and helps enable accessible health care for everyone.



Taxonomy regulation

Because Dedicare is considered both a large company of public interest, and has over 500 employees, it is covered by NFRD1 (and the future CSRD2), and accordingly, is required to report according to article 8 of the Taxonomy Regulation. Because this report is part of the statutory sustainability report, Dedicare's Board of Directors is responsible for reporting on taxonomy.

Until the present, the technical review criteria have only been defined for the environmental goals of Climate Change Mitigation and Climate Change Adaptation. Because Dedicare is a non-financial undertaking, we are expected to comply with the regulation fully for reporting for 2022.

For non-financial undertakings, the taxonomy regulation introduces standards on partial disclosures as early as 2021. Dedicare should report the share of its turnover, capital expenditure (capex) and operating expenditure (opex) that are listed in the taxonomy, and thus, eligible for it.

To examine whether our operations are listed in the taxonomy, we have analysed the economic activities and associated NACE codes covered in the regulation. In our opinion, our economic activities are not listed, which means that for the financial year 2021, Dedicare is reporting 0 percent taxonomy-eligible turnover, capex or opex (100 percent non-applicable)

1) Financial Reporting Directive

2) Corporate Sustainability Reporting Directive

Auditor's report on the statutory sustainability report

Unofficial translation

To the general meeting of the shareholders of Dedicare AB (publ),
corporate identity number 556516-1501

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2021 on pages 15-27 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our audit has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's examination of the statutory sustainability report*. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A statutory sustainability report has been prepared.

Stockholm, Sweden, 18 March 2022

PricewaterhouseCoopers AB

Henrietta Segenmark

Authorised Public Accountant

The share and shareholders

The share and shareholders

The share

Dedicare's class B share had its initial public offering on Nasdaq Stockholm on 4 May 2011. On 31 December 2021, the share capital was SEK 4,697,699, divided between 9,395,397 shares, of which 2,011,907 class A shares and 7,383,490 class B shares, with a quotient value of SEK 0.50. Each share confers equal entitlement to the company's assets and profits. Class A shares carry one vote and class B shares carry one-fifth of a vote.

The Articles of Association stipulate no limitations on the transferability of shares. Nor are there any agreements between shareholders limiting the transferability of shares.

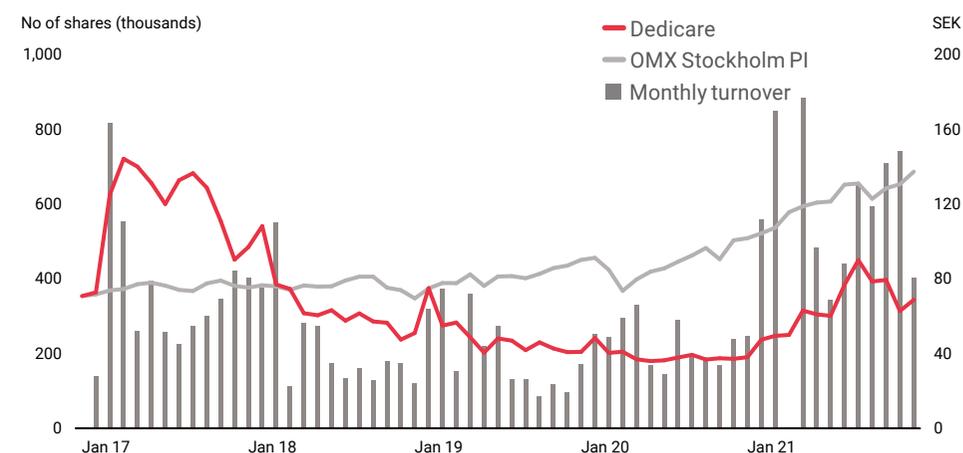
Dedicare's Articles of Association stipulate that share capital should be a minimum of SEK 4,000,000 and a maximum of SEK 16,000,000.

The following table illustrates changes to the number of shares and share capital since the company's incorporation in 1995.

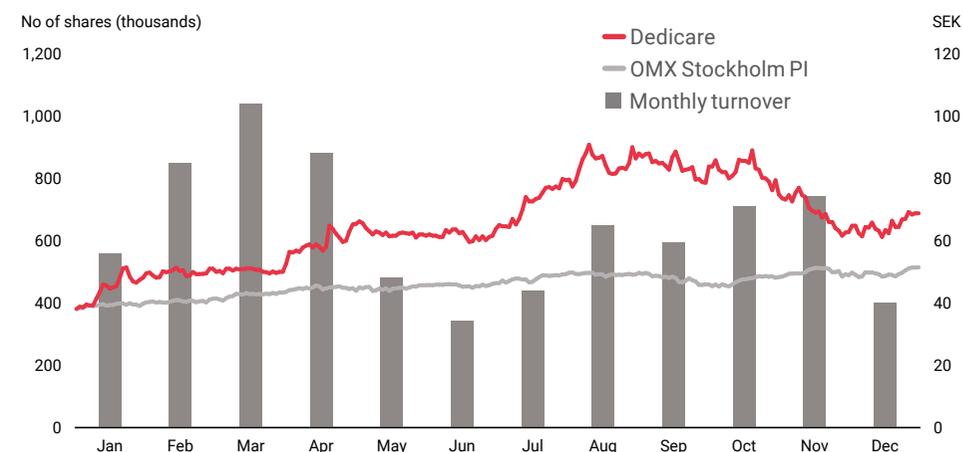
Share capital history

Year	Transaction	Chg. in no. of shares	Total no. of shares	Class A shares	Class B shares	Chg. in share capital	Total share capital
Oct 1995	Incorporation	–	5,000	–	–	–	50,000
Nov 1998	Bonus issue	–	5,000	–	–	50,000	100,000
March 2011	Split 40:1	195,000	200,000	–	–	–	100,000
March 2011	Bonus issue	8,717,706	8,917,706	–	–	4,358,853	4,458,853
March 2011	Division into class A and B shares	–	8,917,706	2,011,907	6,905,799	–	4,458,853
April 2015	New issue of class B shares for incentive program	72,900	8,990,606	2,011,907	6,978,699	36,450	4,495,303
March 2017	New issue of class B shares for incentive program	64,800	9,055,406	2,011,907	7,043,499	32,400	4,527,703
April 2020	New issue of class B shares	339,991	9,395,397	2,011,907	7,383,490	169,996	4,697,699

Share price and turnover 2017–2021



Share price and turnover in the year



The share and shareholders

Share price performance

The year high was SEK 94.6, and the low was SEK 37.6. The closing price at year-end was SEK 68.8.

Dedicare had 7,585 shareholders as of 31 December 2021. Dedicare gained 351 new shareholders and lost 429 shareholders in the year.

Shareholder base

Most of Dedicare's shareholders are domiciled in Sweden. As of 31 December

2021, 96.3 percent of shareholders were in Sweden, 2.7 percent in the rest of the Nordic region, 0.8 percent in the rest of Europe, 0.1 percent in the US, and 0.1 percent in the rest of the world.

Dividend and dividend policy

The Board of Directors of Dedicare is proposing a dividend of SEK 4.00 per share, or SEK 37.6 million, for payment as dividends to shareholders. The group's dividend policy stipulates that the yearly

dividend should be at least 50.0 percent of net profit.

Incentive programme

On 22 April 2022, the AGM resolved on the issue of a maximum of 90,000 share warrants. Each warrant confers entitlement to one class B share. The subscription price is 115 percent of the average closing price paid for the company's class B share in the period 23 April 2021 to 7 May 2021.

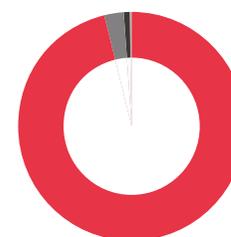
The warrants have a three-year term from the date the subscription price is determined. Waiving shareholders' preferential rights, the issued share warrants may be subscribed for by Dedicare AB (publ), whereupon the company should offer the share warrants to senior executives covered by the program. All options were subscribed in the second quarter.

Major shareholders

Dedicare AB's ten largest shareholders as of 31 December 2021

Shareholder	No. of shares	Votes, %
Örås, Björn	2,011,907	57.67
Rödgladan AB	1,540,722	8.83
Healthinvest Partners AB	900,000	5.16
Avanza Pension	575,629	3.30
Sparekassen Kronjylland	226,661	1.30
Pizzignacco, Jenny	196,070	1.12
Nordnet pensionsförsäkring	192,762	1.11
Ålandsbanken AB	177,458	1.02
Örås, Caroline	177,000	1.02
BNY Mellon NA	120,493	0.69

Shareholder base



Source: www.euroclear.com

Trading

Dedicare's class B share is quoted on Nasdaq Stockholm AB, with the ticker DEDI. A trading lot is 1 share, and the quotient value is SEK 0.5.

ISIN code.....SE003909282

Ticker on
Nasdaq Stockholm.....DEDI

Corporate Governance Report

Dedicare and its governance review

Dedicare AB is a Swedish public limited company with its registered office in Stockholm. The company is the parent company of the Dedicare group. Since its initial public offering in May 2011, the company has implemented a system of governance based on the Swedish Companies Act, the Articles of Association, Nasdaq Stockholm's Rulebook for Issuers, and the Swedish Code of Corporate Governance (the "Code"). A summary of Dedicare's system of corporate governance follows.

The Swedish Code of Corporate Governance

The Code should be applied by all Swedish companies listed for trading on a regulated marketplace. Nasdaq Stockholm is such a regulated marketplace. Dedicare applies the Code and has not decided on any instances of non-compliance.

For the present, the Board of Directors has decided to perform all the duties incumbent on remuneration and audit committees by itself as a whole. The Board's opinion is that this is expedient given the size and skills of the Board of Directors.

Annual General Meeting (AGM)

Shareholders' rights to make decisions within Dedicare are exercised at the Annual General Meeting (AGM), which is the company's chief decision-making body.

AGM 2021

The most recent AGM was held on 22 April 2021 at Dedicare's head office at Ringvägen 100, 10th floor, Stockholm, Sweden. Because of the current situation regarding Covid-19, the company decided to offer shareholders the option of postal voting, in accordance with the exemption rules that became effective in the year.

Shareholders representing 67.8 percent of the votes and 40.2 percent of the capital participated at the Meeting. The Meeting re-elected a Board of Directors with the following members: Björn Örås, Dag Sundström, Eva-Britt Gustafsson and Madeleine Raukas. Anna Lefevre Skjöldebrand declined re-election and the Meeting resolved on the election of Anna Söderblom as a Director. Björn Örås was re-elected as Chairman of the Board. The AGM also approved Directors' fees of SEK 420 thousand (410) to the Chairman of the Board, and SEK 185 thousand (180) to each of the other Directors.

For more information, see www.dedicare.se

AGM 2022

The AGM for the financial year 2021 will be held at the company's head office in Stockholm, Sweden, at 4 p.m. on 21 April 2022. The Annual Report will be available by 18 March 2022 at www.dedicare.se. Invitations to the AGM will be by announcement in the Swedish Official Gazette, and an advertisement in Swedish daily newspaper Svenska Dagbladet. The company's website states the latest date of receipt for those shareholders that wish to have a matter considered at the Meeting.

Board of Directors

Responsibilities and working methods of the Board of Directors

The Board of Directors is appointed by the AGM with a term of office until the end of the next AGM. The Board of Directors is responsible for the company's organisation and administration, continuously evaluates the group's financial situation, and appraises its executive management. The Board of Directors has adopted written rules of procedure that formalise matters including the number of Board



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meetings, matters to be considered by the Board of Directors and the duties of the Chairman. The work of the Board of Directors is also formalised in applicable provisions of the Swedish Companies Act and the Code.

Board of Directors' composition

The Board of Directors should have a minimum of three and a maximum of ten members elected by the AGM. Such members are elected yearly at the AGM until the end of the following AGM. Otherwise, there are no stipulations in the Articles of Association on appointing or dismissing Directors. The Board of Directors' composition and members are in the section on the Board of Directors and senior executives.

Board of Directors' independence

Dedicare's Directors are considered independent of the company and its owners, apart from Björn Örås in his capacity as principal owner not being considered independent.

Nomination Committee

The AGM on 23 April 2020 resolved on Dedicare's Nomination Committee.

The Nomination Committee should be appointed by the Chairman of the Board

contacting the company's three largest shareholders in terms of the vote by the end of the third quarter. These shareholders are entitled to each appoint a member of the Nomination Committee. If any of the three largest shareholders waive this entitlement, the next shareholder in order of size will be offered the opportunity to appoint a member of the Nomination Committee.

An owner's representative should serve as Chairman of the Nomination Committee. The Nomination Committee's term of office runs until a new Nomination Committee has been appointed.

Dedicare works on promoting gender equality and diversity, as has been considered in the Nomination Committee's consultation on proposals for the Board of Directors based on the requirements of the company's operations and development sets on the overall skills, experience and background of the Board of Directors.

The Nomination Committee's proposal is based on item 4.1 of the Code, which has implications including versatility and breadth of Directors' skills, experience and backgrounds. This proposal also satisfies the goal of endeavouring for even gender division, because three of the five proposed Directors are women. If there are significant changes of control

after the constitution of the Nomination Committee, the composition of the Nomination Committee should be altered in accordance with the above principles. Changes to the Nomination Committee should be announced immediately.

The Nomination Committee should consult on, and submit proposals to, the AGM on the following matters:

- election of a Chairman of the AGM
- election of the Chairman of the Board and other Directors
- Directors' fees divided between the Chairman and other Directors
- potential compensation for committee work
- auditors' fees
- where appropriate, election of auditors and deputy auditor
- decision on principles for appointing a Nomination Committee

No fees should be payable to Nomination Committee members for service on the Nomination Committee. The Nomination Committee should not be entitled to charge the company for expenses for recruitment consultants, for example, or other expenses necessary for the Nomination Committee to perform its duties.

Dedicare's Nomination Committee was appointed on 3 November 2021. The Members of the Nomination Committee for the AGM 2022 are:

- Björn Örås, personal holdings
- Jenny Pizzignacco, personal holdings
- Sara Lilja, personal holdings

Jenny Pizzignacco was appointed Chairman of the Nomination Committee. Information on how shareholders can contact the Nomination Committee is at: www.dedicare.se

Chairman of the Board

The Chairman leads the work of the Board of Directors so it is conducted in accordance with laws and ordinances. The Chairman monitors operations in dialogue with the Chief Executive Officer and is responsible for the other Directors receiving satisfactory information and decision-support documentation for their work. The Chairman of the Board co-ordinates the annual appraisal of the Board of Directors and the work of the Chief Executive Officer, which is also communicated to the Nomination Committee. The Chairman also participates in appraisal and developmental issues regarding the group's senior executives.

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The Chairman of the Board represents the Board externally and internally.

Work of the Board of Directors

Work of the Board of Directors in 2021

In the financial year 2021, the Board of Directors held six scheduled meetings, two per capsulam Board meetings and one Board meeting following election. At these meetings, the Board of Directors considered the permanent agenda items for each Board meeting such as business conditions, market conditions, financial reporting, budget, forecast and projects. An appraisal of the Board of Directors, the work of the Board of Directors and the Chief Executive Officer

was conducted at the final meeting of the year. In addition, the Board analysed overall strategic issues relating to factors including the company's direction, business environment issues and growth prospects. The Chief Executive Officer and Chief Financial Officer are co-opted at all Board meetings, apart from on issues relating to remuneration of senior executives, appointment of a new Chief Executive Officer and appraisal of the work of the Board of Directors and the Chief Executive Officer. The Board of Directors includes the Directors elected by the AGM: Björn Örås (Chairman), Anna Lefevre Skjöldebrand (Until the AGM), Dag Sundström, Eva-Britt Gustafsson,

Madeleine Raukas, and Anna Söderblom (from the AGM onwards).

Committees

The Board of Directors has decided to serve as remuneration and audit committees as a whole itself, and accordingly, is responsible for these issues. The Board of Directors' opinion is that it can effectively deal with remuneration and audit issues itself considering the number of Directors, the size of the company, and the majority of Directors being independent of the company and management.

The matter of the appointment of committees is reviewed each year at the Board meeting following election.

Managing Director (CEO)

The Managing Director leads operations within the framework set by the Board of Directors. The rules of procedure of the Board of Directors and Chief Executive Officer were adopted in 2021, and formalise the Chief Executive Officer's role within the company. The Chief Executive Officer provides the necessary information and decision-support data for Board meetings. The Chief Executive Officer or his representative presents to the Board of Directors. The Chief Executive Officer keeps the Board and Chairman continu-

ously informed of the company's financial position and progress. The Board of Directors appraises the Chief Executive Officer's working methods and performance each year. Dedicare's Chief Executive Officer is Krister Widström.

Group management

Group management team

The group's executive management consists of the Managing Director/CEO, CFO, the Managing Directors of the Swedish, Norwegian and Danish subsidiaries, the CIO, and Vice President of Human Resources.

Group management holds regular meetings that monitor the company's operating activities. Control over the group's operations is exercised through channels including financial reporting from subsidiaries and regular contact with subsidiary managements.

Internal governance and control

The Board of Directors is responsible for the company maintaining good internal controls and formalised procedures that ensure compliance with predetermined principles for financial reporting and internal controls, and that the company's financial reporting is prepared in compliance with laws, applicable accounting

Board of Directors' composition and attendance at scheduled meetings

Name	Elected	Position	Attendance
Björn Örås	2007	Chairman	7/9
Anna Lefevre Skjöldebrand ¹	2011	Member	3/3
Dag Sundström	2013	Member	9/9
Eva-Britt Gustafsson	2019	Member	9/9
Madeleine Raukas	2020	Member	9/9
Anna Söderblom ²	2021	Member	6/6

¹ Anna Lefevre Skjöldebrand declined re election and left the Board at the AGM in April 2021

² Anna Söcerblom was elected as a new Director at the AGM in April 2021

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standards and other requirements of listed companies.

Financial reporting

Interim reports and annual financial statements are considered by the Board of Directors and can be issued by the Chief Executive Officer on assignment from the Board of Directors. The Chief Executive Officer is responsible for accounting within the group's companies being prepared consistent with law, and that funds are managed satisfactorily.

The group prepares a monthly financial statement that is presented to the Board of Directors and group management.

In addition to these tools, analysis and follow-up meetings are conducted monthly for each segment, where the Chief Executive Officer, CFO and relevant senior executives participate.

Internal audit

The Board of Directors' opinion is that in addition to its existing procedures and functions for internal controls, Dedicare does not need to implement an independent internal audit function.

Monitoring conducted by the Board of Directors, management and external auditors is considered to satisfy

this requirement at present. However, whether such a function is necessary to maintain satisfactory controls over the company is considered each year.

Auditors

Accounting firm PricewaterhouseCoopers AB was elected as auditor at the AGM on 22 April 2021. The term of office is until the end of the following AGM. The Senior Audit Partner is Authorised Public Accountant Henrietta Segenmark is not considered to have any relationship with Dedicare or associated companies of Dedicare that could affect auditor independence. Henrietta Segenmark. Henrietta Segenmark is considered to possess the necessary skills to conduct her assignment as auditor of Dedicare.

Henrietta Segenmark reported the outcome of her audit at a Board meeting in 2022.

The company's external auditor reviews the Board of Directors' and CEO's administration and the annual accounts prepared. The auditor also reviews certain other financial statements. The conclusions from the audit are presented in the Audit Report that is submitted to the AGM.

The Board of Directors' review of internal controls over financial reporting**Control environment**

The culture the Board of Directors and management communicate and operates from is the foundation of internal controls. Primarily, this includes integrity and ethical values, skills, management philosophy and style, organisational structure, responsibilities and authorisation, as well as policies and procedures. Decision paths, authorisation and responsibility being clearly defined and communicated between different levels of the organisation are an important part of the control environment. It is also important that control documentation in the form of internal policies and guidelines cover all identified material segments, and that these offer the necessary guidance to the various executives of Dedicare.

As part of maintaining good governance and control over financial reporting, Dedicare emphasises the importance of good skills and skills management in this segment. Relevant job descriptions and yearly appraisal interviews are part of this work.

Risk assessment

Risk assessment identifies the material risks impacting internal controls over

financial reporting, and the location of these risks at company, business entity and process level. There is a yearly risk review in tandem with producing a business plan, and preparing the annual accounts. This risk assessment results in control objectives, that support the satisfaction of the fundamental requirements of financial reporting, known as financial statement assertions. The risk assessment is updated regularly to capture changes that materially impact internal controls over financial reporting.

Control activities

To prevent, discover and rectify misstatements and variances, control activities have been adopted in relation to the risks identified. Segments covered by control activities include:

1. Internal audits of management systems
2. Authorised approval of business transactions
3. ERP systems that impact on financial reporting
4. The accounting process, including financial statements and consolidated accounts
5. Significant, unusual or complex business transactions

Board of Directors and senior executives

Board of Directors



Björn Örås

Chairman

Board member since: 2007

Born: 1949

Education: B.Sc. (Econ.), Lund University.

Other current assignments:

Chairman of Bro Hof Golf AB, and Chairman and Managing Director of Bro Hof Slott AB.

Dedicare shareholdings, direct and through companies: 2,011,907 class A and 1,540,722 class B.



Anna Söderblom

Board member since: 2021

Born: 1963

Education: B.Sc. mathematics, Lund University, Ph.D. (Econ.), Stockholm School of Economics.

Other current assignments:

lecturer and researcher, Stockholm School of Economics. Director of Länsförsäkringar Liv AB, Cabonline Group Holding AB, Midway Holding AB, BTS Group AB, Almi Företagspartner AB and Chairman of Echandia Group AB.

Dedicare shareholdings: 2,500 class B.



Dag Sundström

Board member since: 2013

Born: 1955

Education: M.Sc.(Eng.), Engineering Physics, Royal Institute of Technology, Stockholm, M.B.A., Stockholm School of Economics.

Other current assignments:

Chairman of the Board of International Swedish School AB (Raoul Wallenbergskolan), Chairman of the Board of DS Holding AB, and Chairman of the Board of Dag Sundström Consulting AB.

Dedicare shareholdings: 1,000 class B.



Madeleine Malmqvist Raukas

Board member since: 2020

Born: 1967

Education: Human Resources and HR qualifications from the Stockholm School of Economics and Stockholm University.

Other current assignments:

Deputy CEO of SJ since 2012. Previously served as executive of several companies including Deputy CEO of Stockholms Lokaltrafik, Interim CEO of Waxholmsbolaget and CEO of SAS Ground Services Sweden AB.

Dedicare shareholdings: 0.



Eva-Britt Gustafsson

Board member since: 2019

Born: 1950

Education: B.A., Stockholm School of Economics.

Other current assignments:

Director of Statens Servicecenter since 2017.

Dedicare shareholdings: 0.

Auditor



Henrietta Segenmark

Audit firm: PricewaterhouseCoopers AB

Senior Audit Partner since: 2021

Other significant assignments:

Senior Audit Partner for DHL Sweden, Seamless Distribution Systems AB (publ), Nischer properties AB (publ) and Pomona-gruppen AB.

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Group management

**Krister Widström** (born 1962)

Title: Managing Director & Chief Executive Officer

Employee since: 2017

Professional experience: Senior positions with Poolia, MD of Bro Hof Slott and Country Manager of Business Sweden, South Africa.

Dedicare shareholdings: 3,355 class B and 60,000 share warrants.

**Johanna Eriksson** (born 1981)

Title: CFO

Employee since: 2019

Professional experience: Background with Deloitte and as CFO in the IT sector.

Dedicare shareholdings: 0.

**Eva Brunberg** (born 1968)

Title: Managing Director, Sweden

Employee since: 2021

Professional experience: Marketing VP, Siemens Computers, Sweden, Sales & Marketing VP of Lindorff Sverige AB, senior positions with Manpowergroup/Experis AB.

Dedicare shareholdings: 0.

**Bård Kristiansen** (born 1970)

Title: Managing Director, Norway

Employee since: 2017

Professional experience: CEO of Medisinsk Vikarbyrå AS, Director of Adecco Helse AS.

Dedicare shareholdings: 30,000 share warrants.

**Kasper Madsen** (born 1979)

Title: Managing Director, Denmark

Employee since: 2020

Professional experience: VP of Nordic Sales Agito, MD of Agito Sverige, partner and owner of KonZenta Aps.

Dedicare shareholdings: 113,330 class B.

**Mattis Kjellin** (born 1972)

Title: CIO

Employee since: 2018

Professional experience: Experience of the staffing sector and senior positions in IT.

Dedicare shareholdings: 0.

**Jenny Pizzignacco**

(born 1979)

Title: Vice President of Human Resources

Employee since: 2016

Professional experience: Experience of Nasdaq and the staffing sector, formerly Interim CFO of Dedicare and CEO of Dedicare Nurse.

Dedicare shareholdings: 196,070 class B.

Dedicare presents its expanded management team on its website, which includes the group's Marketing Vice President, the Business Area Managers of Nurse Sweden, Nurse Norway, Doctor Norway, Doctor Sweden, Social Worker/Psychologist, VP of Sales for Denmark and VP of Recruitment for Denmark.

Auditor's report on the corporate governance statement

Unofficial translation

To the general meeting of the shareholders of Dedicare AB (publ), corporate identity number 556516-1501

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2021 on pages 30-35 and that it has been prepared in accordance with the Annual Accounts Act.

The Scope of the audit

Our audit has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm March 18, 2022
PricewaterhouseCoopers AB

Henrietta Segenmark
Authorized Public Accountant

Annual Accounts 2021



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Dedicare AB (publ) 556516-1501

Operations

Dedicare is an authorised recruitment and staffing company, whose main operations are temporary staffing of doctors, nurses, social workers, psychologists and preschool staff. The group is active in Sweden, Norway, Denmark and Finland, and has 104 employees in its administrative and sales organisation, and in 2021, provided a total of 821 (591) doctors, nurses, social workers, psychologists and preschool staff expressed as full-time equivalents (FTEs). Its customers include all Sweden's 21 regional authorities, 4 regional authorities in Norway, 4 regional authorities in Denmark, and over 150 municipalities across Sweden and Norway, as well as private sector companies.

Dedicare's class B share was listed on Nasdaq Stockholm in May 2011.

Significant events in the year

In 2021, operations were in high growth, especially in Norway. The effects of Covid-19 have presented challenges including travel restrictions, increased sickness absence rates among consultants and the deferral of planned care. Overall, Dedicare has shown good capability to reorient operations to address any changes to its business environment.

On 1 January, Jessica Alarik became the new Business Area Manager of the Recruitment service segment in Sweden.

The AGM on 22 April resolved on the election of Anna Söderblom as a Director. Anna Lefevre Skjöldebrand has declined re-election, and accordingly leaves Dedicare's Board of Directors.

The AGM resolved to authorise the Board of Directors to decide on the new issue of class B shares, convertibles and/or share warrants, on

one or more occasions in the period prior to the next AGM, with or without preferential rights for shareholders. The issue decision will be possible for payment in cash and/or provisions for payment in kind or set-off, or with subscription possible by other means. Such issue may only be on market terms. The number of shares, convertibles and/or share options issued with this authorisation may not involve dilution of more than 10 percent of the share capital based on the total number of outstanding shares at the time of the AGM.

The AGM also resolved on the issue of a maximum of 90,000 share warrants. Each warrant confers entitlement to subscribe for one class B share. The subscription price is 115 percent of the average closing price paid for the company's class B share in the period 23 April 2021 to 7 May 2021, both dates inclusive. The options have a three-year term from the date the subscription price is determined. Waiving shareholders' preferential rights, the issued share warrants may be subscribed for by Dedicare AB (publ), whereupon the company should offer the share warrants to senior executives covered by the program. All options were subscribed in the second quarter.

Eva Brunberg was hired as Managing Director of the Swedish operation in the second quarter, and becomes a member of group management. Her employment started on 23 August. Krister Widström, who has served as Managing Director of the Swedish operation, will be focusing on his role as Managing Director and Chief Executive Officer going forward, and on Dedicare's vision of becoming one of Europe's leading recruitment and staffing agencies in health care and social work.

In Sweden, local government body SKR

decided on coordinated nationwide tendering for health care staffing services. The tendering procedure will be structured through the autumn, with a decision scheduled for announcement in the second quarter of 2022.

In 2020, Dedicare initiated an investigation on the treatment of employer's contributions in Northern Norway. This Region is subject to regulations on reduced employer's contributions, with Dedicare taking the view that its operations satisfy the standards for these regulations in consultation with external tax experts. These regulations are open to interpretation, so Dedicare sent an open letter to the Norwegian authorities to gain confirmation that its interpretation and treatment was correct. Dedicare provisioned a total of SEK 6.5 million in 2020 (of which SEK 2 million was accounted as accrued liabilities in 2020, restated as provisions in 2021) including estimated interest and charges in the second quarter, in the event that the Norwegian authorities view its treatment as erroneous. No response as yet been received from the Norwegian Tax Agencies, and the investigation is ongoing.

In the fourth quarter, the spread of Covid-19 infections in the Nordic countries rose again, resulting in the reintroduction of restrictions, but in the first quarter of 2022, these have been eased. At present, Dedicare does not consider that the reintroduction of restrictions will have any negative impact on its operations. Dedicare is monitoring the progress of Covid-19 and is continuously analysing any impact on its business. Its operations have demonstrated good capability to rapidly reorient when necessary.

More information on significant events in the year is on page 4.

Results of operations and financial position Revenue

The group's revenue for the period increased by 41.2 percent to SEK 1,249.9 million (885.2). For more information, see note 1 Segment information and disclosures on categories of revenue.

In Sweden, revenue for the period increased by 16.5 percent to SEK 453.1 million (388.9). The increased revenue of the Swedish business is mainly sourced from nurse and social worker staffing. Doctor staffing was negatively impacted by the deferral of planned care related to Covid-19, but has gradually returned to more normal levels.

In Norway, revenue for the period increased by 63.3 percent to SEK 648.9 million (397.4). Revenue in Norway increased in all segments. In the period, the Norwegian operation faced challenges from travel restrictions and quarantine rules within the Nordics, but succeeded in adapting its business well to the new conditions.

In Denmark, revenue increased by 49.5 percent to SEK 147.9 million (98.9), sourced from the acquisition of Dedicare A/S, and doctor staffing.

Results of operations

The group's operating profit for the period was SEK 87.8 million (43.8), and its operating margin was 7.0 percent (5.7). The higher operating profit is mainly sourced from the Norwegian operation.

Sweden reported an operating loss for the period of SEK -13.4 million (-8.4), with an operating margin of -3.0 percent (-2.2). The reduced operating profit is mainly due to margin pressure and amortisation of the group's intangible assets related to the acquisition of Dedicare A/S. Operating profit in Norway increased to SEK 90.8 million (45.8) for the period, with an operating

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margin of 14.0 percent (11.5). The higher operating profit is mainly due to operational growth.

The operating profit for the period in Denmark was SEK 10.4 million (6.4), with an operating margin of 7.0 percent (6.5). This increase relates to the acquisition of Dedicare A/S and operational growth.

Financial position and cash flow

The group's accounts receivable increased to SEK 131.6 million (92.8) for the period. Accrued expenses and deferred income increased to SEK 158.9 million (110.5) for the period. The group's cash and cash equivalents as of 31 December 2021 were SEK 132.4 million (100.3). SEK 42.2 million (38.9) of the non-current liabilities are provisions and SEK 15.5 million (21.9) are liabilities to credit institutions. Non-current liabilities are mainly due to the contingent consideration and loan related to the acquisition of Dedicare A/S (KonZenta ApS).

Cash flow from operating activities was SEK 69.6 million (40.1). The increased cash flow is mainly sourced from operational growth and increased operating profit. On completing the acquisition of Dedicare A/S (KonZenta ApS), Dedicare entered a loan agreement totalling DKK 45 million with a financial institution, of which DKK 25 million (SEK 37 million) was realised in 2020. The remaining DKK 20 million is expected to be realised in 2022.

The equity/assets ratio as of 31 December 2021 was 35.9 percent (35.2).

Investments

The group's investments in non-current assets were SEK 2.3 million (2.5) in the year, relating to investments in a new reporting tool.

A five-year comparison of the group's results of operations and financial position is on page 73.

Human resources

The average number of employees expressed as FTEs was 925 (678). This includes subcontracting

consultants, of which there were 156 (118) in the period January-December. More information is in the Sustainability Report on page 15 onwards.

Environment

The company does not conduct any operations subject to reporting or permits under the Swedish Environmental Code. One of the company's core values is "being a good corporate citizen," which means taking environmental responsibility is self-evident. The company holds ISO 14001:2015 environmental certification. More information is in the Sustainability Report on page 15 onwards.

Remuneration guidelines for senior executives

The Annual General Meeting (AGM) 2020 resolved on remuneration guidelines for senior executives. In 2021, the company's senior executives were the group management, consisting of the President & Chief Executive Officer, the Chief Financial Officer, the Country Managers of Sweden, Norway and Denmark, the Chief Information Officer and Vice President of Human Resources. For more information, see note 4.

Dedicare should offer market employment terms & conditions that enable the company to hire and retain skilled staff.

Remuneration to senior executives should consist of basic cash salary, variable cash compensation, pension benefits and other benefits. Remuneration should be based on individual commitment and performance in relation to predetermined targets, individually and collectively for the whole company. Appraisal of individual performance is continuous.

Salary model for the Chief Executive Officer and other senior executives

The Chief Executive Officer and other senior executives have salary models based on fixed and variable cash compensation. More detail on each salary model is in note 4. Resolutions on any share and share price-related incentive

programmes for senior executives are made by the AGM.

Parent company

The parent company conducts overall group management, finance and IT management. The parent company has an agreement with one Swedish subsidiary, implying the results of this subsidiary's operations being accounted in the parent company (Sw. kommissionärsavtal). This agreement terminated effective January 2022. Revenue in the period January-December 2021 was SEK 451.1 million (387.1), and profit after financial items was SEK 61.0 million (39.0).

The share

Dedicare's class B share had its initial public offering on Nasdaq Stockholm on 4 May 2011. On 31 December 2021, the share capital was SEK 4,697,699, divided between 9,395,397 shares, of which 2,011,907 class A shares and 7,383,490 class B shares, with a quotient value of SEK 0.50. Each share confers equal entitlement to the company's assets and profits. Class A shares carry one vote and class B shares carry one-fifth of a vote.

The Articles of Association stipulate no limitations on the transferability of shares. Nor are there any agreements between shareholders limiting the transferability of shares. More information on shareholders and the share is on page 28.

The AGM resolved to authorise the Board of Directors to decide on the new issue of class B shares, convertibles and/or share warrants, on one or more occasions in the period prior to the next AGM, with or without preferential rights for shareholders. The issue decision will be possible for payment in cash and/or provisions for payment in kind or set-off, or with subscription possible by other means.

Such issue may only be on market terms. The number of shares, convertibles and/or share options issued with this authorisation may

not involve dilution of more than 10 percent of the share capital based on the total number of outstanding shares at the time of the AGM.

The AGM also resolved on the issue of a maximum of 90,000 share warrants. Each warrant confers entitlement to one class B share at a price of SEK 74.16 per share. The exercise period of the options is from 31 May 2021 to 31 July 2024. The issued warrants may be subscribed for by senior executives covered by the programme. All options were subscribed in the second quarter.

Risks and uncertainties Risk factors in brief

Investing in shares is always associated with risk-taking.

A large number of factors, within and beyond Dedicare's control, may negatively impact the company's share price.

In what follows, some of the risk factors and circumstances considered materially significant to Dedicare's future progress are reviewed, not ranked in order of importance, and with no claim to completeness. Other risks that the company is not aware of, or the company currently considers as non-essential, may have a material impact on Dedicare's operations, financial position and results of operations.

Market-related risks Regulated operations

The Nordic health and social care sectors are subject to extensive public regulation. Basically all Dedicare's operations are conducted in the regulated sector. This means that operations may be fundamentally impacted by new regulation or regulatory reform decided by Parliament, other elected bodies, or other authorities. Such decisions may present obstacles to the company in conducting its operations to a significant degree, and negatively impact its potential to achieve profitability and growth.

Political risk

Some political parties in Norway want to abolish or stringently regulate the staffing sector. The

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objective is full independence from agency staff. Although a change of government in Norway may affect the sector, Dedicare foresees a substantial need for health care staffing ahead.

Public funding and governance

Essentially, health care in the Nordic region is publicly funded. The great majority of Dedicare's sales are to the public sector. Dedicare's private sector customers are also largely active in the publicly funded health and social care sectors. Public funding means that cutbacks, savings, rationalisation or similar action at central, regional or municipal level may have a material negative impact on Dedicare's business.

Dedicare's operations can also be more heavily impacted by political control of health and social care. From time to time, the question of tendering for staffing services in health and social care is, and has been, the subject of debate.

Swedish local government body SKR has been working on a program of measures entitled "Oberoende av inhyrd personal inom hälso- och sjukvården" ('Independence from agency staff in health and social care'), which came into effect on 1 January 2019. Its objective is to reduce the cost share for agency staff in relation to employed staff from approximately 3.8 percent to 2.0 percent. Similar decisions and discussions appear in different segments, and at different levels.

Because the majority of Dedicare's sales are to customers in the public sector, political or operationally based decisions may mean a more restrictive view of procurement from staffing companies having a negative impact on Dedicare's operations and growth prospects.

Labour law

Often, the staff Dedicare appoints when staffing assignments are not permanently employed by Dedicare.

Instead, Dedicare's staffing business is dependent on the labour law regulations and applicable collective bargaining agreements in

those countries where the company conducts operations enabling staff to be hired on the terms and periods that apply to Dedicare's assignments. If regulations alter in a way that reduce the group's potential to conduct operations efficiently, the group's results of operations and growth potential may be negatively impacted. According to the EU directive on temporary agency work (2008/104/EC), prohibition or limitation of appointing workers provided by staffing companies can only be upheld by law, custom & practice and collective bargaining agreement if in the public interest. This Directive should have been implemented in member states, and thus also in Sweden, effective 2011.

Competition

The company is active in a competitive market. At present, there are some 80 companies, of which approximately 30 are authorised staffing providers in Sweden, nearly 40 companies in Norway, of which about half are members of NHO, and nearly 30 companies in Denmark, of which about half are connected to collective bargaining agreements.

There are also many Swedish and Danish enterprises that compete on the Norwegian market. The investments necessary to start a health care and social work agency are fairly modest compared to many other sectors.

Increased competition may have a negative impact on the group's sales, profitability and growth.

Operational risks**Dependence on major customers**

Dedicare has a small number of customers, which together, represent a high share of the company's total sales. The Norwegian South-eastern health authority (Helse Sør Øst) represented 11.4 percent (13.0) of total revenue in Norway. The largest customer in Sweden, the Stockholm regional health authority, represented 22.8 percent (23.8) of total revenue in Sweden

in 2021. In Denmark, the North Jutland regional health authority, where 25.5 percent (23.0) of revenue is generated, is the largest customer. Regional health authorities and municipalities often procure staffing services for all their units and operations in a single integrated tendering process. The same applies to the Norwegian and Danish public sectors. These public tenders are strictly regulated in law, and generally, a number of priority suppliers are selected in order, who then become party to framework agreements. These agreements usually have a two-year term with a further maximum two-year extension option.

If Dedicare does not win tenders with major individual customers or falls in the priority ranking, this may have a temporary significant negative impact on the company's sales and profitability.

Additionally, it is not unusual for completed tenders to be subject to appeal, and that after such appeal, a court rules that the outcome of the tender must be changed, or the tender must be repeated. There can be no guarantee that Dedicare will be favoured once the tender is repeated, and if this were the case, this would have a negative impact on the company's sales and profitability.

Staff shortages and salary increases

Dedicare's staffing assignments are conducted by consultants employed or appointed temporarily for individual assignments. There is a general shortage of doctors, nurses, social workers and preschool staff in the Nordics, and several staffing providers are competing to attract the same people. A shortage of consultants may mean taking on and staffing assignments is problematic, which ultimately, may impact negatively on the company's growth prospects. Additionally, a shortage of consultants may be a salary driver, impacting the company's profitability. Nor is it certain that the company can fully offset such cost increases during the term of existing customer contracts.

Contractual penalties

Framework agreements with public sector customers in Sweden, Norway, Finland and Denmark generally prescribe an obligation for Dedicare to pay penalties, and in certain cases, additional expenses to the client, if Dedicare is unable to fulfil an agreement it has entered. If for any reason, Dedicare is unable to complete assignments the company has undertaken, there is a risk that clients firstly exercise their right to financial compensation, and secondly terminate the collaboration early.

Tax

Dedicare believes that it conducts operations in compliance with applicable tax regulations. However, the possibility that tax agencies may question Dedicare's current or previous treatment of taxes and charges cannot be ruled out. If this occurs, and tax agencies' claims are upheld, the company may incur additional taxes and charges.

On entering agreements with staff rendering services on a self-employed consulting basis, there is a risk that Dedicare becomes liable to tax agencies for taxes and social security contributions if these consulting enterprises do not fulfil their obligations. A large number of doctors and nurses from other countries work in the Norwegian operation. Dedicare believes that it complies with the laws and regulations in place for foreign staff, but there is a risk that tax agencies believe that these doctors and nurses should pay taxes and social security contributions in another country. In some cases, this could involve higher social security contributions for Dedicare.

Incorrect medical treatment and criticism

Dedicare's duty is to provide its client with the required skills. Hiring is at the client's premises, which minimises Dedicare's liability risk. Dedicare bears neither patient or employer liability. However, there is always a risk of errors and mistakes when delivering health care services.

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If health care staff that Dedicare provides make a serious error, there is a risk that shortcomings negatively impact the company's reputation despite employer liability resting with the client. To cover liability risks, the group has sufficient insurance tailored to Dedicare's general delivery terms.

Acquisitions

Dedicare's growth strategy includes acquisitions in Europe. However, there can be no guarantee that Dedicare can identify attractive acquisition candidates, or if acquisitions are executed, that Dedicare can integrate acquired entities efficiently. If acquisitions are executed and expected synergy effects are not achieved, or if Dedicare is otherwise unsuccessful in executing the integration process efficiently, operations, its results of operations and financial position may be negatively impacted.

Financial risks**Translation of foreign currency**

Dedicare's presentation currency is Swedish kronor (SEK). Different companies in the group have differing functional currencies. Dedicare is exposed to the NOK and DKK. Exchange rate fluctuations may have a negative impact on Dedicare's financial position and results of operations. Currency risks are not hedged.

Transactions and items in the Balance Sheet

Transactions in foreign currency are translated to the functional currency at the rate of exchange ruling on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at closing day rates. All assets and liabilities that are the result of currency translation of monetary items are recognised in the Income Statement as exchange rate fluctuations under the headings Other interest income and similar profit/loss items or Interest expenses and similar profit/loss items.

Subsidiaries

The assets and liabilities of foreign subsidiaries are translated at closing day rates and items in the Income Statement are translated at average rates of exchange. Translation differences are recognised under other comprehensive income. More on currency risk in note 31.

Credit and counterparty risk

Credit and counterparty risk is the risk that a customer or counterparty in a transaction is unable to fulfil its obligations, thus causing the company losses. The company is exposed to credit and counterparty risk when, for example, investing surplus liquidity in financial assets, and in ordinary customer relationships. The effect of a counterparty or customer being unable to fulfil its obligations is that the company may be affected by a customer loss, or lose a capital investment, which would impact Dedicare's results of operations and financial position negatively.

Liquidity risk

Liquidity risk is the risk of potential difficulties in securing funds to fulfil Dedicare's obligations associated with financial instruments. At present, Dedicare's cash and cash equivalents are invested in accounts or short-term deposits with banks. At present, the company does not have any need for refinancing.

Expected future progress

Dedicare expects future demand for the services the company offers to remain good. One uncertainty for the group lies in political decisions that may affect temporary staffing in the public sector.

Sustainability Report

The Sustainability Report is on pages 15–27 of the Annual Report.

Corporate Governance Report

The Corporate Governance Report is on pages 30–36 of the Annual Report.

Proposed appropriation of profit

The Board of Directors of Dedicare is proposing a dividend of SEK 4.0 per share (2.5), or SEK 37.6 million (23.5) for payment as dividends to shareholders. The group's dividend policy stipulates that the yearly dividend over a business cycle should be at least 50.0 percent of net profit.

The following funds are at the disposal of the Annual General Meeting (SEK)

Non-restricted equity in the parent company:

Profit brought forward	67,350,683
Profit for the year	71,231,892
Total	138,582,575

The Board of Directors proposes that these funds are appropriated as follows (SEK):

Dividend to shareholders	37,581,588
Carried forward	101,000,987
Total	138,582,575

Board of Directors' statement on proposed dividends

The Board of Directors makes the following reasoned statement pursuant to chap. 18 §4 of the Swedish Companies Act: The Board of Directors believes that Dedicare's financial position is good, and that the proposed dividend does not prevent the company or group from fulfilling its commitments in the short and long-term, nor preventing the company or group from completing necessary investments.

The group's cash and cash equivalents amount to SEK 132.4 million (100.3) as of 31 December 2021, and the group is expected to generate positive cash flow in 2022.

The dividend proposal considers the company's dividend policy, which states that yearly dividend should be a minimum of 50 percent of net profit. The proposed ordinary dividend is 57 percent (86.4) of net profit. This dividend is justified by the group's strong Balance Sheet and confidence in the group's future progress. Additionally, the Board of Directors has considered the company's capability to fulfil current and anticipated payment obligations, and complete its investments. Against the background of the company's and group's operations continuing to be conducted profitably, its equity/assets ratio and liquidity reserves are satisfactory. The group's equity/assets ratio after the proposed dividend is 30.6 percent. Regarding the company's and the group's results of operations and financial position otherwise, please refer to the Income Statements and Balance Sheets, Statements of Comprehensive Income, Cash Flow Statements and notes in the annual accounts.

The Board of Directors' opinion is that the proposed dividend will not prevent the company, or other companies within the group, from fulfilling their obligations, nor from completing necessary investments. Accordingly, the proposed dividend is justifiable considering the provisions of chap. 17 §3 second and third sections (principle of prudence) of the Swedish Companies Act.

Regarding the parent company's and the group's results of operations and financial position otherwise, please refer to the following statements and supplementary disclosures. All amounts are expressed in thousands of Swedish kronor unless otherwise stated.

Consolidated Statement of Comprehensive Income

SEK thousand	Note	1 Jan. 2021 31 Dec. 2021	1 Jan. 2020 31 Dec. 2020
Operating income			
Net sales	1	1,249,883	885,195
Total		1,249,883	885,195
Operating expenses			
Purchased services		-271,214	-216,811
Personnel expenses	4	-780,084	-542,869
Other external expenses	2, 3	-97,363	-70,194
Depreciation, amortisation and impairment of tangible and intangible assets	12, 13, 14, 15	-13,441	-11,499
Operating profit		87,781	43,822
Profit from financial investments			
Other interest income and similar profit/loss items	6	1,088	6,064
Interest expenses and similar profit/loss items	7	-1,792	-2,340
Profit after financial items		87,077	47,545
Tax on profit for the year	9	-21,513	-11,482
Profit for the year		65,564	36,064
Other comprehensive income			
<i>Items reclassifiable to profit or loss</i>			
Translation differences		617	-8,933
Total comprehensive income for the year		66,181	27,131
Total comprehensive income attributable to:			
Equity holders of the parent		66,181	27,131
Basic earnings per share (SEK)	10	6.98	3.87
Diluted earnings per share (SEK)	10	6.91	3.87

Consolidated Statement of Financial Position

SEK thousand	Note	31 Dec. 2021	31 Dec. 2020	SEK thousand	Note	31 Dec. 2021	31 Dec. 2020
Non-current assets				EQUITY AND LIABILITIES			
Goodwill	11	61,713	60,189	Equity			
Customer contracts	12	8,310	12,812	Share capital	19	4,698	4,698
Databases	13	3,676	4,166	Other paid-up capital		16,870	16,492
Other intangible assets	14	4,869	4,205	Translation reserves		-13,914	-14,531
Right-of-use assets	15	10,927	11,945	Retained earnings		170,839	128,764
Equipment	15	1,669	1,910	Total equity		178,493	135,423
Deferred tax assets	9	1,444	1,471	Non-current liabilities			
Deposits paid	27	4,788	4,300	Provisions	20	42,162	38,910
Total non-current assets		97,396	100,998	Liabilities to credit institutions	21	15,472	21,925
Current assets				Lease liabilities	22	4,753	6,423
Accounts receivable	17	131,580	92,788	Deferred tax liabilities	9	10,692	13,972
Tax asset		9,991	13,775	Total non-current liabilities		73,079	81,230
Other receivables		491	502	Current liabilities			
Prepaid expenses and accrued income	18	125,977	76,258	Current liability to credit institutions	21	6,876	6,746
Cash and cash equivalents	26	132,426	100,288	Lease liabilities	22	6,449	5,824
Total current assets		400,465	283,610	Accounts payable		6,833	2,778
TOTAL ASSETS		497,861	384,608	Current tax liabilities		24,322	10,046
				Other current liabilities	23	42,952	32,013
				Accrued expenses and deferred income	24	158,857	110,548
				Total current liabilities		246,289	167,955
				TOTAL EQUITY AND LIABILITIES		497,861	384,608

For more information on pledged assets and contingent liabilities, see Note 28.

Consolidated Statement of Cash Flows

SEK thousand	Note	1 Jan. 2021 31 Dec. 2021	1 Jan. 2020 31 Dec. 2020
Operating activities			
Operating profit		87,781	43,822
Adjustment for non-cash items	25	13,441	15,567
Interest received	6	136	260
Interest paid	7	-1,191	-1,627
Income tax paid		-6,762	-14,302
Cash flow from operating activities before changes in working capital		93,405	43,720
Cash flow from changes in working capital			
Decrease(+)/increase(-) in accounts receivable		-38,792	-15,447
Decrease(+)/increase(-) in receivables		-50,391	-5,196
Decrease(-)/increase(+) in accounts payable		4,054	-2,105
Decrease(-)/increase(+) in current liabilities		61,311	19,132
Cash flow from operating activities		69,587	40,105
Investing activities			
Acquisition of subsidiaries		-	-23,901
Purchase of intangible assets	14	-1,776	-2,150
Purchase of property, plant and equipment	15	-512	-417
Cash flow from investing activities		-2,288	-26,468
Financing activities			
Share warrants deposited		378	-
Borrowings	21	-	37,100
Repayment of loans	21	-6,829	-5,239
Repayment of lease liability		-6,220	-6,061
Cash deposits		-581	-
Dividend paid		-23,488	-
Cash flow from financing activities		-36,740	25,800
Cash flow for the year		30,559	39,437
Cash and cash equivalents at beginning of year		100,288	62,694
Exchange difference in cash and cash equivalents		1,579	-1,842
Cash and cash equivalents at end of year	26	132,426	100,288
Available cash and cash equivalents net of blocked bank balances		132,426	100,288

Consolidated Statement of Changes in Equity

SEK thousand	Attributable to equity holders of the parent				
	Share capital	Other paid-up capital	Trans-lation reserve	Retained earnings	Total equity
Opening balance, 1 January 2021	4,698	16,492	-14,531	128,764	135,423
Comprehensive income					
Profit for the year	-	-	-	65,564	65,564
Other comprehensive income					
<i>Items reclassifiable to profit or loss</i>					
Exchange differences	-	-	617	-	617
Total other comprehensive income	-	-	617	-	617
Total comprehensive income	-	-	617	65,564	66,181
Transactions with equity holders					
Share warrants deposited	-	378	-	-	378
Dividend	-	-	-	-23,488	-23,488
Total transactions with equity holders	-	378	-	-23,488	-23,110
Closing balance, 31 December 2021	4,698	16,870	-13,914	170,839	178,493

SEK thousand	Attributable to equity holders of the parent				
	Share capital	Other paid-up capital	Trans-lation reserve	Retained earnings	Total equity
Opening balance, 1 January 2020	4,528	1,458	-5,598	92,700	93,088
Comprehensive income					
Profit for the year	-	-	-	36,064	36,064
Other comprehensive income					
<i>Items reclassifiable to profit or loss</i>					
Exchange differences	-	-	-8,933	-	-8,933
Total other comprehensive income	-	-	-8,933	-	-8,933
Total comprehensive income	-	-	-8,933	36,064	27,131
Transactions with equity holders					
Non-cash issue	170	15,014	-	-	15,184
Reclassification, statutory reserve	-	20	-	-	20
Total transactions with equity holders	170	15,034	-	-	15,204
Closing balance, 31 December 2020	4,698	16,492	-14,531	128,764	135,423

Parent Company Income Statement

SEK thousand	Note	1 Jan. 2021 31 Dec. 2021	1 Jan. 2020 31 Dec. 2020
Operating income			
Net sales	1	451,081	387,059
		451,081	387,059
Operating expenses			
Purchased services		-171,381	-159,597
Personnel expenses	4	-256,972	-205,138
Other external expenses	2, 3	-29,216	-23,545
Depreciation, amortisation and impairment of tangible and intangible assets	14, 15	-1,740	-1,462
Operating profit		-8,228	-2,683
Profit from financial investments			
Profit from participations in group companies	5	73,096	31,132
Other interest income and similar profit/loss items	6	6,051	20,768
Interest expenses and similar profit/loss items	7	-9,885	-10,265
Profit after financial items		61,034	38,953
Appropriations	8	10,198	1,684
Tax on profit for the year	9	-	-2,185
Profit for the year¹		71,232	38,453

¹ The parent company has no other comprehensive income

Parent Company Balance Sheet

SEK thousand	Note	31 Dec. 2021	31 Dec. 2020
ASSETS			
Non-current assets			
Intangible assets			
Other intangible assets	14	4,778	4,205
Total intangible assets		4,778	4,205
Property, plant and equipment			
Equipment	15	808	1,401
Total property, plant and equipment		808	1,401
Financial assets			
Participations in group companies	16	103,973	103,973
Cash deposits		4,300	4,300
Total financial assets		108,273	108,273
Total non-current assets		113,859	113,879
Current assets			
Current receivables			
Accounts receivable	17	47,180	32,123
Tax asset		9,743	13,511
Other receivables		34	59
Prepaid expenses and accrued income	18	44,053	33,915
Total current receivables		101,010	79,609
Cash and bank balances	26	120,757	82,549
Total current assets		221,767	162,158
TOTAL ASSETS		335,626	276,037

SEK thousand	Note	31 Dec. 2021	31 Dec. 2020
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	19	4,698	4,698
Statutory reserve		20	20
Total restricted equity		4,718	4,718
Non-restricted equity			
Share premium reserve		16,850	16,472
Retained earnings		50,500	35,537
Profit for the year		71,232	38,453
Total non-restricted equity		138,582	90,462
Total equity		143,300	95,179
Untaxed reserves	8	37,148	47,026
Non-current liabilities			
Provisions	20	35,626	34,437
Liabilities to credit institutions	21	15,472	21,925
Total non-current liabilities		51,097	56,362
Current liabilities			
Current liabilities to credit institutions	21	6,876	6,746
Accounts payable		4,740	2,930
Liabilities to group companies		20,665	17,873
Other current liabilities	23	17,544	11,168
Accrued expenses and deferred income	24	54,256	38,754
Total current liabilities		104,081	77,470
TOTAL EQUITY AND LIABILITIES		335,626	276,037

Parent Company Cash Flow Statement

SEK thousand	Note	1 Jan. 2021 31 Dec. 2021	1 Jan. 2020 31 Dec. 2020
Operating activities			
Operating profit		-8,228	-2,683
Adjustment for non-cash items	25	-547	7,739
		-8,775	5,056
Interest received		1,061	1,057
Interest paid		-966	-1,653
Income tax paid		3,768	-3,479
Cash flow from operating activities before changes in working capital		-4,912	982
Cash flow from changes in working capital			
Decrease(+)/increase(-) in accounts receivable		-15,056	13,433
Decrease(+)/increase(-) in receivables		-10,113	-2,571
Decrease(-)/increase(+) in accounts payable		1,811	-2,682
Decrease(-)/increase(+) in current liabilities		24,726	-11,570
Cash flow from operating activities		-3,544	-2,408
Investing activities			
Purchase of intangible assets	14	-1,682	-2,150
Purchase of property, plant and equipment	15	-42	-
Acquisition of subsidiaries		-	-32,221
Dividend received from subsidiary	5	73,096	32,547
Cash flow from investing activities		71,372	-1,824
Financing activities			
Share warrants deposited		378	-
Borrowings	21	-	37,100
Repayment of loans	21	-6,829	-5,239
Dividend paid		-23,488	-
Group contribution received		398	-
Group contribution paid		-79	-
Cash flow from financing activities		-29,620	31,861
Cash flow for the year		38,208	27,630
Cash and cash equivalents at beginning of year		82,549	54,919
Cash and cash equivalents at end of year	26	120,757	82,549
Available cash and cash equivalents net of blocked bank balances		120,757	82,549

Parent Company Statement of Changes in Equity

SEK thousand	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Profit for the year	Total equity
Opening balance, 1 January 2021	4,698	20	16,472	35,537	38,453	95,179
Appropriation of earnings, according to AGM resolution	–	–	–	38,453	-38,453	–
Profit for the year ¹	–	–	–	–	71,232	71,232
Transactions with equity holders						
Share warrants deposited	–	–	378	–	–	378
Dividend	–	–	–	-23,488	–	-23,488
Total transactions with equity holders	–	–	378	-23,488	–	-23,110
Closing balance, 31 December 2021	4,698	20	16,850	50,500	71,232	143,300

SEK thousand	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Profit for the year	Total equity
Opening balance, 1 January 2020	4,528	20	1,458	9,921	25,616	41,543
Appropriation of earnings, according to AGM resolution	–	–	–	25,616	-25,616	–
Profit for the year ¹	–	–	–	–	38,453	38,453
Transactions with equity holders						
Non-cash issue	170	–	15,014	–	–	15,184
Total transactions with equity holders	170	–	15,014	–	–	15,184
Closing balance, 31 December 2020	4,698	20	16,472	35,537	38,453	95,179

¹ The parent company has no other comprehensive income

Notes

Supplementary disclosures

General information

The consolidated accounts and annual accounts of Dedicare AB (publ) for the financial year 2021 were approved by the Board of Directors and Chief Executive Officer for publication on 18 March 2022. The parent company Dedicare AB (publ) has its registered office in Stockholm, Sweden, at Ringvägen 100, 10th floor, 118 60 Stockholm, Sweden. The class B shares of Dedicare AB (publ) have been listed on Nasdaq Stockholm since May 2011. The consolidated accounts and annual accounts will be definitively adopted at the parent company's Annual General Meeting on 21 April 2022.

Dedicare is an authorised recruitment and staffing company, whose main operation is temporary staffing of doctors, nurses, social workers, psychologists and preschool staff. The group is active in Sweden, Norway, Denmark and Finland.

The composition of the group is stated in note 16.

Accounting policies

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretation statements from the International Financial Reporting Interpretations Committee (IFRIC) as endorsed by the EU for application within the EU. Additionally, the group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR1, Supplementary Accounting Rules for Groups.

New or revised IFRS and interpretation statements 2021

None of the IFRS or IFRIC interpretations that are mandatory for the first time for the financial year beginning 1 January 2021 have had any material impact on the company's financial statements.

New or revised IFRS and interpretation statements, 2022 and beyond

New or revised standards and new interpretation statements that have been published but not yet come into effect are not expected to have any material impact on the consolidated financial statements on first-time adoption.

Consolidated accounts

The consolidated accounts include parent company Dedicare AB (publ) and those companies that Dedicare exerts a controlling influence over. Controlling influence requires influence (right to make decisions) over another company, and the capability to exercise this right to make decisions, and to be exposed, or entitled, to variable returns. Normally, controlling influence exists when the parent company holds over 50 percent of the votes of another company directly or indirectly.

The consolidated cost of the subsidiary is determined through an acquisition analysis relating to the acquisition. This analysis determines the cost of shares, partly the fair value of the identifiable acquired assets and liabilities taken over on the acquisition date. The cost of the subsidiary consists of the total of the fair value of the assets received, liabilities arising or taken over and issued equity instruments presented as payment in exchange for the

acquired net assets directly attributable to the acquisition, as of the acquisition date. Cost also includes the fair value of all assets and liabilities that result from an agreement on contingent consideration. Acquisition-related expenses are recognised in profit or loss as they occur.

Individual companies' untaxed reserves are recognised in the Consolidated Balance Sheet divided between equity (reserves) and provisions for tax. The tax attributable to the change in untaxed reserves for the year is recognised in the Income Statement as deferred tax. Intra-group gains and balances are eliminated in the consolidated accounts.

Translation of foreign subsidiaries' income statements and balance sheets

When preparing consolidated accounts, foreign operations' balance sheets are translated from their functional currency to Swedish kronor at closing day rates. Income statements are translated at average rates of exchange for the period. The translation differences arising are recognised in other comprehensive income, and classified as a translation reserve in equity. The accumulated translation difference is transferred and recognised as a portion of the gain or loss in the case of the foreign operation being divested. Goodwill attributable to the acquisition of operations with a functional currency other than Swedish kronor is treated as an asset and liability in the acquired operation's currency, and translated at the closing day rate.

Revenue recognition

Revenue is recognised when the customer obtains control over the good or service. On temporary staffing, this is over time, and for

recruitment, at a specific point in time. Revenue is recognised that the amount the group expects to be entitled to in exchange for transferring the promised service to the customer. No discounts or commissions to customers are contracted initially.

Operating segments

Dedicare's operating segments report in a way that is consistent with internal reporting to, and followed up by, the group's Chief Executive Officer.

Operations are divided into the geographical regions of Sweden, Norway and Denmark. Finland is reported in the Sweden segment. The accounting policies applied for segment reporting are consistent with those the group applies.

The group as lessee

The group's leases are mainly on office premises. The group judge whether an arrangement is a lease, or contains a lease. A lease is defined as "an arrangement, or part of an arrangement, that transfers the right of use of an asset (the underlying asset) for a specific time in exchange for compensation." To apply this definition, the group judges whether the arrangement satisfies requirements in three assessments of whether:

The arrangement contains an identified asset that is either specifically identified in the arrangement or implicitly specified by being identified at the time when the asset was made available to the group.

The group is entitled to essentially all the economic rewards that arise through usage of the identified asset or throughout the period of tenure, considering the group's entitlements

within the arrangement's defined area of application.

The group is entitled to control usage of the identified asset throughout the period of tenure. The group judges whether it is entitled to control "how and for which purpose" the asset is to be used throughout the period of tenure.

Measurement and recognition of leases as lessor

At the lease commencement date, the group recognises a right of use and a lease liability in the Statement of Financial Position. The right of use is measured at cost, which is the total the lease liability is originally measured at, any initial direct expenditure the group incurs, an estimate of the group's expenditure for disassembly and disposal of the asset at the end of the lease term, and any lease payments made before beginning the lease (less any benefits received).

The group depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability is reduced by payments and increased by interest. The liability is remeasured to

reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The group has elected to account for short-term leases and leases of low-value assets using the practical expedients in IFRS 16. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

In the Statement of Financial Position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in non-current and current liabilities.

Tax

The tax expense or tax revenue for the period consists of current tax and deferred tax. Current tax is computed on taxable earnings for a period. Deferred tax is computed based on what is known as the balance sheet approach, which involves a comparison between the carrying amounts and tax value of assets and liabilities.

The difference between these values is multiplied by the tax rate that is expected to apply for the period when the tax is realised/settled, which generates an amount for deferred tax. Deferred tax assets are recognised in the Balance Sheet to the extent it is likely that these amounts can be used against future taxable earnings.

Individual companies' untaxed reserves are recognised in the Consolidated Balance Sheet divided between equity (reserves) and deferred provision for tax. In the Income

Statement, the tax attributable to the change in untaxed reserves for the year is recognised as deferred tax.

Deferred tax assets are recognised in the Balance Sheet to the extent it is judged that amounts can be used against future taxable surpluses. Deferred tax assets and liabilities are offset when they relate to tax to be debited by the same tax agency, and when the group intends to settle the tax with a net amount.

Non-current assets

Non-current assets are recognised at cost less plan depreciation and impairment taken based on a judgement of these assets' useful lives.

Depreciation/amortisation according to plan is as follows:

Equipment, %	20.0
Other intangible assets, %	20.0
Customer contracts, %	28.6
Databases, %	12.5

The residual value and useful lives of assets are tested at each reporting date and adjusted as required.

Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currency have been measured at closing day rates, and unrealised exchange gains and exchange losses are included in profit or loss.

Unrealised exchange gains on noncurrent receivables and liabilities are offset against unrealised exchange losses as excess exchange gains or losses are recognised as financial income or financial expense in profit or loss.

Financial instruments

A financial instrument is each form of an agreement that gives rise to a financial asset or financial liability. Financial assets in the Balance Sheet are accounts receivable, accrued contracted revenues and cash and cash equivalents. Financial liabilities are accounts payable and accrued expenses. The group does not hold any derivative instruments.

Financial assets and financial liabilities are recognised when the group becomes a contract party to the financial instrument's contract terms. Financial assets are derecognised from the Balance Sheet when the contracted rights relating to the financial assets cease, or when the financial asset and all material risks and rewards are transferred.

A financial liability is derecognised from the Balance Sheet when it is extinguished, i.e. when it is discharged, cancelled or expired. Financial assets and liabilities are initially measured at fair value. Financial assets and liabilities are classified in the amortised cost, fair value through profit or loss, and fair value through other comprehensive income categories. In the periods included in the financial statements, all financial assets or liabilities are categorised as amortised cost. After first-time recognition, financial assets classified in the category of amortised cost are measured at amortised cost by applying the effective interest method. There is no discounting if the effect of discounting is immaterial.

Financial assets and liabilities are offset and recognised at a net amount in the Balance Sheet only when there is a legal right of offset the reported amounts and there is an intention to settle them at a net amount or simultaneously realise the asset and settle the liability.

Contingent consideration on the acquisition of subsidiaries is normally based on the earnings performance of the acquired entity through the coming years. The reported liability for contingent considerations corresponds to the present value of the group's probability-weighted estimate of the future pay-out. The related interest expense is allocated continuously to the pay-out date.

Cash and cash equivalents

Cash and cash equivalents consist of account balances with financial institutions and short-term liquid investments with terms from acquisi-

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tion dates of less than three months, which are exposed to only an insignificant risk of value fluctuations. Cash and cash equivalents are recognised at nominal amount.

Accounts receivable

Accounts receivable are recognised net after provisioning for expected bad debt. The expected term of accounts receivable is short, and accordingly, they are recognised at nominal amount without discounting according to the method for amortised cost. The group uses a simplified methodology for recognising accounts receivable and other receivables, as well as contract assets, and recognises expected credit losses for the remaining term. In its computation, the group uses its historical experience, external indicators and forward-looking information to compute expected credit losses. The reserved amount is recognised in profit or loss.

Other receivables

Other receivables are amounts that occur when the company provides funds without the intention of conducting trade with the right of claim. If the expected holding period is less than one year, they are other current receivables.

Equity

Dedicare's share capital represents the nominal value (quotient value) of issued shares. Retained earnings include all retained gains and share-based payments to employees for current and previous financial years. The translation reserve contains exchange differences from translating the financial statements of the group's foreign operations to SEK. Other contributed capital consists of premiums paid in tandem with share issues.

Liabilities

Dedicare's accounts payable and other liabilities are classified as other liabilities and measured at

amortised cost. The expected term of accounts payable is short, and accordingly, these liabilities are recognised at nominal amount without discounting.

Borrowing and borrowing costs

Borrowing costs are recognised in profit or loss. Any borrowing costs are recognised in the profit or loss allocated over the loan term, by applying the effective interest method. Noncurrent liabilities have an expected term of more than one year, while current liabilities have a term of less than one year.

Provisions

A provision is recognised in the Balance Sheet when there is an obligation, it is likely that an outflow of resources will be necessary to settle the obligation, and the amount can be measured reliably. Provisions are made at an amount that is the best estimate of the amount necessary to settle the existing obligation on the reporting date. Where the effect of when in time payment is made is material, provisions are computed by discounting the expected future cash flow by an interest rate before tax that reflects current market estimates of the time value of money, and if appropriate, the risks associated with the liability. Provisions are re-evaluated at each reporting date.

Cash Flow Statement

The Cash Flow Statement has been prepared in accordance with the indirect method, pursuant to IAS 7.

Employee benefits

Employee benefits in the form of salaries, paid vacation, paid sickness absence etc, as well as pensions, are accounted as they accrue. Pensions and other compensation after employment terminates are classified as defined contribution or defined benefit. The ITP 2 plan's defined benefit pension obligations for retire-

ment and survivors' pensions (or survivors' pensions) for salaried employees in Sweden are vested through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 'Accounting of the ITP 2 pension plan funded through insurance with Alecta,' this is a defined benefit, multi-employer plan. The group's and parent company's pension expenses and disclosures regarding the ITP plan with Alecta are stated in note 4.

Impairment

Impairment tests of the group's assets is conducted at each reporting date. If this is the case, the asset's residual value is computed. Goodwill has been allocated to cash-generating units, and jointly with intangible assets not in use, is subject to yearly impairment tests, even if there are no indicators of impairment. However, impairment tests are conducted more often if there are indicators that impairment has occurred. Recoverable amount is the greater of the value in use in operations and the value that would be obtained if the asset was sold to an independent party, net realisable value. Value in use is the present value of all payments received and made relating to the asset in the period this is expected to be used in operations, plus the present value of the net realisable value at the end of the useful life. If the computed recoverable amount is less than carrying amount, the asset is impaired to its recoverable amount. Impairment is recognised in profit or loss. Impairment is reversed if the assumptions that led to the original impairment change, and mean that the impairment is no longer justified. Impairment is not reversed so that the carrying amount exceeds what would have been recognised after deducting for plan depreciation if no impairment had been taken. A reversal of impairment is recognised in profit or loss. Goodwill impairment is not reversed.

Goodwill

Goodwill is the amount by which cost exceeds the fair value of the group's share of the acquired subsidiary's identifiable assets at the acquisition date. If the fair value of expected assets, liabilities and contingent liabilities exceeds cost, the surplus is immediately recognised as revenue in profit or loss. Goodwill has an indefinite useful life and is recognised at cost less accumulated impairment. On the sale of an operation, goodwill attributable to this operation is recognised in the computation of gain or loss on sale.

Intangible assets acquired in a business acquisition

Intangible assets acquired in a business acquisition are identified and reported separately from goodwill when they satisfy the definition of an intangible asset, and their fair values can be measured reliably.

The cost of such intangible assets is their fair value at the acquisition date. The intangible assets from the acquisition of Dedicare A/S consist of the value of the customer contracts and database included in the acquisition. The amortisation period is based on an assessment conducted in the acquisition analysis, which is based on historical experience and estimated average term of customer contracts, which is approximately 3.5 and 8 years respectively. This estimate is evaluated each year, and did not change after the acquisition date.

After first-time recognition, intangible assets acquired in a business acquisition are recognised at cost less accumulated amortisation and any accumulated impairment in the same way as separately acquired intangible assets.

Earnings per share

Basic earnings per share are computed by dividing the gain or loss attributable to holders of ordinary shares of the parent by the weighted average number of outstanding ordinary shares in the period. Diluted earnings per share are

computed by dividing profit or loss after dilution attributable to holders of ordinary shares of the parent by the weighted average number of potential ordinary shares. More in note 10.

Alternative performance measures

The group applies ESMA guidelines for APMs. The group's APMs are defined according to these guidelines on page 74.

Government assistance

The government accounts government assistance received as a reduced expense in profit or loss, and at the amount expected to be received.

Parent company accounting policies

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and RFR2 Accounting for Legal Entities, and applicable statements from the Swedish Financial Reporting Board. RFR 2 implies that in the annual accounts of the legal entity, the parent company should apply all IFRS and statements as endorsed by the EU, as far as this is possible within the auspices of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, considering the relationship between accounting and taxation. The recommendation states the exemptions and supplements to be made from and to IFRS. The amendments of RFR 2 Accounting for Legal Entities that have come into effect and apply for the financial years 2020 and 2021 did not have/ will not have any material impact on the parent company's financial statements. The parent company's accounts are consistent with the group's policies, apart from what is stated below.

Leases

The parent company accounts lease payments as an expense on a straight-line basis over the lease term. No rights of use or lease liabilities are recognised in the Balance Sheet.

Tax

The parent company accounts untaxed reserves including deferred tax liability. However, untaxed reserves are divided between deferred tax liability and equity in the consolidated accounts.

Participations in subsidiaries

Participations in subsidiaries are recognised according to the cost method. Acquisition-related costs for subsidiaries, which are expensed in the consolidated accounts, are part of the cost of participations in subsidiaries. The carrying amount of participations in subsidiaries is subject to impairment tests when there are indicators of impairment.

Accounting of group contributions and shareholders' contributions

The parent company accounts group contributions as appropriations. Shareholders' contributions are accounted directly against the equity of the recipient and capitalised in shares and participations of the parent company to the extent impairment is not required.

Note 1 Segment information and disclosures on categories of revenue

Dedicare's operating segments are reported in a manner consistent with internal reporting, that is reported to, and followed up by, the group's Chief Executive Officer. Dedicare monitors operations divided between the operating segments of Sweden, Norway and Denmark. Finland is reported in the Sweden segment. All revenue in the following table is from external customers. No Dedicare customer represents more than 10 percent of the group's total revenue. The parent company has two large customers, each of which represents more than 10 percent of the parent company's total revenue. The revenue of these customers what is 22.6 percent (23.9) and 12.9 percent (11.4) respectively.

Revenue per operating segment, SEK thousand	Group		Parent company	
	2021	2020	2021	2020
Sweden	453,094	388,871	451,081	387,059
Norway	648,861	397,379	-	-
Denmark	147,928	98,945	-	-
Total	1,249,883	885,195	451,081	387,059

Operating profit per operating segment, SEK thousand ¹	Group	
	2021	2020
Sweden	-13,438	-8,404
Norway	90,818	45,823
Denmark	10,401	6,403
Operating profit	87,781	43,822
Financial income and expenses	-704	3,724
Profit before tax	87,077	47,545

Assets, SEK thousand ¹	Group	
	31 Dec. 2021	31 Dec. 2020
Sweden	138,955	158,661
Norway	272,018	141,376
Denmark	86,888	84,571
Total	497,861	384,608

Investments, SEK thousand ¹	Group	
	2021	2020
Sweden	1,724	2,150
Norway	438	340
Denmark	126	77
Total	2,288	2,567

Depreciation and amortisation of tangible and intangible non-current assets, SEK thousand ¹	Group	
	2021	2020
Sweden	10,549	10,528
Norway	1,969	583
Denmark	923	388
Total	13,441	11,499

Revenue categories:

SEK thousand	Public 2021	Private 2021	Total
Sweden	404,526	48,568	453,094
Norway	603,379	45,482	648,861
Denmark	142,816	5,112	147,928
Total	1,150,721	99,162	1,249,883

SEK thousand	Public 2020	Private 2020	Total
Sweden	353,660	35,218	388,878
Norway	368,727	28,651	397,379
Denmark	90,589	8,350	98,939
Total	812,976	72,219	885,195

¹ The comparative figures for 2020 are restated. The former "Eliminations" line is allocated to each segment.

Note 2 Intragroup purchases and sales etc.

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
Sales	70,640	3,654	3,691	–
Purchases	-70,640	-3,654	-5,310	-2,298

Note 3 Audit fees and reimbursement

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
PricewaterhouseCoopers AB				
Auditing	975	–	820	–
<i>Other auditing in addition to audit assignment</i>				
tax consultancy	193	–	165	–
other	196	–	–	–
Total	1,364	–	985	–
Grant Thornton Sweden AB				
Auditing	239	829	174	743
<i>Other auditing in addition to audit assignment</i>				
tax consultancy	–	43	–	–
other	35	176	35	166
Total	274	1,048	209	909

Fees and reimbursement of the group's auditors expensed in the period are stated above. Auditing means statutory audit of the annual accounts and accounting records, as well as the Board of Directors' and Chief Executive Officer's administration, other duties incumbent on the company's auditor, and advice or other services resulting from observations from such review, or performance of other similar duties. Auditing additional to the audit assignment is quality-assurance services. Tax consultancy is advisory services on tax-related issues. Other is advisory services not related to one of the above categories. The AGM in April 2021 resolved to elect PricewaterhouseCoopers AB as auditor with Senior Auditor Henrietta Segenmark for the period until the end of the following AGM.

Note 4 Number of employees, salaries, other benefits and social security expenses

	2021		2020	
	No. of employees	Of which men	No. of employees	Of which men
Average number of employees				
Parent company				
Sweden	316	92	275	87
Total, parent company	316	92	275	87
Subsidiaries				
Sweden	1	–	2	–
Norway	534	140	354	73
Denmark	74	42	47	29
Total, subsidiaries	609	182	403	102
Total, group	925	274	678	189

Division of senior executives on reporting date	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Women:				
Directors	3	3	3	3
other members of management incl. CEO	3	5	3	4
Men:				
Directors	2	2	2	2
other members of management incl. CEO	4	5	1	2
Total	12	15	9	11

Salaries, benefits, etc., SEK thousand	2021		2020	
	Salary and other benefits	Soc. sec. exp. (of which pension expense)	Salary and other benefits	Soc. sec. exp. (of which pension expense)
Parent company	180,211	75,317	144,467	59,769
		(21,034)		(13,092)
Subsidiaries	461,057	56,642	294,441	30,321
		(11,487)		(3,832)
Total, group	641,268	131,959	438,908	90,090
of which pension expense		(32,521)		(16,924)

Note 4, cont.

	2021		2020	
	Board of Directors and CEO (of which bonus etc.)	Other employees	Board of Directors and CEO (of which bonus etc.)	Other employees
Salary and other benefits by country and between Directors, etc. and employees, SEK thousand				
Parent company				
Sweden	5,281	174,409	3,031	141,436
Subsidiaries				
Sweden	521	1,520	–	1,810
Norway	2,127	351,010	1,334	222,052
Denmark	1,309	105,090	1,008	68,237
Total, subsidiaries	3,957	457,620	2,342	292,099
Total, group	9,238	632,029	5,373	433,535
(of which bonus etc.)	2,279	745	–	–

SEK 733 thousand (837) of the parent company's pension expenses relate to the group's Chief Executive Officer. The company has no outstanding pension obligation to the Board of Directors and Chief Executive Officer.

SEK 1,017 thousand (964) of the group's pension expenses relate to Managing Directors of group companies. The group has no outstanding pension obligations to the Board of Directors and Managing Directors.

ITP2 Insurance with Alecta

Premiums for defined benefit retirement and survivors' pensions are individually measured, dependent on factors including salary, previously accrued pension and expected remaining length of service. The expected charges in 2022 for ITP2 policies arranged with Alecta are SEK 8,462 thousand (5,131). The group's share of the total savings premium in this plan, and the group's share of the total number of active members of the plan, are 0.01541 percent (0.01604) and 0.03401 percent (0.02919) respectively.

The collective consolidation ratio is the market value of Alecta's assets as a percentage of insurance obligations computed according to Alecta's actuarial methods and assumptions, which are not consistent with IAS 19. Normally, the collective consolidation ratio can vary between 125.0 percent and 175.0 percent. If Alecta's collective consolidation ratio is less than 125.0 percent or more than 175.0 percent, action should be taken to enable the consolidation ratio to return to the normal interval. Given low consolidation, actions may be to increase the agreed price for new subscription and increase existing benefits. Given high consolidation, actions may be to introduce premium reductions. At year-end 2021, Alecta's surplus expressed as the collective consolidation ratio was 172.0 percent (148.0).

Salary model for the Chief Executive Officer

The Chief Executive Officer has a salary model based on a basic cash salary and variable cash compensation that may be between 0 and 80 percent of basic salary. The targets of variable cash compensation should relate to the outcome of the group's revenue and earnings performance. The targets of variable cash compensation should also be defined so that a minimum performance level is required, whereby performance below this level does not trigger any variable cash compensation. Variable cash compensation is measured yearly, and no more than 80 percent of salary is payable. Sickness pay, vacation pay and pension are computed on the actual salary outcome. For 2021, the group's Chief Executive Officer had variable salary of SEK 1,680 thousand (0).

Salary model for other senior executives

Other senior executives have a salary model based on basic cash salary and variable cash compensation of between 0 and 40 percent of basic salary. Variable cash compensation is measured for a period, quarterly for Business Area Managers, and yearly for the rest of group management. The targets of variable cash compensation should relate to the outcome of the revenue and earnings performance of the group and individual areas of responsibility, and clearly defined associated individual targets, determined on the basis of expected performance of the individual area of responsibility, such as growth or profitability targets. The targets of variable cash compensation should also be defined so a minimum performance level is required, whereby performance below this level does not trigger any variable cash compensation. Sickness pay, vacation pay and pension are computed on the actual salary outcome. The variable salary of other senior executives amounted to SEK 1,344 thousand (730) in 2021.

Other benefits and employment terms

The CEO has pension benefits corresponding to the premium level of the ITP plan. Other senior executives are covered by defined contribution pension plans that essentially correspond to the premium level of the ITP plan. The retirement age of all senior executives is 65. The CEO has a notice period of six months for termination initiated by the CEO, and 12 months when initiated by the company.

For termination initiated by themselves or the company, senior executives' employment contracts confer entitlement to six-month notice periods. Monthly salary will be payable throughout this period, but subject to deductions for other salary received during the notice period.

There are no agreements on further severance pay for senior executives.

Departure from the guidelines

The Board of Directors is entitled to depart from the above guidelines if the Board judges that there are special circumstances that justify this in an individual case.

Note 4, cont.

Compensation to the Board of Directors and group management

2021, SEK thousand	Salary/ Director's fee	Variable salary	Other benefits	Pension expenses	Total
Björn Örås (Chairman of the Board)	417	–	–	–	417
Madeleine Raukas (Director)	185	–	–	–	185
Dag Sundström (Director)	185	–	–	–	185
Anna Söderblom (Director)	185	–	–	–	185
Eva-Britt Gustafsson (Director)	185	–	–	–	185
Chief Executive Officer	2,444	1,680	2	733	4,859
Other senior executives (6)	6,183	1,344	24	624	8,175
Total	9,784	3,024	26	1,357	14,191

2020, SEK thousand	Salary/ Director's fee	Variable salary	Other benefits	Pension expenses	Total
Björn Örås (Chairman of the Board)	407	–	–	–	407
Anna Lefevre Skjöldebrand (Director)	175	–	–	–	175
Eva-Britt Gustafsson (Director)	175	–	–	–	175
Dag Sundström (Director)	175	–	–	–	175
Chief Executive Officer	2,100	–	–	837	2,937
Other senior executives (10)	8,135	730	–	1,046	9,910
Total	11,166	730	–	1,883	13,779

Note 5 Profit/loss from participations in group companies

SEK thousand	Parent company	
	2021	2020
Dividend from subsidiary Dedicare AS	55,372	14,318
Dividend from subsidiary Dedicare Doctor AS	14,561	8,591
Dividend from subsidiary Dedicare A/S	3,163	4,048
Dividend from subsidiary Doctor 24 i Skandinavien AB	–	2,680
Dividend from subsidiary Nurse 24 AB	–	1,985
Dividend from subsidiary Acapedia AB	–	925
Impairment, of shares, Dedicare OY	–	-1,430
Gain on sale of subsidiary	–	15
Total	73,096	31,132

Note 6 Other interest income and similar profit/loss items

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
Interest income	136	449	1,061	1,057
Exchange differences	952	5,615	4,990	19,711
Total	1,088	6,064	6,051	20,768

SEK 136 thousand (260) of the group's interest income affects cash flow. SEK 925 thousand (856) of the parent company's other interest income and similar profit/loss items is revenue from other group companies.

Note 7 Interest expenses and similar profit/loss items

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
Interest expenses	-1,792	-2,340	-1,485	-1,653
Exchange differences	–	–	-8,400	-8,612
Total	-1,792	-2,340	-9,885	-10,265

SEK 1,191 thousand (1,627) of the group's interest expenses affect cash flow. SEK 328,000 (514,000) of the parent company's other interest expenses and similar profit/loss items are expenses to other group companies.

Note 8 Appropriations and untaxed reserves

Appropriations, SEK thousand	Parent company	
	2021	2020
Change, tax allocation reserved	9,917	1,959
Difference between book and plan depreciation	-39	-275
Group contributions received	399	–
Group contributions paid	-79	–
Total	10,198	1,684

Untaxed reserves, SEK thousand	Parent company	
	31 Dec. 2021	31 Dec. 2020
Tax allocation reserve	35,504	45,420
Accumulated excess depreciation	1,644	1,606
Total	37,148	47,026

Note 9 Tax on profit for the year

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
The following components are included in the tax expense:				
Current tax	-24,815	-12,738	-	-2,185
Deferred tax	3,302	1,256	-	-
Total tax on profit for the year	-21,513	-11,482	-	-2,185
Reported profit before tax	87,077	47,545	71,232	40,637
Tax at applicable tax rate for the parent company 20.6% (21.4)	-17,938	-10,175	-14,674	-8,696
Tax effect of:				
Restatement of tax, previous year	-	-	-	-
Non-deductible expenses	-310	-198	-215	-455
Non-taxable revenue	-	1	15,058	6,967
Taxable revenue not recognised through profit or loss	-2,762	-788	-	-
Deductible expenses not recognised through profit or loss	1,074	-	-	-
Effect of loss carry-forwards	-14	-38	-	-
Effect of tax adjustments	-176	-	-169	-
Differences in tax rates	-1,387	-284	-	-
Reported tax	-21,513	-11,482	-	-2,185

Deferred tax assets

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Deferred tax assets relate to the following items:				
Investigation, employer's contributions, Norway	1,330	1,330	-	-
Other	114	142	-	-
Total	1,444	1,471	-	-

Unused loss carry-forwards

Deferred tax assets are recognised in the Consolidated Balance Sheet for unused loss carry-forwards to the extent they are expected to be used. Dedicare OY has a tax asset of SEK 550 thousand (626), of which 0 (0) has been accounted. The time limitation for tax assets in Finland is divided between the years 2022 and 2031. This company is not expected to generate any profit in this period, so no deferred tax asset has been recognised for this deficit. The tax rate in Finland is 20 percent.

Deferred tax liabilities

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
The group's deferred tax liabilities relate to the following items:		
Untaxed reserves	8,127	10,339
Deferred tax liability surplus	2,565	3,633
Total	10,692	13,972

Note 10 Earnings per share

	Group	
	2021	2020
Profit for the year, SEK thousand	65,564	36,064
No. of shares, average	9,395,397	9,310,399
Basic earnings per share, SEK	6.98	3.87
Diluted earnings per share, SEK	6.91	3.87
No. of shares on reporting date	9,395,397	9,395,397
Proposed dividend per share, SEK	4.00	2.50
Proposed dividend, SEK thousand	37,582	23,488

Diluted earnings per share include 90,000 share warrants each conferring entitlement to subscribe for one class B share. The exercise period of the share warrants is from 31 May 2021 to 31 July 2024.

Note 11 Goodwill

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Opening cost	60,189	7,333
Goodwill related to the acquisition of Dedicare A/S	–	55,838
Restatement at closing day rate	1,524	-2,982
Closing accumulated cost	61,713	60,189
Closing carrying amount	61,713	60,189

Consolidated goodwill as of 31 Dec. 2021 is SEK 61,713 thousand (60,189), of which SEK 54,606 thousand relates to the previous year's acquisition of Danish company Dedicare A/S (KonZenta ApS), and the remaining SEK 7,107 thousand relates to the acquisition of Norwegian company Dedicare AS.

Goodwill has been allocated to those cash-generating units that are expected to benefit from the synergies of the acquisition, and correspond to the level at which goodwill is monitored in internal controls. The cash-generating units in Norway relate to Dedicare AS wholly, and in Denmark to the sub-group Dedicare A/S (Dedicare A/S and KonZenta AB). It is on these cash-generating units that the impairment test is conducted.

Goodwill impairment tests are conducted yearly, and when there are indicators of impairment. Covid-19 has not affected the group's impairment test because the effects of the pandemic are not judged as material to operations. Goodwill is tested for impairment by computing the value in use of the cash-generating units that the goodwill has been allocated to. These computations proceed from estimated future cash flows based on financial budgets approved by the Board of Directors and cover the forthcoming three-year period after the reporting date, and for the following two-year period, management makes its own judgement. Perpetual growth of 2.0 percent (2.0) has been applied subsequently. The critical assumptions forming the basis of the impairment tests are based on historical experience and management's judgement of the future, and mainly consist of the market growth that creates the potential for sales growth, the growth of doctors' and nurses' salaries that impact expenses, operating margin and discount rate. The discount rate after tax reflects the specific risks applying to the various segments, and in the before impairment test for the Norwegian acquisition, amounts to 10.6 percent (12.1). The discount rate before tax related to the Danish acquisition is 9.6 percent (11.1). The forecast period for the Norwegian business has been set at five years. The forecast period for the Danish business has been set at ten years. The longer forecast period for the Danish operation is based on the judgement that the synergies from this acquisition and the subsequent high growth will not have their full effect until the longer term. Based on the assumptions utilised for the impairment test as of the reporting date, no impairment was identified.

A sensitivity analysis has been conducted for each cash-generating unit with the same assumptions on cash flows for the forthcoming five (Norway) and ten (Denmark) years with a discount rate before tax of 14 percent. The outcome of the analysis indicated no impairment at this higher discount rate. Nor did the analysis indicate any impairment at 8 percentage points lower sales growth or 20 percentage points lower operating profit in the period 2025–2031.

Note 12 Customer contracts

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Opening cost	16,306	–
Purchased through acquisition of subsidiary	–	16,306
Exchange differences	315	–
Closing accumulated cost	16,621	16,306
Opening amortisation	-3,494	–
Amortisation for the year	-4,706	-3,638
Exchange differences	-111	144
Closing accumulated amortisation	-8,311	-3,494
Closing carrying amount	8,310	12,812

The customer contract intangible asset has been considered based on contracts' remaining duration at acquisition date, and restated to fair value. This asset is amortised over 3.5 years.

Note 13 Databases

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Opening cost	4,585	–
Purchased through acquisition of subsidiary	–	4,585
Exchange differences	89	–
Closing accumulated cost	4,674	4,585
Opening amortisation	-420	–
Amortisation for the year	-565	-438
Exchange differences	-13	18
Closing accumulated amortisation	-998	-420
Closing carrying amount	3,676	4,166

The database intangible asset has been considered based on cost to recreate, and are converted to fair value. This asset is amortised over eight years. Its useful life has been determined on the basis of the actual useful life of the database in operations

Note 14 Other intangible assets

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Opening cost	7,039	5,346	7,039	5,346
Purchases	1,776	2,150	1,682	2,150
Sales/retirements	-1,957	-457	-1,957	-457
Exchange difference	7	-	-	-
Closing accumulated cost	6,865	7,039	6,764	7,039
Opening amortisation	-2,835	-2,465	-2,835	-2,465
Sales/retirements	1,957	358	1,957	358
Amortisation for the year	-1,118	-728	-1,108	-728
Closing accumulated amortisation	-1,996	-2,835	-1,986	-2,835
Closing carrying amount	4,869	4,205	4,778	4,205

Note 15 Equipment and right-of-use assets

	Group						Parent company	
	31 Dec. 2021			31 Dec. 2020			31 Dec. 2021	31 Dec. 2020
	Equipment	Rights of use	Total	Equipment	Rights of use	Total	Equipment	Equipment
Opening cost	5,200	22,468	27,668	5,107	19,283	24,390	4,230	4,230
Purchases	512	4,811	5,323	417	4,136	4,553	42	-
Sales/retirements	-1,047	-308	-1,355	-239	-429	-668	-1,047	-
Exchange rate fluctuations	143	556	699	-85	-522	-607	-	-
Closing accumulated cost	4,808	27,527	32,335	5,200	22,468	27,668	3,225	4,230
Opening amortisation	-3,290	-10,523	-13,813	-2,528	-4,918	-7,446	-2,829	-2,094
Sales/retirements	1,041	308	1,349	139	-	139	1,044	-
Exchange rate fluctuations	-38	-193	-231	47	126	173	-	-
Amortisation for the year	-852	-6,192	-7,044	-948	-5,731	-6,679	-632	-735
Closing accumulated amortisation	-3,139	-16,600	-19,739	-3,290	-10,523	-13,813	-2,417	-2,829
Closing carrying amount	1,669	10,927	12,596	1,910	11,945	13,855	808	1,401

The group leases office premises to conduct operations. Apart from short-term leases and leases where the underlying asset has low value, the right-of-use asset and lease liability are recognised in the Statement of Financial Position. Variable lease payments not dependent on an index or price are excluded from the initial computation of the lease liability and asset.

Generally, leases are limited, where there is no contracted right for the group to sublet the assets to another party, and the group is the only party that disposes over the assets. Leases are either non-cancellable or can only be cancelled for payment of a significant cancellation fee. Some leases include

an option to extend of the lease term. No leases have an option to purchase the underlying asset at the end of the lease term. The group may not sell or submit the underlying asset as collateral. The group is obliged to maintain the office building in good condition and return it to its original condition at the end of the lease term. The group is also obliged to insure the leased assets and pay expenses for their maintenance in accordance with leases. The following table reviews the group's leases based on the type of right of use recognised in the Statement of Financial Position:

Note 15, cont.

	No. of right-of-use assets	Interval, remaining maturity	Average remaining lease term	No. of leases with extension option	No. of leases with variable indexed payments	No. of cancellable leases
Right-of-use asset						
Office buildings	9	0-5	1	4	2	4

Future minimum lease payments as of 31 Dec. 2021 are as follows:

Maturities, SEK thousand	Within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	Total
31 Dec. 2021						
Lease payments	7,389	3,416	1,753	918	742	14,218
Financial expenses	-242	-95	-58	-34	-11	-440
Present value	7,147	3,321	1,695	884	731	13,778

Future minimum lease payments as of 31 Dec. 2020 are as follows:

Maturities, SEK thousand	Within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	Total
31 Dec. 2020						
Lease payments	6,108	5,328	1,224	-	-	12,660
Financial expenses	-287	-119	-7	-	-	-413
Present value	5,821	5,209	1,217	-	-	12,247

The parent company leases vehicles, photocopiers and IT equipment. All leases consist of, and are accounted as, operating leases, which means that these payments are allocated on straight-line basis over the lease term. The lease payment expense for leasing photocopiers, IT equipment and leased vehicles was SEK 297 thousand (88). The parent company also leases premises with contracted annual rent of SEK 4,279 thousand (4,224).

Future non-cancellable lease payments and premises rent amount to:

SEK thousand	Parent company	
	2021	2020
Within one year	4,401	3,839
After more than one year but within five years	3,833	15,358
Total	8,234	19,197

The group has decided not to report a lease liability for short-term leases (leases with an expected lease term of 12 months or less), and for leases for which the underlying asset is of low value. Payments for such leases are expensed on a straight-line basis. Additionally, some variable lease payments are not permitted for accounting as lease liabilities, and accordingly, these are also expensed as they occur.

Costs for lease payments not included in the computation of lease liabilities are as follows:

Leases not accounted as a liability, SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Short-term leases	297	126
Total	297	126

As of 31 December 2021, the group's total short-term lease obligations, including short-term leases, were SEK 7,686 thousand (5,823).

Expensed variable lease payments not included in the computation of lease liability include rent based on revenue from the underlying asset and payments for office equipment. There are several reasons for variable payment terms including minimising expenses for IT equipment that is seldom used. Variable lease payments are expensed in the period they occur. Total cash flow relating to leases for the financial year ending 31 December 2021 was SEK 6,787 thousand (6,177).

More information on rights of use by asset class follow:

SEK thousand	Carrying amount 31 Dec. 2021	Carrying amount 31 Dec. 2020
Office buildings	10,927	11,946
Total	10,927	11,946

SEK thousand	2021	2020
Interest expenses for lease liabilities	325	425
Total	325	425

Note 16 Participations in group companies

SEK thousand	Parent company	
	31 Dec. 2021	31 Dec. 2020
Opening carrying amount	103,973	21,636
Acquisition of subsidiary Dedicare A/S	-	81,905
Incorporation of Dedicare Management A/S	-	28
Capitalised acquisition expenses, Dedicare A/S	-	2,461
Sale of subsidiary Acapedia AB	-	-100
Sale of subsidiary Dedicare Nurse Sweden AB	-	-100
Sale of subsidiary Doctor 24 i Skandinavien AB	-	-100
Sale of subsidiary Nurse 24 AB	-	-100
Group contribution paid to Dedicare OY	-	173
Impairment Dedicare OY	-	-1,830
Closing carrying amount	103,973	103,973

Note 16, cont.

Corporate name	No. of shares	Share of equity, %	Book value, SEK thousand
Dedicare AS	3,956	100	9,844
Dedicare Sweden AB (formerly Dedicare Doctor AB)	1,000	100	100
Dedicare OY	1,000	100	303
Dedicare Doctor AS	905	100	9,232
Dedicare Management AS	30,000	100	28
Dedicare A/S	400,000	100	84,366
NomAid AB	1,000	100	100
Total			103,973

Corporate name	Corp. ID no.	Reg. office	Equity, SEK thousand	Profit/loss, SEK thousand
Dedicare AS	982529786	Stjördal (Norway)	20,080	9,733
Dedicare Sweden AB (formerly Dedicare Doctor AB)	556583-9742	Stockholm	100	-
Dedicare OY	2219561-1	Helsinki (Finland)	229	-82
Dedicare Doctor AS	983077196	Stjördal (Norway)	21,048	2,619
Dedicare Management AS	926097555	Stjördal (Norway)	-150	-730
		Aalborg		
Dedicare A/S	36420340	(Denmark)	14,580	7,687
NomAid AB	559164-6103	Stockholm	190	-

Note 17 Accounts receivable

Accounts receivable, SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Reported accounts receivable, gross	131,660	92,965	47,257	32,123
Credit loss reserve	-80	-177	-77	-
Total	131,580	92,788	47,180	32,123

Maturity analysis:

31 Dec. 2021, SEK thousand	Not due	1-30 days	31-90 days	91-180 days	>180 days	Total
Reported amount accounts receivable, gross	122,745	4,673	2,066	128	2,048	131,660
Credit loss reserve	-	-	-	-	-80	-80
Total	122,745	4,673	2,066	128	1,968	131,580

31 Dec. 2020, SEK thousand	Not due	1-30 days	31-90 days	91-180 days	>180 days	Total
Reported amount accounts receivable, gross	84,857	4,846	3,861	-516	-83	92,965
Credit loss reserve	-	-	-	-129	-48	-177
Total	84,857	4,846	3,861	-645	-131	92,788

Credit loss reserve, SEK thousand	31 Dec. 2021	31 Dec. 2020
Opening reserve for expected credit losses	-177	-36
Reserves in the period	-80	-177
Reversed reserves	177	36
Closing reserve for expected credit losses	-80	-177

Payment terms of customer invoices are 30 days. Companies regularly estimate the need for the doubtful debt reserve at individual level. The risk of credit losses in the group's accrued contracted assets is considered immaterial.

The group applies the simplified approach of IFRS 9 to measure expected credit losses. The group's credit loss model uses the expected loss risk for the remaining term of all accounts receivable and contract assets. The model is based on historical credit losses over the expected lifetime of accounts receivable and forward looking estimates. Based on history of realised credit losses, the historical loss risk has an insignificant effect on the credit loss, and accordingly, the provision for doubtful debt is based on individual estimates.

Note 18 Prepaid expenses and accrued income

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Prepaid rent	-	-	1,057	1,035
Accrued contracted revenue	117,419	69,483	41,404	31,834
Other prepaid expenses	8,558	6,775	1,592	1,046
Total	125,977	76,258	44,053	33,915

Accrued revenue is revenue for services rendered not invoiced as of the reporting date.

Note 19 Share capital

Date	Transaction	Change in no. of shares	Total no. of shares	Class A shares	Class B shares	Change in share capital, SEK	Total share capital, SEK
Oct '95	Incorporation	–	5,000	–	–	–	50,000
Nov '98	Bonus issue	–	5,000	–	–	50,000	100,000
Mar '11	Split 1:40	195,000	200,000	–	–	–	100,000
Mar '11	Bonus issue	8,717,706	8,917,706	–	–	4,358,853	4,458,853
Mar '11	Division between class A and B shares	–	8,917,706	2,011,907	6,905,799	–	4,458,853
Apr '15	New issue of class B shares for incentive program	72,900	8,990,606	2,011,907	6,978,699	36,450	4,495,303
Mar '17	New issue of class B shares for incentive program	64,800	9,055,406	2,011,907	7,043,499	32,400	4,527,703
Apr '20	Apportemission B-shares	339,991	9,395,397	2,011,907	7,383,490	169,996	4,697,699

Dedicare's registered share capital as of 31 December 2021 is SEK 4,697,699 (4,697,699), divided between 2,011,907 (2,011,907) class A shares and 7,383,490 (7,383,490) class B shares. The quotient value is SEK 0.50 per share and all shares are fully paid up. Each class A share carries one vote and each class B share carries one-fifth of a vote.

Note 20 Provisions

31 Dec. 2021, SEK thousand	Group			Parent company
	Contingent consideration, Dedicare A/S (KonZenta ApS) ¹	Investigation into employer's contributions, Norway	Total	Contingent consideration, Dedicare A/S (KonZenta ApS) ¹
Opening balance	34,437	4,473	38,910	34,437
Additional provisions	519	–	519	519
Reclassification from accrued expenses and deferred income	–	2,063	2,063	–
Translation difference	670	–	670	670
Closing balance	35,626	6,536	42,162	35,626

¹ Contingent consideration is a financial liability measured at fair value, for more information see note 27.

The contingent consideration and additional interest for the acquisition of Dedicare A/S (KonZenta ApS) is scheduled to be settled in the second quarter of 2022.

The provision for the investigation into employer's contributions in Norway is based on an assessment of future expenses in the case the Norwegian tax agency rules that Dedicare's interpretation of the regulation for reduced employer's contributions in northern Norway was erroneous. No response has yet been received from the Norwegian tax agency.

Note 21 Reconciliation of liabilities related to financing activities

SEK thousand	Group			
	Non-current liabilities		Current liabilities	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Opening balance	28,348	10,155	12,570	4,422
Cash:				
New loans	–	37,100	–	–
Repayment/amortisation	-6,829	-5,239	–	–
Repayment of lease liability	-6,220	-6,061	–	–
Total cash	-13,049	25,800	–	–
Non-cash:				
New lease agreements	4,550	2,329	625	1,402
Fair value	376	-3,190	130	–
Reclassification	–	-6,746	–	6,746
Total non-cash	4,926	-7,607	755	8,148
Closing balance	20,225	28,348	13,325	12,570

SEK thousand	Parent company			
	Non-current liabilities		Current liabilities	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Opening balance	21,925	–	6,746	–
Cash:				
New loans	–	37,100	–	–
Repayment/amortisation	-6,829	-5,239	–	–
Total cash	15,096	31,861	6,746	–
Non-cash:				
Fair value	376	-3,190	130	–
Reclassification	–	-6,746	–	6,746
Total non-cash	376	-9,936	130	6,746
Closing balance	15,472	21,925	6,876	6,746

In tandem with the acquisition of Dedicare A/S (KonZenta ApS) in 2020, Dedicare arranged acquisition finance totalling DKK 45 million (SEK 61.9 million). Of this DKK 45 million, DKK 25 million (SEK 37.1 million) was realised in 2020, with a maturity of three years. The remaining DKK 20 million (SEK 27.5 million) is expected to be realised in 2022, and also has a three-year maturity. Interest paid in 2021 amounted to DKK 0.295 million (DKK 0.64 million) (SEK 0.4 million and SEK 0.9 million respectively). The loan accrues interest of CIBOR +1.5 percent. For information on pledged assets, see note 28.

Note 22 Lease liabilities

Lease liabilities recognised in the Statement of Financial Position are as follows

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Current lease liabilities	6,449	5,824
Non-current lease liabilities	4,753	6,423
Total	11,202	12,247

Note 23 Other current liabilities

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
VAT liability	9,837	9,257	6,259	4,096
Liability for personal income tax and social security contributions	33,106	22,746	11,285	7,072
Other liabilities	9	10	-	-
Total	42,952	32,013	17,544	11,168

Note 24 Accrued expenses and deferred income

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Accrued vacation pay	52,055	33,991	4,183	3,611
Accrued social security contributions	13,264	8,194	9,867	7,232
Accrued payroll expenses	58,726	36,951	21,374	11,141
Other accrued expenses	34,812	31,412	18,832	16,770
Total	158,857	110,548	54,256	38,754

Note 25 Non-cash items

SEK thousand	Group		Parent company	
	2021	2020	2021	2020
Depreciation and amortisation	13,441	11,499	1,740	1,462
Provision, investigation into employer's contributions	-	4,473	-	-
Exchange difference, internal receivables and liabilities	-	-	-2,293	5,756
Other items	-	-404	6	521
Total	13,441	15,567	-547	7,739

Note 26 Cash and cash equivalents

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Cash and bank balances	132,426	100,288	120,757	82,549
Total	132,426	100,288	120,757	82,549

Note 27 Financial assets and liabilities

Financial assets measured at amortised cost, SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Cash and cash equivalents	132,426	100,288	120,757	82,549
Accounts receivable	131,580	92,788	47,180	32,123
Accrued contracted revenue	117,419	69,483	41,404	31,834
Deposits paid	4,788	4,300	4,300	4,300
Total	386,213	266,859	213,641	150,806

Financial liabilities measured at amortised cost, SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Liabilities to group companies	-	-	20,665	17,873
Accounts payable	6,833	2,778	4,740	2,930
Other accrued expenses	34,812	31,412	18,832	16,770
Liabilities to credit institutions	22,348	28,671	22,348	28,671
Total	63,993	62,861	66,585	66,244

Financial liabilities measured at fair value, SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Contingent consideration Dedicare A/S (KonZenta ApS)	35,626	34,437	35,626	34,437
Total	35,626	34,437	35,626	34,437

The carrying amount of financial assets and liabilities measured at amortised cost is considered a reasonable estimate of fair value.

Note 28 Pledged assets and contingent liabilities

SEK thousand	Group		Parent company	
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2021	31 Dec. 2020
Pledged assets				
Lien on assets	20,000	20,000	20,000	20,000
Pledged shares in subsidiaries	78,703	77,776	84,366	84,366
Total pledged assets	98,703	97,776	104,366	104,366
Contingent liabilities				
Bank guarantees	8,934	9,837	8,934	9,837
Total contingent liabilities	8,934	9,837	8,934	9,837

As of 31 December 2020, there is a SEK 8,934 thousand (9,837) guarantee commitment in the Norwegian operation from bank guarantees issued by Dedicare AB. In tandem with Dedicare's acquisition of Dedicare A/S (KonZenta ApS) completed on 1 April 2020, all shares in the subsidiary were pledged as collateral for borrowings.

The parent company has a SEK 20,000 thousand (20,000) overdraft facility. As of 31 December 2021, 0 (0) of this overdraft facility had been utilised.

Note 29 Critical estimates and judgements for accounting purposes

Estimates and judgements are evaluated regularly and based on historical experience and other factors including expectations of future events considered reasonable in prevailing circumstances. Dedicare makes estimates and assumptions about the future. By definition, the estimates for accounting purposes that are the consequence of them will seldom be consistent with actual outcomes.

The estimates and assumptions that involve a significant risk of material restatements of carrying amounts of assets and liabilities in following financial years are discussed below.

Goodwill impairment tests

Each year, Dedicare examines whether goodwill is impaired, pursuant to its accounting policies. However, impairment tests are conducted more often if there are indications that value impairment may have occurred in the year. The recoverable amount of cash-generating units has been determined by computing value in use.

Based on the assumptions forming the basis of impairment tests as of the reporting date, no impairment was identified. For more information see note 11.

Estimation of fair value of the contingent consideration in a business combination

A reported liability consisting of contingent consideration corresponds to the present value of Dedicare's probability-weighted estimate of the future pay-out. The contingent consideration is based on this operation's earnings growth. The assumptions of future earnings relating to this valuation are subject to some uncertainty.

Note 30 Transactions with related parties

Information on transactions with the Board of Directors and management is in note 4. No material transactions with related parties occurred in the year or after its end.

Note 31 Financial risk management

Through its operations, the group is exposed to various financial risks: currency risk, credit and counterparty risk, and liquidity risk. The group's policy for managing these risks is to endeavour to minimise potential risks to the group's results of operations. Risk management is conducted centrally, according to the policies and guidelines adopted.

Currency risk

Currency risk is the risk of future cash flows and results of operations varying due to changes in foreign exchange rates. Dedicare's presentation currency is Swedish kronor (SEK). However, a significant share of the group's revenue, some 63.7 percent (56.1) for the full year 2021, is generated in Norway and Denmark, more information in note 1. Currency risk arises through future business transactions, and when assets and liabilities are recognised in a currency other than the entity's functional currency. This means that Dedicare is exposed to currency risk and that exchange rate fluctuations may have a negative or positive impact on its Balance Sheet and operating profit. The group is mainly exposed to currency risk in the currencies DKK and NOK. Currency risks are not hedged.

The following exchange rates have been used	2021		2020	
	Average	Reporting date	Average	Reporting date
NOK	0.998	1.025	0.979	0.955
EUR	10.144	10.227	10.489	10.038
DKK ¹	1.364	1.375	1.400	1.349

¹ The average rate of exchange of the DKK in 2020 is computed for the period April-December 2020, i.e. from the acquisition date of the Danish subsidiary.

The group's foreign currency risk exposure at the end of the financial year:

SEK thousand	Group	
	31 Dec. 2021	31 Dec. 2020
Financial assets		
NOK	154,994	90,800
DKK	25,416	25,217
Other currencies	44	31
Total assets in foreign currency	180,454	116,048
Financial liabilities		
NOK	17,412	7,671
DKK	59,367	71,199
Other currencies	-	-1
Total liabilities in foreign currency	76,779	78,869

Note 31, cont.

Total exchange gains and losses recognised in the Income Statement:

SEK thousand	Group	
	2021	2020
Exchange gains included in other interest income and similar profit/loss items	28,403	91,474
Exchange losses included in other interest income and similar profit/loss items	-27,451	-85,859
Total	952	5,615

Interest risk

Interest risk is the risk that a change in market interest rates as a negative impact on the group's net interest income. On the reporting date, the group had net debt based on variable interest of SEK 22,348 thousand (28,671). A one percentage point change in interest rates would affect the group's interest expenses before tax by SEK 257 thousand (312) annualised.

Credit and counterparty risk

Credit and counterparty risk is the risk that a customer or counterparty in a transaction is unable to fulfil its obligations, and the company then incurring a loss. The company is exposed to credit and counterparty risk when, for example, surplus liquidity is invested in financial assets, and in tandem

with regular customer relations. In Dedicare's case, this latter credit risk is limited because several customers are in the public sector, and otherwise, there are no concentrations of credit risk for the company in relation to any specific customer, counterparty or geographical region. The effects of a customer being unable to fulfil its obligations are that the company may be affected by a customer loss or lose a capital investment, which would have a negative impact on Dedicare's results of operations and financial position. The group's and parent company's maximum exposure to credit risk is judged to correspond to the carrying amount of all financial assets, and is stated in the table below. For more information on accounts receivable, see note 17.

Capital risk

The group's capital gives it the capability to absorb unexpected losses that are not possible to avoid or reduce, and ensure that there are always sufficient financial resources to be able to satisfy the company's obligations. The Board of Directors is responsible for the overall planning of its capital structure and determining its risk appetite.

Liquidity risk

Liquidity risk consists of difficulties in accessing funds to fulfil Dedicare's commitments associated with financial instruments. Dedicare's cash and cash equivalents are currently invested in accounts or short-term deposits with banks. Dedicare has no need for refinancing at present.

Maturity analysis financial assets and liabilities

2021, SEK thousand	Group				Parent company			
	Up to one month	Longer than one month but max. three months	Longer than three months but max. one year	Longer than one year but max. five years	Up to one month	Longer than one month but max. three months	Longer than three months but max. one year	Longer than one year but max. five years
Assets								
Accounts receivable	127,418	2,066	2,096	–	46,285	857	38	–
Accrued income	–	117,419	–	–	–	41,404	–	–
Total assets	127,418	119,485	2,096	–	46,285	42,261	38	–
Liabilities								
Liabilities to group companies	–	–	–	–	20,665	–	–	–
Accounts payable	6,833	–	–	–	4,740	–	–	–
Liabilities to credit institutions	–	1,719	5,157	15,472	–	1,719	5,157	15,472
Accrued expenses	29,265	987	4,560	–	15,099	45	3,688	–
Total liabilities	36,098	2,706	9,717	15,472	40,504	1,764	8,845	15,472

Note 31, cont.

	Group				Parent company			
	Up to one month	Longer than one month but max. three months	Longer than three months but max. one year	Longer than one year but max. five years	Up to one month	Longer than one month but max. three months	Longer than three months but max. one year	Longer than one year but max. five years
2020, SEK thousand								
Assets								
Accounts receivable	89,703	3,861	-776	-	31,905	1,063	-844	-
Accrued income	-	69,483	-	-	-	31,834	-	-
Total assets	89,703	73,344	-776	-	31,905	32,897	-844	-
Liabilities								
Liabilities to group companies	-	-	-	-	-	-	17,873	-
Accounts payable	2,778	-	-	-	2,930	-	-	-
Liabilities to credit institutions	-	-	-	21,925	-	-	-	21,925
Accrued expenses	31,413	-	-	-	16,770	-	-	-
Total liabilities	34,191	-	-	21,925	19,700	-	17,873	21,925

For all financial assets and liabilities, due to short maturities, carrying amount is considered a good approximation of fair value. All flows are reported undiscounted.

Note 32 Management of capital

Capital is equity. The group's objective for managing its capital is to ensure the group's continued existence and room to act, and ensure that shareholders also continue to receive returns on their invested assets. To maintain and adapt its capital structure, the group can pay out funds. Dedicare's target is for its dividend to be at least 50.0 percent of net profit over a business cycle.

Note 33 Proposed appropriation of the company's earnings

Funds at the disposal of the Annual General Meeting: SEK 138,582,575.

These funds are appropriated as follows:

The Board of Directors proposes a dividend to shareholders: SEK 37,581,588.

The Board of Directors proposes that the following funds are carried forward: SEK 101,000,987.

Note 34 Post balance sheet events

Johanna Eriksson reported that she would be leaving her position as CFO of Dedicare at the mid-point of 2022. Anette Sandsjö was hired as new CFO, and takes up her position on 1 October 2022.

To clarify group structure, all business operations in Sweden were concentrated into an independent company, Dedicare Sverige AB, effective January 2022, whose operations were previously conducted within parent company Dedicare AB (publ). Krister Widström will retain his role as Chief Executive Officer & Managing Director of Dedicare AB (publ), and Eva Brunnberg will serve as Managing Director of Dedicare Sverige AB, where the Swedish business operations will be conducted going forwards.

On 16 March 2022, Dedicare signed a purchase agreement for 100 percent of the shares of Swedish recruitment and staffing company H&P Search and Interim AB (corporate ID no. 556767-6548). H&P Search and Interim AB is a provider of recruitment and agency consultants for the Nordic market in the life science segment. The company's sales were some SEK 55 million in the financial year 2021. The transaction will be completed on 1 April 2022, and H&P Search and Interim AB will be consolidated into the Dedicare group effective the second quarter of 2022. This acquisition is consistent with Dedicare's growth strategy and adds another service segment to existing operations

Signatures

The Board of Directors and Chief Executive Officer hereby certify that the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, and give a true and fair view of the company's financial position and results of operations. The Board of Directors and Chief Executive Officer also certify that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU, and give a true and fair view of the group's financial position and results of operations.

The Administration Report of the group and parent company gives a true and fair view of the group's and parent company's operations, financial position and results of operations, and reviews material risks and uncertainty factors facing the parent company and companies in the group. As stated below, the annual accounts and consolidated accounts were approved for issue by the Board of Directors on 18 March 2022. The Consolidated Income Statement and Balance Sheet, and the Parent Company Income Statement and Balance Sheet will be subject to adoption at the Annual General Meeting on 21 April 2022.

Stockholm, Sweden, 18 March 2022

Krister Widström
Managing Director & Chief Executive Officer

Björn Örås
Chairman

Dag Sundström
Director

Eva-Britt Gustafsson
Director

Anna Söderblom
Director

Madeleine Raukas
Director

Our Audit Report was presented on 18 March 2022
PricewaterhouseCoopers AB

Henrietta Segenmark
Authorised Public Accountant

Unofficial translation

Auditor's report

To the general meeting of the shareholders of Dedicare AB (publ), corporate identity number 556516-1501

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Dedicare AB (publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 37–68 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the report on total results and statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent

company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other matter

The audit of the annual accounts and consolidated accounts for year 2020 was performed by another auditor who submitted an auditor's report dated 19 March 2021, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

Our audit approach

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect

of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

Key Audit Matter

As of December 31, 2021, the Group's reported revenues amount to SEK 1 249,9 million and mainly include the sale of staffing services. Revenue is recognized in the manner that reflects the transfer to the customer in terms of control over the service and thus the fulfillment of the performance obligation. For staffing services, the performance obligation is fulfilled over time. Revenue is recognized at the amount that the Group expects to be entitled to in exchange for transferring the service to the customer. Recognition of revenue is based on information from the company's time accounting system, which calculates revenues based on time worked. The process related to recording of revenues takes place on a monthly basis and includes manual steps. There is a risk of inaccuracies unless mitigating controls are in place to manage the risk. Our assessment is that the risks related to completeness and occurrence have a significant impact on financial reporting.

The Company's accounting principles for revenues are set out on page 50 of the Annual Report.

How our audit addressed the Key Audit Matter

As part of our audit of Revenue recognition we have performed several audit measures. Our audit has included the following audit procedures but were not limited to these:

- Audit of accounting principles, understanding of significant processes and critical business systems and assessment of the company's internal control environment
- Audit of accrued income focusing on completeness of data transfer between systems as well as audit of supporting documents and reconciliation to invoices
- Audit of completeness and occurrence in revenues during the financial year through reconciliation of transactions in time accounting system to accounting system
- Analytical audit procedures of revenues and development of revenues and margins to identify significant fluctuations
- Audit of existence and completeness through data analysis and matching of general ledger and invoices against external payment files

Valuation of Goodwill**Key Audit Matter**

As per 31 December 2021 goodwill amounts to SEK 61,7 million, whereof SEK 54.6 million is attributable to the acquisition of the Danish company Dedicare A / S (KonZenta ApS) and the remaining part SEK 7.1 million is attributable to the acquisition of the Norwegian company Dedicare AS. As stated in Note 11, management prepares an impairment test on a yearly basis, or if there is an indication of impairment, to ensure that value in the financial statements does not exceed the recoverable amount. Recoverable amount is determined by calculating the value in use of each cash-generating unit. These calculations are based on present value calculation of estimated future cash flows based on financial budgets determined by the Board of Directors, which cover the following three years

after year end, and after this period assumptions are made by management. The forecast period for Norwegian goodwill is set at five years. The forecast period for the Danish operations is set at ten years based on a long-term business plan. The value calculated in the test corresponds to the value of discounted cash flows for identified cash-generating units: Norway and Denmark. Even if an entity passes the impairment test, a future development that deviates negatively from the assumptions and assessments that have been the basis for the test may lead to a need for impairment. The test performed by Dedicare shows that there is no need for impairment as per 31 December 2021.

Given the underlying estimates and assumptions of the impairment tests, and the size of the book value of the asset, our assessment is that the risks associated with valuation and presentation have significant impact on financial reporting.

How our audit addressed the Key Audit Matter

As part of our audit of Goodwill we have performed several audit measures. Our audit has included the following audit procedures but were not limited to these:

We have verified the mathematical correctness of the company's impairment testing, the correctness of the model applied, as such, and have determined if the model agrees with IFRS. We also challenged and evaluated the reasonability of significant assumptions made by management. In order to examine the model, itself, and the assumptions we have utilized valuation experts to test and evaluate the applied models and methods, as well as significant assumptions.

On a random sample basis, we have tested and challenged the details applied in the calculations against the company's budgets and financial plan prepared as per 31 December 2021. We have, then, focused on the assumptions regarding growth, margin development and the

applied discount rate per cash-generating unit. We have also, where possible, evaluated and challenged against available external information. Furthermore, we have reviewed the sensitivity analysis that has been prepared by the Company in regard to the valuation of negative changes in significant parameters which, individually or on a collective basis, could imply that an impairment requirement exists.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–36 and 73–77. The Board of Directors and the Managing Director are responsible for this other information.

The other information also consists of a remuneration report that is not included in the annual report document. We have obtained the remuneration report before the date of this audit report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information,

we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Director's and the Managing Director.
- Conclude on the appropriateness of the Board of Director's and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to eliminate threats or countermeasures.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the

annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Dedicare AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the

proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance

whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the

Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Dedicare AB (publ) for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #207b927b1a8721b6da1a117ba17d487a-2443da7762a5b2d0b15f6eef9f90f60 has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Dedicare AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to form an opinion with reasonable assurance whether the Esef report

is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of

expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Dedicare AB (publ) by the general meeting of the shareholders on the 22 April 2021 and has been the company's auditor since the 22 April 2021.

Stockholm 18 March 2022
PricewaterhouseCoopers AB

Henrietta Segenmark
Authorized Public Accountant

Five-year summary

The following table states condensed financial information for the financial years 2017–2021.

SEK thousand	2021	2020	2019	2018	2017
Condensed Income Statement, continuing operations					
Operating income	1,249,883	885,195	775,988	812,017	785,230
Operating expenses	-1,162,102	-841,373	-740,683	-761,790	-707,775
Operating profit	87,781	43,822	35,305	50,227	77,455
Financial items	-704	3,724	-924	-506	529
Profit after financial items	87,077	47,545	34,382	49,721	77,984
Tax	-21,513	-11,482	-7,947	-11,487	-17,906
Profit for the year	65,564	36,064	26,435	38,234	60,078
Condensed Balance Sheet, continuing operations					
Assets					
Goodwill	61,713	60,189	7,333	6,230	6,068
Customer contracts	8,310	12,812	–	–	–
Databases	3,676	4,166	–	–	–
Other non-current assets	23,696	23,832	24,167	9,565	1,967
Current receivables	268,040	183,322	144,975	141,780	131,272
Cash and cash equivalents	132,426	100,288	62,694	58,244	93,723
Total assets	497,861	384,608	239,169	215,819	233,030
Equity and liabilities					
Equity	178,493	135,423	93,088	102,455	109,460
Non-current liabilities	73,079	81,230	20,854	10,892	10,072
Current liabilities	246,289	167,955	125,227	102,472	113,498
Total equity and liabilities	497,861	384,608	239,169	215,819	233,030
Key indicators					
Operating margin, %	7.02	4.95	4.55	6.20	9.90
Equity/assets ratio, %	35.85	35.21	38.92	47.47	47.00
Return on equity, % ¹	42.41	31.96	27.90	36.65	53.40
Return on total assets, % ¹	19.53	14.96	14.80	22.39	34.10
Average number of employees	925	678	629	658	632

1) Alternative performance measures not defined according to IFRS.

Other information

Alternative performance measures

SEK thousand	Group		
	31 Dec. 2021	31 Dec. 2020	31 Dec. 2019
Net profit	65,564	36,064	26,435
Average equity	154,611	113,438	94,760
Return on equity, %	42.41	31.79	27.90
Profit after financial items	87,077	47,545	34,382
Average total assets	445,772	317,246	232,328
Return on total assets, %	19.53	14.99	14.80
EBITDA	101,223	55,432	41,747

Definitions of key indicators

Average equity

The average of opening and closing equity for the period.

Basic earnings per share

Net profit attributable to holders of ordinary shares of the parent divided by the average number of outstanding ordinary shares in the period.

Diluted earnings per share

Net profit after dilution attributable to holders of ordinary shares of the parent divided by the average number of outstanding ordinary shares.

EBITDA

(Earnings before interest, taxes, depreciation and amortisation)
Operating profit before financial income and expenses, tax, depreciation and amortisation, and impairment.

Equity/assets ratio

Equity including minority interest as a percentage of total assets.

Number of employees, average

Total hours worked in the period divided by scheduled working hours for a full-time employee. The number of employees includes subcontracting consultants.

Operating margin

Operating profit as a percentage of operating income.

Profit after financial items

Operating profit/loss including financial income less financial expenses.

Profit margin

Profit/loss after financial items as a percentage of operating income.

Return on equity

Net profit divided by average equity.

Return on total assets

Profit after financial items plus financial expenses as a percentage of average total assets.

Glossary

Agenda 2030 and the global Sustainable Development Goals

The global SDGs were adopted by world leaders in 2015. These goals should contribute to socially, economically and environmentally sustainable development, and be achieved by all nations of the world by 2030.

Almega Kompetensföretagen

Almega Kompetensföretagen is a sector and employers' organisation for businesses active in agency staffing, restructuring and recruitment in Sweden.

Consultant Manager

Staff in Dedicare's business operations that manage contacts with clients and consultants related to staffing assignments.

Consultants

Temporary employees, such as doctors and nurses, leased to Dedicare clients on staffing assignments.

Internal staff

Internal staff within Dedicare such as Business Area Managers, Consultant Managers, Recruiters and staff in the support functions of Accounting, Payroll, HR, Marketing and IT.

Naeringslivets Hovedorganisasjon (NHO)

NHO is a sector and employers' organisation for small and large companies in Norway.

Recruitment

Permanent resource solutions with clients, where Dedicare supports the client on hiring qualified staff for the client's operations.

Sickleave absence

Sweden and Denmark report short-term sickleave absence as 1–14 days, and long-term sickleave absence as more than 14 days. Norway reports the intervals 1–3 days, 4–16 days and more than 16 days.

Staffing

Temporary resource solutions with clients, where Dedicare provides the client with consultants according to their needs. In staffing, Dedicare bears full employer liability, while the client deals with work management.

Shareholder information

Invitation to Annual General Meeting

The shareholders of Dedicare AB (publ) are hereby invited to the Annual General Meeting (AGM) at 4 p.m. on Thursday 21 April 2022 at the company's head office in Stockholm, Sweden. More information on the company's website: [dedicare.se](https://www.dedicare.se).

Notification

Shareholders intending to participate in the AGM should firstly be recorded in the share register maintained by Euroclear Sweden AB by no later than 11 April 2022, and secondly have notified Dedicare by no later than 15 April 2022.

Notification of participation in the AGM should be addressed to:

Dedicare AB

FAO: CFO
Ringvägen 100
118 60 Stockholm
Sweden
johanna.eriksson@dedicare.se

Notifications should state the shareholder's name, telephone number, personal or corporate identity number, number of shares held and number of assistants. For entitlement to participate at the AGM, shareholders with nominee-registered shares are required to re-register their holdings in their own names so that the shareholder is recorded in the share register as of Monday, 11 April 2022. Such registration may be temporary (voting right registration) and requests should be lodged with nominees in accordance with the nominee's procedures with the advance notice the nominee requires. Voting right registration conducted by nominees by 13 April 2022 will be considered when preparing the share register.

Financial information

Interim Report, January–March	21 April 2022
AGM for the financial year 2021	21 April 2022
Interim Report, April–June	15 July 2022
Interim Report, July–September	21 October 2022
Financial Statement, January–December	10 February 2023

Dividend

The Board of Directors is proposing a dividend of SEK 4.00 per share to shareholders. The proposed record date is 25 April 2022. If the AGM approves this proposal, the dividend is scheduled for payment from Euroclear Sweden AB on 28 April 2022.

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118 60 Stockholm

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Dedicare Denmark

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