

Year-end Report

1 January – 31 December 2022

DEDICARE

A strong conclusion to an eventful year

The period 1 October - 31 December

- Operating revenue SEK 504.3 million (378.3)
- EBITDA SEK 37.9 million (29.9)
- EBITDA margin 7.5 percent (7.9)
- EBIT SEK 31.3 million (25.5).
EBIT adjusted for non-recurring items amounted to SEK 34.0 million (25.5)
- EBIT margin 6.2 percent (6.7).
EBIT margin adjusted for non-recurring items amounted to 6.7 percent (6.7)
- Profit after financial items SEK 29.9 million (24.6)
- Profit for the period SEK 25.1 million (16.6)
- Basic earnings per share SEK 2.64 (1.77)
- Diluted earnings per share SEK 2.61 (1.75)

The period 1 January - 31 December

- Operating revenue SEK 1,788.7 million (1,282.9)
- EBITDA SEK 156.1 million (102.6)
- EBITDA margin 8.7 percent (8.0)
- EBIT SEK 135.9 million (89.2).
EBIT adjusted for non-recurring items amounted to SEK 140.0 million (89.2)
- EBIT margin 7.6 percent (7.0).
EBIT margin adjusted for non-recurring items amounted to 7.8 percent (7.0)
- Profit after financial items SEK 130.3 million (87.1)
- Profit for the period SEK 101.3 million (65.6)
- Basic earnings per share SEK 10.69 (6.98)
- Diluted earnings per share SEK 10.59 (6.91)

DIVIDEND

Dedicare's Board of Directors has proposed an ordinary dividend of SEK 6.00 per share (4.00), corresponding to SEK 57.38 million (37.6) for the financial year 2022. The group's dividend policy is that the annual dividend should amount to at least 50 percent of net profit. The proposed dividend corresponds to 56.6 percent (57.6) of net profit for the year. Dedicare's equity/assets ratio amounts to 30 percent (31) after the proposed dividend, which is consistent with the group's long-term target of at least 30.0 percent.

Performance measures

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
EBITDA margin, % ¹	7.5%	7.9%	8.7%	8.0%
EBIT margin, % ¹	6.2%	6.7%	7.6%	7.0%
EBIT margin adjusted for non-recurring items, % ¹	6.7%	6.7%	7.8%	7.0%
Profit margin, % ¹	5.9%	6.5%	7.3%	6.8%
Net debt(+)/Net cash(-), SEK million	-26.8	-98.9	-26.8	-98.9
Equity per share, SEK	27.5	19.0	27.5	19.0
Return on equity, %	10.2%	10.4%	47.3%	42.4%
Cash flow from operating activities, SEK million	82.0	21.1	105.4	69.6
Cash flow from operating activities per share, SEK	8.6	2.3	11.0	7.4
Average number of shares before dilution	9,541,519	9,395,397	9,478,845	9,395,397
Average number of shares after dilution	9,631,519	9,485,397	9,568,845	9,485,397
Number of outstanding shares	9,562,642	9,395,397	9,562,642	9,395,397

¹ Performance measures for 2021 have been restated because of the adjusted profit. Exchange rate changes of an operating nature are reported under other operating income (exchange rate gains) and other external expenses (exchange rate losses). They were previously reported under financial items.

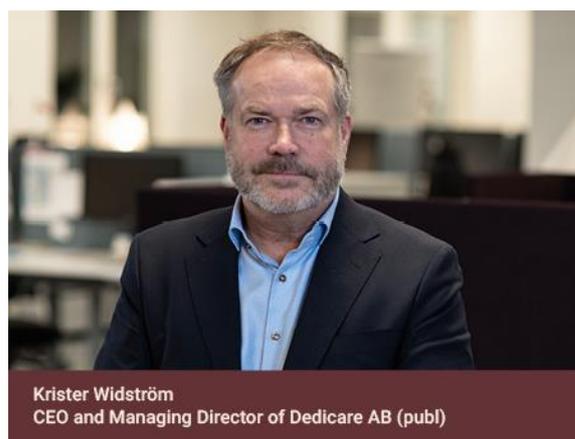
Chief Executive Officer's Statement

The fourth quarter featured continued high demand on all our markets. Many of our clients find themselves in a challenging situation with an acute shortage of staff in our business segments. We've achieved great success in retaining and attracting new consultants, and accordingly, satisfying our clients' needs. The full year was eventful—we had our best year ever in terms of turnover and earnings. We added Life Science as a new business segment and started up operations outside the Nordics through our acquisition of Templars Medical in the UK. We've taken a step towards our vision of becoming one of Europe's leading recruitment and staffing companies in our niche!

Financial performance

Dedicare is reporting growth for the eighth consecutive quarter. The fourth quarter was our best ever, when net sales were SEK 499.3 million (354.3), a 40.9 percent increase on the corresponding period of the previous year. Organic growth was 33.9 percent. Our EBIT was SEK 31.3 million (25.5), SEK 1.5 million of which relates to companies acquired in the period. Our EBIT margin adjusted for non-recurring items was 6.7 percent, which is comparable to the corresponding period of the previous year.

In **Sweden**, turnover increased by 18.5 percent in the fourth quarter to SEK 149.2 million (125.9), of which SEK 14.2 million relates to the acquisition of H&P Search & Interim AB. Primarily, the increased turnover is due to the positive progress of staffing of social workers and nurses. H&P's skills in recruitment have meant us consolidating our recruitment offering to clients in other business segments of the Dedicare group.



The new, revised documentation supporting Sweden's nationwide healthcare staffing services tender was made public during the quarter. Several companies have reviewed the process so far, and in an interim ruling, Sweden's Administrative Court blocked the agreement. Until a new deal is in place, we are continuing to operate under existing agreements in all regions.

In **Norway**, all our segments continued their very positive progress in the fourth quarter, in terms of turnover and EBIT. Turnover was up by 52.4 percent in the fourth quarter on the corresponding period of the previous year, which means we significantly outgrew the market generally. Accordingly, we are continuing to advance our positioning as Norway's largest specialist company in healthcare staffing.

The Norwegian government approved a new bill limiting the scope and role of the staffing sector, mainly in the country's building and construction sectors; healthcare staffing is exempted. The new legislation, which comes into force on 1 April 2023, also means that companies and other organisations that need to contract in staff must have collective bargaining agreements in place. Basically all our clients are publicly funded, and have collective bargaining agreements. Our opinion is that this new legislation will not impact our business in healthcare staffing due to Norway's pressing need for healthcare staffing services going forward.

In **Denmark**, we're seeing demand from our clients continuing to increase across all segments. A previous initiative to appoint more internal staff has paid off, and in the fourth quarter, turnover increased by 31.4 percent to SEK 55.3 million (42.1), the Danish operation's highest ever.

We created the **New Markets** segment coincident with our acquisition of Templars Medical Agency in October, and at present, this segment consists of our business in the UK. The turnover for New Markets in the quarter was SEK 10.8 million, and EBIT was SEK 1.1 million. Our UK operation also provides doctors to clients in Ireland, and in the UK's non-European territories.

Integration is going to plan, and we're currently investing in functions like IT, digitalisation and marketing, which are supporting and developing existing business. We will be changing Templars Medical's branding to Dedicare UK in spring 2023.

Business crossroads

The process of integrating and developing Life Science, through our acquisition H&P Search & Interim, is going to plan. We've hired more staff, and are developing business in Norway and Denmark. Branding will be changed to Dedicare Life Science in autumn 2023.

The common denominator of the markets where we operate are population growth and more older people. Staff shortages increased in the quarter and throughout 2022, mainly in healthcare, but also in our other business segments. We succeeded in attracting some of the people who were about to leave, or had left, their former employers, by offering more flexible solutions that offer consultants a work-life balance on their terms.

We will continue to grow our marketing function in 2023 so that we can keep intensifying work on our consultant proposition and communication on our markets through our digital channels.

Finally, I'd like to thank all my colleagues and consultants for their fantastic efforts in the quarter, and in 2022. Together, we've helped hundreds of thousands of people, adults and children, receive the health and social care, access to pharmaceuticals and medical devices they need. On a responsible and sustainable footing, we've made a contribution to people's health, progress and quality of life.

Financial information

October - December 2022

Revenue

The group's turnover increased by 40.9 percent for the period to SEK 499.3 million (354.3). Organic growth represented 33.9 percent, amounting to SEK 120.0 million. All countries achieved organic growth in the period. For more information, see Note 1, Segment information and disclosures on categories of revenue.

In **Sweden**, turnover increased by 18.5 percent for the period to SEK 149.2 million (125.9), with SEK 14.2 million of this relating to the acquisition of H&P Search & Interim AB. Apart from the acquisition, the turnover gains are sourced from increased nurse and social worker staffing.

In **Norway**, turnover increased by 52.4 percent for the period to SEK 284.0 million (186.3). The revenue increase was due to high demand for services across all segments.

In **Denmark**, revenue increased by 31.4 percent for the period to SEK 55.3 million (42.1), the highest turnover the Danish operation has ever achieved. The increase is mainly sourced from doctor staffing.

New Markets consists of the acquired operation in the UK. Turnover for the period was SEK 10.8 million (0).

Earnings

The group's EBIT for the period was SEK 31.3 million (25.5), with an EBIT margin of 6.2 percent (6.7). EBIT from companies acquired in the period was SEK -1.2 million (0). Primarily, the increased EBIT is due to operational growth. Acquisition costs of SEK 2.7 million were charged to earnings in the period. EBIT adjusted for this non-recurring item was SEK 34.0 million, and the EBIT margin was 6.7 percent.

Sweden's EBIT amounted to SEK 7.7 million (3.8) for the period, of which SEK 2.2 million relates to H&P Search & Interim AB, with an EBIT margin of 5.2 percent (3.0). The increased EBIT is mainly attributable to social worker and doctor staffing, as well as the acquisition of H&P Search & Interim AB.

Norway's EBIT amounted to SEK 27.4 million (23.2) for the period, with an EBIT margin of 9.6 percent (12.5). The decrease is primarily due to an initiative to appoint more internal staff and investments in extended office premises.

Denmark's EBIT was SEK 2.9 million (1.3) for the period, with an EBIT margin of 5.2 percent (3.1). The previous initiative to appoint more internal staff has paid off, generating a positive impact on EBIT in the quarter.

The EBIT for **New Markets** was SEK 1.1 million (0) for the period, with an EBIT margin of 10.2 percent (0).

Group-wide costs for the period amounted to SEK 7.8 million (2.9), SEK 4.5 million (0) of which relate to companies acquired in the period. The increase is primarily due to amortisation of surplus values from acquisitions and expenses related to the acquisition in the UK.

Profit for the period amounted to SEK 25.1 million (16.6).

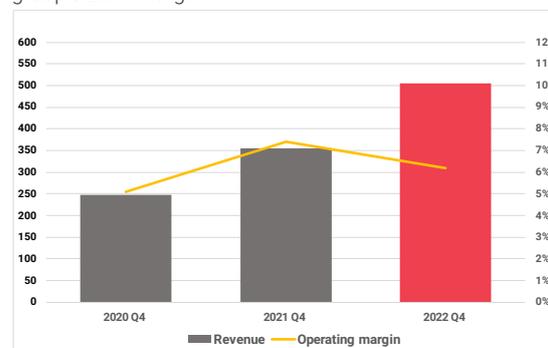
PROGRESS OF REVENUE AND EBIT MARGIN PER QUARTER, 2020-2022

The bars show the group's revenue, and the line shows the group's EBIT margin.



PROGRESS OF REVENUE AND EBIT MARGIN FOR THE FOURTH QUARTERS OF 2020-2022

The bars show the group's revenue, and the line shows the group's EBIT margin.



January – December 2022

Revenue

The group's net sales increased by 41.5 percent for the period to SEK 1,768.0 million (1,249.9). Organic growth represented 37.3 percent, amounting to SEK 466.6 million. All countries achieved organic growth in the period, with the Norwegian operation reporting the highest growth. For more information, see Note 1, Segment information and disclosures on categories of revenue.

In **Sweden**, turnover increased by 25.2 percent for the period to SEK 562.8 million (449.5) with SEK 40.7 million whereof relating to the acquisition of H&P Search & Interim AB. Apart from the acquisition, the turnover gains are sourced from increased social worker and nurse staffing.

In **Norway**, turnover increased by 56.0 percent for the period to SEK 1,015.6 million (651.2). The turnover increase was due to high demand in all segments.

In **Denmark**, turnover increased by 19.9 percent for the period to SEK 178.8 million (149.1). The increase mainly related to doctor staffing.

Turnover for **New Markets** was SEK 10.8 million (0), and is sourced from the acquisition in the UK in the fourth quarter.

Earnings

The group's EBIT for the period was SEK 135.9 million (89.2), with an EBIT margin of 7.6 percent (7.0). EBIT from companies acquired in the period was SEK 0.4 million (0). The increased EBIT is due to operational growth and the acquisition of H&P Search & Interim AB. Acquisition costs of SEK 4.1 million were charged to earnings in the period. EBIT adjusted for this non-recurring item amounted to SEK 140.0 million (89.2), and the EBIT margin was 7.8 percent (7.0).

Sweden's EBIT amounted to SEK 31.7 million (14.5) for the period, of which SEK 7.2 million relates to the acquisition of H&P Search & Interim AB, with an EBIT margin of 5.6 percent (3.2). The increased EBIT is mainly attributable to the acquisition of H&P Search & Interim AB, and higher revenue.

Norway's EBIT amounted to SEK 112.1 million (72.4) for the period, with an EBIT margin of 11.0 percent (11.1).

Denmark's EBIT was SEK 8.8 million (6.6) for the period, with an EBIT margin of 4.9 percent (4.4). The previous initiative to appoint more internal staff had a positive impact on EBIT.

The EBIT for **New Markets** for the period was SEK 1.1 million (0) with an EBIT margin of 10.2 percent (0), and is sourced from the acquisition in the UK in the fourth quarter.

Group-wide costs for the period amounted to SEK 17.8 million (4.3), SEK 7.9 million (0) of which relates to companies acquired in the period. The increase is primarily due to surplus values from acquisitions and expenses related to the acquisitions of H&P Search & Interim AB and Templars Medical Agency Ltd.

Profit for the period amounted to 101.3 million (65.6).

Financial position and liquidity

Cash and cash equivalents

The group's cash and cash equivalents as of 31 December amounted to SEK 142.8 million (132.4). In the fourth quarter, Dedicare paid SEK 11.7 million for the acquisition of Optical Medical Ltd., with its subsidiary Templars Medical Ltd.

Equity

Equity amounted to SEK 262.6 million (178.5) at the end of the period, corresponding to SEK 27.5 (19.0) per outstanding share on the reporting date. The increase in equity relates mainly to operational growth and higher EBIT.

Equity/assets ratio

The equity/assets ratio as of 31 December was 35.4 percent (35.9).

Cash flow

Cash flow from operating activities for the fourth quarter was SEK 82.0 million (21.1), and for the period January –

December, SEK 105.4 million (69.6). The increased cash flow from operating activities in the quarter is mainly due to changes in current liabilities and receivables. The increase for the full year is due to higher EBIT. Net cash flow relating to acquisitions amounted to SEK -27.1 million (0). For more information, see Note 3. Dedicare's acquisition of Dedicare A/S (formerly KonZenta Aps) was mostly loan financed, including an agreement on acquisition finance of DKK 45.0 million signed with a financial institution. This acquisition finance has a three-year term, and accrues interest corresponding to CIBOR plus 1.5 percent

Investments

Investments in tangible and intangible non-current assets in the fourth quarter were SEK 1.5 million (0.7), and for the period January – December, SEK 5.4 million (2.3). Investments in the period mainly relate to IT systems.



Events in the period January – December

Acquisitions

On 16 March, Dedicare signed an agreement to acquire 100 percent of the shares of H&P Search & Interim AB (corp. ID no. 556767–6548). H&P Search & Interim AB is a provider of recruitment and contracting of consultants in the life science segment on the Nordic market. The company was founded in 2015, and its turnover for the financial year 2021 was approx. SEK 55 million, with an EBIT of some SEK 11 million. The transaction was completed on 1 April, and H&P Search & Interim AB was consolidated into the Dedicare group effective the second quarter 2022. The initial purchase consideration for the acquisition of H&P Search & Interim AB amounted to SEK 27.5 million, with SEK 19.2 million paid in cash, and SEK 8.3 million in the form of Dedicare shares through a non-cash issue. A contingent consideration has been agreed, based on H&P Search & Interim AB's earnings performance over the following three years.

The contingent consideration for Dedicare's acquisition of Dedicare A/S (formerly KonZenta Aps) was settled on 1 April 2020. The contingent consideration was DKK 26 million, corresponding to 100 percent of all agreed targets being achieved in the period from completion on 1 April. On final payment, Dedicare exercised the remaining portion of the loan agreement totalling DKK 45 million signed with a financial institution. The acquisition finance has a three-year term and accrues interest corresponding to CIBOR plus 1.5 percent.

On 30 September 2022, Dedicare signed an agreement to acquire 100 percent of the shares of Optimal Medical Ltd. (reg. no. 09526199). Through its subsidiary Templars Medical Agency (UK) Ltd., Optimal Medical Ltd. conducts doctor recruitment and staffing operations in the UK, Ireland and the UK's non-European territories. The company was founded in 2015, and its sales were approximately SEK 45 million for the split financial year 2021/2022, with an EBIT margin of 11 percent. Completion was on 1 October, and these companies will be consolidated into the Dedicare group effective the fourth quarter of 2022. The initial purchase consideration for the acquisition was SEK 22.1 million, with SEK 18.4 million paid in cash, and SEK 3.7 million in the form of Dedicare shares through a non-cash issue. A contingent consideration has been agreed, based on earnings performance over the next two years.

New issue of class B shares

The AGM on 21 April 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 until 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 purpose of this authorisation and the capacity to waive shareholders' preferential rights is to facilitate future business acquisitions through a simplified decision-making process.

On completion of the acquisition of H&P Search & Interim AB on 1 April 2022, Dedicare's Board of Directors decided on a non-cash issue supported by the authorisation the Board received from the AGM on 22 April 2021. This non-cash issue is part of the purchase consideration, and involves 124,998 class B shares. The subscription price is SEK 66.40 and was determined based on the volume-weighted average price for 30 trading days retroactively from 26 January 2022, which is 5 trading days from the date of publication of the purchase agreement. The shares were subscribed for by the sellers of H&P Search & Interim AB (Johan Walde, Leif Olsson and Torbjörn Ströberg), who in tandem with subscription, undertook not to sell the shares over a two-year lock-up period. After the non-cash issue, the total number of Dedicare shares will amount to 9,520,395 (divided between 2,011,907 class A shares, and 7,508,488 class B shares).

On completion of the acquisition of Optimal Medical Ltd. on 1 October 2022, Dedicare's Board of Directors decided on a non-cash issue supported by the authorisation the Board received from the AGM on 21 April 2022. This non-cash issue is part of the purchase consideration, and involves 42,247 class B shares. The subscription price is SEK 93.97 and is determined based on the volume-weighted average price for 30 trading days retroactively from 12 August 2022, which is 5 trading days from the date of publication of the purchase agreement. The shares were subscribed for by the former majority shareholders of Optimal Medical Ltd. (Fiona Thomson, Atholl Craigmyle and Andrea Thornton), who in tandem with subscription, undertook not to sell the shares over a two-year lock-up period. After the non-cash issue, the total number of Dedicare shares will amount to 9,562,642 (divided between 2,011,907 class A shares, and 7,550,735 class B shares).

Revised reporting structure

Dedicare revised its reporting structure effective the First-quarter Interim Report 2022. A fourth segment, Group-wide, was added to the previous three segments of Sweden, Norway and Denmark. The aim of this change in reporting structure is to remove the group-wide items previously reported in the Sweden segment from the Swedish operation. As previously

reported, the Swedish operation transfers to a separate subsidiary, whose Managing Director since August 2021 is Eva Brunnberg. Krister Widström will be retaining his role as CEO and Managing Director of the parent company Dedicare AB. The parent company conducts group-wide functions such as group management, accounting and IT management. Dedicare's business operations are conducted through subsidiaries in each country, with individual Managing Directors that report to the CEO.

In connection with the acquisition of Templars Medical Agency in October, the New Markets segment was established

Review of nationwide tender

On 17 June, Dedicare decided to apply for a review of a decision by the Swedish Association of Local Authorities and Regions (SKR) on a nationwide tender for healthcare staffing services with all Sweden's 12 administrative courts. The reason for this review is that in Dedicare's opinion, the tender is in conflict with the Swedish Public Procurement Act (LOU).

On 14 July, Västra Götaland Region (VGR), which is coordinating the nationwide tendering process for Sweden's healthcare staffing services, announced that it would be discontinuing the tendering process

with the following reasoning: "The tendering authority intends to discontinue this process because shortcomings have been identified in the supporting documentation, including the current provision to call on other companies' capacity. The tendering authority will also be reviewing other parts of the tender documentation."

Dedicare is continuing to operate under the existing agreements it has in place with regional authorities.

Change to Board and management

Effective 19 August, Madeleine Raukas decided to leave Dedicare's Board of Directors, on becoming Managing Director of SOS Alarm.

Anette Sandsjö was appointed as new CFO, and is a member of group management. She commenced employment on 1 September. Johanna Eriksson left her position as CFO in the second quarter.

Events after the end of the period

The new revised basis for the nationwide tender for healthcare staffing services in Sweden has been reviewed by several companies. The administrative court has stopped the agreement in an interim decision. Until a new agreement is in place, Dedicare continues to operate under the existing agreements it has in place with regional authorities.



Other information

Employees

The average number of employees expressed as full-time equivalents for the period January-December was 1,230 people (925). This includes subcontracting consultants, of which there were 189 (156) in the period January-December.

Market trends

Statistics from the Swedish Association of Local Authorities and Regions (SKR) indicated that contracting of healthcare staff to regional authorities increased by nearly 26 percent in the first half-year 2022¹ compared to the corresponding period of 2021. Contracting of doctors increased by a total of 18 percent, and contracting of nurses increased by nearly 39 percent in the period. Dedicare believes that the market for social worker staffing continued to expand in the first half-year 2022 in year-on-year terms.

There are no official statistics for the life science market available for Sweden (or the other Nordics). Dedicare expects the need for consultants and recruitment services to remain high.

According to data (from the NHO) contracting of healthcare staff in Norway increased by approx. 18.6 percent in the fourth quarter of 2022 compared to the fourth quarter of 2021². In contracting of preschool staff, the market expanded by 13.9 percent in the fourth quarter of 2022, compared to the fourth quarter of 2021. Dedicare Norway's turnover grew by some 42.8 percent in healthcare, and 98.6 percent in preschool staff in the same period. Accordingly, Dedicare consolidated its positioning as Norway's largest specialist healthcare staffing provider, with a market share of some 25.7 percent.

No official statistics for the Danish healthcare staffing market are available. Dedicare's opinion is that the market for contracting doctors is growing. It also believes the market for contracting nurses is in growth.

The UK is Europe's largest market for staffing healthcare personnel. According to Staffing Industry Analyst (SIA), procurement of care staff was worth some SEK 43 billion in 2021. The National Health Service (NHS) manages most healthcare staffing through framework agreements in England, Wales, Scotland and Northern Ireland.

Share-based incentive programme

In 2021, 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, both dates inclusive.

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 programme. All options were subscribed.

Risks and uncertainties

Significant risks and uncertainties are reviewed below. For a more detailed description, please refer to Dedicare's Annual Report for 2021.

Russia's invasion of Ukraine has caused uncertainty in our business environment. Dedicare's assessment is that this conflict does not have a direct impact on its operations, but may have consequences such as a cyclical impact, rising inflation, etc. Dedicare's basic position is that its operations are acyclical. Dedicare is monitoring ongoing progress, and continuously assesses the effects this may have on its business, and the actions that may need to be taken.

Political decisions

On those markets where Dedicare currently operates—Sweden Norway, Denmark, Finland and the UK—healthcare is largely publicly funded. Public funding means that downsizing, cost-cutting, rationalisations and similar measures at central, regional or local government level may have a significant negative impact on Dedicare's operations. Dedicare's operations may also be heavily affected by the political control of healthcare. In this context, the question of procuring staffing services in health and social care is, and has been, the subject of debate. In Sweden, Norway, and Denmark, political actions are being conducted to reduce dependency on contracted healthcare staff.

Contract dependency

Dedicare has a small number of clients that represent a high share of the company's total sales. Usually, staffing services are procured through a collective tendering process. These public tenders are strictly legislated, and generally, a number of priority providers are selected on a roster, who then enter framework agreements. These agreements

¹ SKR: 'Staffing trends for agency health and social care staff.'

² NHO: 'Staffing sector statistics'

usually have two-year terms, with maximum extensions of two years. On each occasion Dedicare was unable to win tenders with large individual clients, or moves down their roster, this could have a material temporary negative impact on the group's sales and profitability. Dedicare works continuously on ensuring that the group has the skills and staffing necessary so its tenders consistently maintain high quality.

The largest client in Sweden, Region Stockholm health authority, represented some 15.7 per cent (22.8) of Dedicare Sweden's turnover in the January-December period. In Norway, the largest client Helse Sør Øst regional health authority, generated approximately 7.1 percent (11.4) of Dedicare Norway's total turnover in the January-December period. The North Jutland regional health authority was Dedicare Denmark's largest client, representing approximately 34.3 percent (25.5) of turnover. The largest client in the UK for the October-December period was King Edward's Hospital, which represented approximately 58.2 percent (0) of turnover.

Contract disputes

Framework agreements with public sector clients in Sweden, Norway and Denmark usually prescribe a liability for Dedicare to pay penalties, and in certain cases, extra costs incurred by a client if Dedicare is unable to fulfil an agreement it has entered. If, for any reason, Dedicare is unable to complete the assignments the company has undertaken, there is a risk that clients will exercise their right to financial compensation, or terminate their contract early.

Skills shortages in consulting business

A shortage of resources is a potential obstacle to continued growth. Dedicare's 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 mission-critical.

Dedicare needs to keep staff turnover at a low level so consultants remain with the company as long as possible. This is achieved by working actively on our consultant offering and using social media to communicate the benefits of choosing Dedicare as a client for people that want to work as consultants.

Inability to attract key staff and managers

Like all service companies, Dedicare is dependent on the people in its business. Dedicare is negatively impacted if managers and other key staff decide to leave the company. This is partly because we lose important skills, and partly because long-term relationships are vital in our sector. Accordingly, it is critical that we remain an attractive client to staff that have been working with the company for several



years, which is why this is one of our five strategic focus areas.

Medical errors

Dedicare's duty is to provide its clients 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 healthcare services. If healthcare 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.

IT security

Growing digitalisation means that Dedicare needs to manage risks associated with the information society. Its business is dependent on the availability of suitable digital systems, a highly functional IT environment and infrastructure. The capability to manage cyberthreats, business continuity and data security risks are additional. Delays in the rollout of key systems, unplanned outages, cybersecurity weaknesses, data infringement and losses are significant risks that need to be managed. The group has centralised IT management, and continuously reduces the risk of various types of attack by taking the necessary action, as well as proactively managing and investing in IT security.

Transactions with related parties

No material transactions with related parties occurred in the period January - December 2022.

Financial goals and performance

Growth

Over time, Dedicare's objective is to grow by at least 10 percent yearly. Its growth goal includes further acquisitions. In the fourth quarter, Dedicare altered its growth target to grow by 10 percent over time. In the fourth quarter, growth was 42.3 percent.

EBIT margin

Dedicare's target is for its EBIT margin to exceed 7.0 percent. In the fourth quarter of 2022, its EBIT margin was 6.2 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 30.0 percent. As of 31 December 2022, the equity/assets ratio was 35.4 percent.

Dividend policy

Dedicare's target is for its dividend to be at least 50.0 percent of net profit over a business cycle. For the financial year 2022, Dedicare's Board is proposing a dividend corresponding to 56.6 percent (57.6) of net profit.

About Dedicare

Dedicare is the Nordic region's largest recruitment and staffing company in healthcare, life science and social work.

The company is listed on Nasdaq Stockholm, and has operations in Sweden, Norway, Denmark, Finland and the UK. Dedicare has four offices in Sweden, two in Norway, one in Finland, two in Denmark, and two in the UK.

In Sweden, Dedicare is a member of the Employers' Organisation for the Swedish Service Sector (*Almega Kompetensföretagen*) and the Swedish Association of Care Providers (*Vårdföretagarna*), and operates through collective bargaining agreements. In Norway, Dedicare is a member of the Confederation of Norwegian Enterprise (*Næringslivets Hovedorganisasjon*). And in Denmark, Dedicare is a member of the Danish Chamber of Commerce (*Dansk Erhverv*).

The company holds ISO 9001:2015 quality management certification, ISO 14001:2015 environmental management systems certification, and ISO 45001:2018 occupational health & safety certification..

Business concept

Dedicare will be the best at attracting and delivering specialist skills in healthcare, life science and social work.

Business model

Based on **social needs** for healthcare and social work skills, we have formulated **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.

Condensed Consolidated Statement of Comprehensive Income

SEK million	Note	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating revenue					
Net sales	1	499.3	354.3	1,768.0	1,249.9
Capitalised work performed by the company		4.3	0.0	4.3	0.0
Other operating income ¹		0.7	24.0	16.4	33.0
Total operating revenue		504.3	378.3	1,788.7	1,282.9
Operating expenses					
Purchased services		-104.1	-74.3	-366.6	-271.2
Personnel expenses		-305.9	-221.2	-1,085.7	-780.1
Other operating expenses ¹		-56.4	-52.8	-180.3	-128.9
Depreciation and amortisation of tangible and intangible assets	2	-6.6	-4.4	-20.2	-13.4
Operating profit²		31.3	25.5	135.9	89.2
Financial items ¹		-1.4	-0.9	-5.6	-2.2
Profit after financial items		29.9	24.6	130.3	87.1
Income taxes		-4.8	-8.0	-29.0	-21.5
Profit for the period		25.1	16.6	101.3	65.6
Other comprehensive income					
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences		3.8	2.1	8.9	0.6
Total comprehensive income for the period		28.9	18.7	110.2	66.2
Of which attributable to:					
Equity holders of the parent		28.9	18.7	110.2	66.2
Basic earnings per share (SEK)		2.64	1.77	10.69	6.98
Diluted earnings per share (SEK)		2.61	1.75	10.59	6.91

¹ Effective 2022, exchange rate changes of an operating nature are reported under other operating income (exchange rate gains) and other external expenses (exchange rate losses). They were previously reported under financial items. Comparative figures have been updated as follows: for the comparative period January-December 2021, other operating income increases by SEK 33 million, other external expenses increase by SEK 31.6 million, and financial items decrease by SEK 1.5 million. For the comparative period October- December 2021, other operating income increases by SEK 24.0 million, other external expenses increase by SEK 24.6 million, and financial items increase by SEK 0.6 million.

² EBIT for the period October-December 2022 includes acquisition costs of SEK 2.7 million, and accumulated for the period January-December 2022, SEK 4.1 million. Adjusted for these non-recurring items, EBIT for October-December is SEK 34.0 million, and accumulated for the period January-December 2022, SEK 140.0 million.

Condensed Consolidated Statement of Financial Position

SEK million	Note	31 Dec 2022	31 Dec 2021
Assets			
Intangible assets	2	171.1	78.7
Right-of-use assets		28.3	10.9
Equipment		2.0	1.7
Deferred tax assets		0.4	1.4
Deposits paid		4.8	4.8
Total fixed assets		206.6	97.5
Current assets			
Current receivables		393.3	268.0
Cash and cash equivalents		142.8	132.4
Total current assets		536.1	400.4
TOTAL ASSETS		742.7	497.9
Equity			
		262.6	178.5
Non-current liabilities			
Provisions		4.9	42.2
Other non-current liabilities		92.3	20.2
Deferred tax liabilities		18.2	10.7
Total non-current liabilities		115.4	73.1
Current liabilities			
Current tax liabilities		31.9	24.3
Other current liabilities		332.8	222.0
Total current liabilities		364.7	246.3
TOTAL EQUITY AND LIABILITIES		742.7	497.9

Condensed Consolidated Statement of Changes in Equity

SEK million	Jan-Dec 2022	Jan-Dec 2021
Equity at beginning of period	178.5	135.4
Profit for the period	101.3	65.6
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences	8.9	0.6
Transactions with shareholders		
Non-cash issue	12.1	0.0
Transaction fees	-0.1	0.0
New shares in issue and share warrants deposited	0.0	0.4
Dividend	-38.1	-23.5
Equity at end of period	262.6	178.5

Condensed Consolidated Statement of Cash Flows

SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating activities				
Cash flow from operating activities before changes in working capital	30.0	30.7	130.4	93.4
Changes in working capital	52.0	-9.6	-25.0	-23.8
Cash flow from operating activities	82.0	21.1	105.4	69.6
Investing activities				
Acquisition of subsidiaries	-11.7	0.0	-27.1	0.0
Acquisition of tangible and intangible fixed assets	-1.5	-0.7	-5.4	-2.3
Cash flow from investing activities	-13.2	-0.7	-32.5	-2.3
Financing activities				
Paid-up share warrants	0.0	0.0	0.0	0.4
Transaction fees	-0.1	0.0	-0.1	0.0
Borrowings	0.0	0.0	28.6	0.0
Repayments of loans	-3.3	-1.8	-47.8	-6.9
Repayment of of lease liability	-3.1	-1.7	-9.1	-6.2
Cash deposits	0.0	0.0	0.3	-0.6
Dividend paid	0.0	0.0	-38.1	-23.5
Cash flow from financing activities	-6.5	-3.5	-66.2	-36.8
Cash flow for the period	62.3	16.9	6.7	30.5
Cash and cash equivalents at beginning of period	79.3	114.8	132.4	100.3
Exchange differences in cash and cash equivalents	1.2	0.7	3.7	1.6
Cash and cash equivalents at end of period	142.8	132.4	142.8	132.4

Note 1. Segment information and disclosures on categories of revenue

Dedicare monitors operations divided between the operating segments Sweden, Norway, Denmark, New Markets and Group-wide.

The Sweden, Norway, Denmark and New Markets segments consist of business operations in recruitment and staffing in each country, as well as allocated central expenses such as cost of premises, accounting administration, IT management, marketing etc. pursuant to an allocation key based on segment turnover. New Markets consists of the acquired operation in the UK. The Group-wide segment consists of group-wide items such as amortisation of surplus values from acquisitions, amortisation related to business transfers, transition to IFRS 16, intragroup transactions, eliminations etc.

Dedicare's segments report in a manner that best reflects the reporting monitored by the group's CEO. The accounting policies applied to segment reporting are consistent with those the group applies.



Allocation net revenue SEK million	Public	Private	Total	Public	Private	Total
	Oct-Dec 2022	Oct-Dec 2022	Oct-Dec 2022	Oct-Dec 2021	Oct-Dec 2021 ¹	Oct-Dec 2021 ¹
Sweden	108.9	40.3	149.2	108.4	17.5	125.9
Norway	260.5	23.5	284.0	173.0	13.3	186.3
Denmark	54.0	1.3	55.3	39.9	2.2	42.1
New markets	10.8	-	10.8	-	-	-
Total net revenue	434.2	65.1	499.3	321.3	33.0	354.3

Allocation net revenue SEK million	Public	Private	Total	Public	Private	Total
	Jan-Dec 2022	Jan-Dec 2022	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2021 ¹	Jan-Dec 2021 ¹
Sweden	433.5	129.3	562.8	404.5	45.0	449.5
Norway	959.4	56.2	1,015.6	603.4	47.9	651.2
Denmark	177.0	1.8	178.8	142.8	6.3	149.1
New markets	10.8	-	10.8	-	-	-
Total net revenue	1,580.7	187.3	1,768.0	1,150.7	99.2	1,249.9

Net revenue per operating segment, SEK million	Oct-Dec 2022	Oct-Dec 2021¹	Jan-Dec 2022	Jan-Dec 2021¹
Sweden	149.2	125.9	562.8	449.5
Norway	284.0	186.3	1,015.6	651.2
Denmark	55.3	42.1	178.8	149.1
New markets	10.8	-	10.8	-
Total net revenue	499.3	354.3	1,768.0	1,249.9
Work performed by the company for its own use and capitalised	4.3	-	4.3	-
Other operating income	0.7	24.0	16.4	33.0
Total operating revenue	504.3	378.3	1,788.7	1,282.9

Operating profit per operating segment, SEK million	Oct-Dec 2022	Oct-Dec 2021¹	Jan-Dec 2022	Jan-Dec 2021¹
Sweden	7.7	3.8	31.7	14.5
Norway	27.4	23.2	112.1	72.4
Denmark	2.9	1.3	8.8	6.6
New markets	1.1	-	1.1	-
Group-wide costs	-7.8	-2.9	-17.8	-4.3
Operating profit	31.3	25.5	135.9	89.2
Financial items	-1.4	-0.9	-5.6	-2.2
Profit after financial items	29.9	24.6	130.3	87.1

¹ Due to a new segment model, the comparative figures for 2021 have been restated.

Operating profit which relates to companies acquired per operating segment, SEK million	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sweden	2.2	-	7.2	-
New markets	1.1	-	1.1	-
Group-wide costs	-4.5	-	-7.9	-
Operating profit	-1.2	-	0.4	-

Full-time employees per operating segment	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sweden	394	346	381	310
Norway	761	547	709	539
Denmark	101	86	87	76
New markets	53	-	53	-
Total full-time employees	1,309	978	1,230	925

The number of employees includes subcontracting consultants, of which there were 189 (156) in the period January-December.

Note 2. Intangible non-current assets

Oct-Dec 2022, SEK million	Group					
	Goodwill	Customer agreements	Database	Trademark	Other intangible fixed assets	Total
Opening purchase value	97.1	40.1	12.8	0.3	9.3	159.6
Aquisitions	13.7	13.6	2.5	1.2	0.1	31.1
Investments in the period	0.0	0.0	0.0	0.0	0.8	0.8
Reclassification	0.0	0.0	0.0	0.0	0.4	0.4
Translation differences	1.5	0.6	0.1	0.0	0.0	2.2
Closing purchase value	112.3	54.3	15.4	1.5	10.6	194.1
Opening accumulated amortisation	0.0	-13.8	-2.3	-0.1	-3.1	-19.3
Amortisation in the period	0.0	-2.2	-0.7	-0.3	-0.2	-3.4
Translation differences	0.0	-0.3	0.0	0.0	0.0	-0.3
Closing accumulated amortisation	0.0	-16.3	-3.0	-0.4	-3.3	-23.0
Closing carrying amount	112.3	38.0	12.4	1.1	7.3	171.1

Oct-Dec 2021, SEK million	Group					
	Goodwill	Customer agreements	Database	Trademark	Other intangible fixed assets	Total
Opening purchase value	61.4	16.6	4.7	6.3	89.0	
Investments in the period	0.0	0.0	0.0	0.6	0.6	
Translation differences	0.3	0.0	0.0	0.0	0.2	
Closing purchase value	61.7	16.6	4.7	6.9	89.9	
Opening accumulated amortisation	0.0	-7.1	-0.9	-1.7	-9.7	
Amortisation in the period	0.0	-1.2	-0.1	-0.2	-1.5	
Closing accumulated amortisation	0.0	-8.3	-1.0	-1.9	-11.2	
Closing carrying amount	61.7	8.3	3.7	4.9	78.7	

Jan-Dec 2022, SEK million	Group					Total
	Goodwill	Customer agreements	Database	Trademark	Other intangible fixed assets	
Opening purchase value	61.7	16.6	4.7	0.0	6.9	89.9
Aquisitions	45.3	36.0	10.3	1.5	0.1	93.2
Investments in the period	0.0	0.0	0.0	0.0	4.3	4.3
Reclassification	0.0	0.0	0.0	0.0	-0.7	-0.7
Translation differences	5.3	1.7	0.4	0.0	0.0	7.4
Closing purchase value	112.3	54.3	15.4	1.5	10.6	194.1
Opening accumulated amortisation	0.0	-8.3	-1.0	0.0	-1.9	-11.2
Amortisation in the period	0.0	-7.0	-1.9	-0.4	-1.3	-10.6
Translation differences	0.0	-1.0	-0.1	0.0	0.0	-1.1
Closing accumulated amortisation	0.0	-16.3	-3.0	-0.4	-3.3	-23.0
Closing carrying amount	112.3	38.0	12.4	1.1	7.3	171.1

Jan-Dec 2021, SEK million	Group					Total
	Goodwill	Customer agreements	Database	Trademark	Other intangible fixed assets	
Opening purchase value	60.2	16.3	4.6	7.0	88.1	
Investments in the period	0.0	0.0	0.0	1.8	1.8	
Retirements in the period	0.0	0.0	0.0	-2.0	-2.0	
Translation differences	1.5	0.3	0.1	0.1	2.0	
Closing purchase value	61.7	16.6	4.7	6.9	89.9	
Opening accumulated amortisation	0.0	-3.5	-0.4	-2.8	-6.7	
Retirements in the period	0.0	0.0	0.0	2.0	2.0	
Amortisation in the period	0.0	-4.7	-0.6	-1.1	-6.4	
Translation differences	0.0	-0.1	0.0	0.0	-0.1	
Closing accumulated amortisation	0.0	-8.3	-1.0	-1.9	-11.2	
Closing carrying amount	61.7	8.3	3.7	4.9	78.7	

Note 3. Business combinations

Acquisition of H&P Search & Interim AB

On 1 April 2022, Dedicare acquired 100 percent of the share capital and voting rights of H&P Search & Interim AB (H&P), corp. ID no. 556767–6548, which conducts operations in life science on the Swedish market. This acquisition brings a stronger portfolio through operations now being expanded to also include life science. The purchase consideration for the acquisition of H&P was paid in cash, as well as shares of Dedicare AB (publ) through a non-cash issue. A contingent consideration has been agreed, based on H&P's earnings performance over the next two and three years respectively. The definitive acquisition analysis and measurement of goodwill and any other intangible assets associated with the acquisition was completed in the fourth quarter. Acquisition-related expenses of SEK 1.4 million have been recognised as an expense in the group's earnings.

The acquired business contributed total revenue of SEK 40.7 million and a net profit after tax of SEK 1.9 million to the group's earnings for the period 1 April 2022 to 31 December 2022. If the acquisition had been completed on 1 January 2022, the consolidated proforma for revenue and net profit after tax as of 31 December 2022 would have been SEK 56.4 million and SEK 11.4 million respectively.

Acquisition of Optimal Medical Limited

On 1 October 2022, Dedicare acquired 100 percent of the share capital and voting rights of Optimal Medical Ltd., company no. 09526199, which conducts doctor recruitment and staffing business in the UK, Ireland, and the UK's non-European territories, through its wholly owned subsidiary Templars Medical Agency Ltd. (Templars). The acquisition is consistent with Dedicare's growth strategy, which means the group consolidates its positioning in Europe, and gaining a platform in the UK and Ireland for continued expansion. The purchase consideration for the acquisition was paid in cash and shares of Dedicare AB (publ) through a non-cash issue. A contingent consideration has been agreed, based on Templars' earnings performance over the coming two years. A definitive acquisition analysis and measurement of goodwill and any other intangible assets linked to the acquisition will be completed in the second quarter of 2023. Acquisition-related expenses of SEK 2.7 million have been recognised as an expense in the group's profit or loss.

The acquired business contributed total revenue of SEK 10.8 million and a net profit after tax of SEK 0.4 million to the group's earnings for the period 1 October 2022 to 31 December 2022. If the acquisition had been completed on 1 January 2022, the consolidated proforma for revenue and net profit after tax as of 31 December 2022 would have been SEK 33.3 million and SEK 3.0 million respectively.

SEK million	H&P Search & Interim AB	Optimal Medical Limited
Fair value of consideration transferred		
Amount settled in cash	-19.2	-18.4
Share payment	-8.3	-3.7
Earn-out payment	-31.8	-12.2
Total value of consideration transferred	-59.3	-34.3
Carrying amount of identifiable net assets		
Customer agreements	22.4	13.6
Database	7.8	2.5
Trademark	0.3	1.2
Tangible fixed assets	0.0	0.3
Deposits paid	0.0	0.1
Current receivables	12.8	8.2
Cash and cash equivalents	3.8	6.6
Current tax liabilities	-1.1	-1.3
Current tax liabilities	-12.0	-7.1
Deferred tax liabilities	-6.3	-3.5
Total identifiable net assets	27.7	20.6
Goodwill on acquisition	31.6	13.7
Total	31.6	13.7
Transferred cash and compensation	-19.2	-18.4
Acquired cash and cash equivalents	3.8	6.7
Net cash flow on acquisition	-15.4	-11.7

Performance measures

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
EBITDA margin, % ¹	7.5%	7.9%	8.7%	8.0%
EBIT margin, % ¹	6.2%	6.7%	7.6%	7.0%
EBIT margin adjusted for non-recurring items, % ¹	6.7%	6.7%	7.8%	7.0%
Profit margin, % ¹	5.9%	6.5%	7.3%	6.8%
Net debt(+)/Net cash(-), SEK million	-26.8	-98.9	-26.8	-98.9
Equity/assets ratio, %	35.4%	35.9%	35.4%	35.9%
Equity per share, SEK	27.46	19.00	27.46	19.00
Cash flow from operating activities per share, SEK	8.57	2.25	11.02	7.41
Number of employees, average ²	1,309	978	1,230	925
Revenue per employee, SEK thousand ¹	381	365	1,454	1,350
Share price at end of period, SEK	122.0	68.8	122.0	68.8
Average number of shares before dilution	9,541,519	9,395,397	9,478,845	9,395,397
Average number of shares after dilution	9,631,519	9,485,397	9,568,845	9,485,397
Number of outstanding shares	9,562,642	9,395,397	9,562,642	9,395,397

¹ Performance measures for 2021 have been restated because of the adjusted profit. Exchange rate changes of an operating nature are reported under other operating income (exchange rate gains) and other external expenses (exchange rate losses). They were previously reported under financial items.

² The average number of employees includes subcontracting consultants, of which there were 189 (156) in the period January-December.

Reconciliation of alternative performance measures

Dedicare uses alternative performance measures (APMs). Dedicare's APMs are computed on financial statements prepared pursuant to applicable regulations governing financial reporting. The performance measures reviewed below are not consistent with IFRS, but intended to assist stakeholders in analysing Dedicare's earnings and financial structure.

Return on equity

SEK million	Oct-Dec 2022	Oct-Dec 2021	Oct-Dec △	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec △
Profit for the period	25.1	16.6	8.5	101.3	65.6	35.7
Average equity	246.3	160.3	86.0	214.3	154.6	59.7
Return on equity	10.2%	10.4%	-0.2%	47.3%	42.4%	4.9%

Return on total capital

SEK million	Oct-Dec 2022	Oct-Dec 2021	Oct-Dec △	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec △
Profit after financial items	29.9	24.6	5.3	130.3	87.1	43.3
Average total capital	679.2	476.4	202.9	607.3	445.8	161.5
Return on total capital	4.4%	5.2%	-0.8%	21.5%	19.5%	2.0%

Definitions on page 24.

Parent company

Overall group management, finance and IT management are conducted in the parent company. Until December 2021, the parent company had an agreement whereby the operations of one company are conducted on behalf of another (Sw. *kommissionärsavtal*) with a Swedish subsidiary, implying that the profit or loss of the subsidiary's operations were accounted in the parent company. This agreement terminated effective January 2022, when the Swedish business operation transferred to a separate subsidiary.

Condensed Parent Company Income Statement

SEK million	Note	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating revenue					
Net sales		20.6	126.6	27.6	451.1
Capitalised work performed by the company		4.3	0.0	4.3	0.0
Other operating revenue ¹		0.2	4.3	5.6	5.0
Total operating revenue		25.1	130.9	37.5	456.1
Operating expenses					
Purchased services		0.4	-44.8	0.3	-171.4
Personnel expenses		-6.9	-76.5	-23.0	-257.0
Other external expenses ¹		-17.0	-12.0	-45.4	-37.1
Depreciation and amortisation of tangible and intangible assets		-0.5	-0.4	-1.8	-1.7
Operating profit		1.1	-2.9	-32.4	-11.1
Profit from financial items					
Profit from participations in group companies		85.1	73.1	85.1	73.1
Other financial items ¹		-1.7	-0.8	-3.1	-0.9
Profit after financial items		84.5	69.4	49.6	61.0
Appropriations		34.1	10.2	34.1	10.2
Tax on profit for the period		0.0	-1.7	0.0	0.0
Profit for the period		118.6	77.9	83.7	71.2

¹ Effective 2022, exchange rate changes of an operating nature are reported under other operating income (exchange rate gains) and other external expenses (exchange rate losses). They were previously reported under other financial items. Comparative figures have been updated as follows: for the comparative period January-December 2021, other operating income increases by SEK 5.0 million, other external expenses increase by SEK 7.9 million, and financial items increase by SEK 2.9 million. For the comparative period October- December 2021, other operating income increases by SEK 4.3 million, other external expenses increase by SEK 4.4 million, and financial items increase by SEK 0.1 million.

Condensed Parent Company Balance Sheet

SEK million	Note	31 Dec 2022	31 Dec 2021
Fixed assets			
Other fixed assets		7.6	5.6
Shares in subsidiaries		201.8	104.0
Other financial assets		4.3	4.3
Total fixed assets		213.7	113.9
Current assets			
Other current receivables		199.4	101.0
Cash and bank		105.6	120.8
Total current assets		305.0	221.8
TOTAL ASSETS		518.7	335.6
Equity			
		200.9	143.3
Untaxed reserves			
		27.3	37.1
Long-term liabilities			
Provisions		0.0	35.6
Other long-term liabilities		74.9	15.5
Total long-term liabilities		74.9	51.1
Current liabilities			
Other current liabilities		215.6	104.1
Total current liabilities		215.6	104.1
TOTAL EQUITY AND LIABILITIES		518.7	335.6

Condensed Parent Company Statement of Changes in Equity

SEK million	Jan-Dec 2022	Jan-Dec 2021
Equity at beginning of period	143.3	95.2
Profit for the period	83.7	71.2
Transactions with shareholders		
Non-cash issue	12.1	0.0
Transaction fees	-0.1	0.0
Share warrants deposited	0.0	0.4
Dividend	-38.1	-23.5
Equity at end of period	200.9	143.3

Accounting policies

Dedicare prepares its consolidated accounts in accordance with International Financial Reporting Standards (IFRS).

The Interim Report for the group has been prepared in accordance with IAS 34 Interim Financial Reporting, and for the parent company, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The accounting policies and computation methods applied for the group and parent company are consistent with those accounting policies and computation methods applied when preparing the most recent annual accounts. In addition to these, the following accounting policy has been added.

Definitions

Number of employees, average

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

Return on equity

Profit for the period divided by average equity.

Return on total capital

Profit after financial items plus financial expenses divided by average total capital.

EBITDA

(Earnings before interest, taxes, depreciation and amortisation)

Operating profit before financial revenue and expenses, tax, depreciation and amortisation of tangible and intangible assets, as well as impairment.

EBITDA margin

EBITDA as a percentage of operating revenue.

Average equity

Average equity at quarter-end.

Revenue per employee

Operating revenue divided by the average number of employees. The average number of employees is computed by dividing the total hours worked in the period by the scheduled working-hours of a full-time employee. The number of employees includes subcontracting consultants.

Net debt/net cash

Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

Software as a Service (SaaS) arrangements

In March 2019 and April 2021, the IFRS Interpretations Committee (IFRS IC) published two agenda decisions on the treatment of configuration and customisation costs in a cloud solution, known as a SaaS arrangement. Based on these agenda decisions, Dedicare is reporting implementation expenses for SaaS arrangements that do not fall within the scope of IAS 38 or IFRS 16 as deferred expenses when they occur, and expensed on a straight-line basis during the software's planned useful life. The software is expensed from the date when it is available for use. Activities in the research phase, as well as maintenance and training initiatives, are expensed as they are incurred.

No other new or revised IFRS and interpretation statements from IFRIC that came into effect on 1 January 2022 had any material impact on Dedicare's financial statements.

Profit after financial items

EBIT including financial revenue less financial expenses.

Diluted earnings per share

Profit for the period after dilution attributable to holders of ordinary shares of the parent company, divided by the weighted average number of potential ordinary shares.

Basic earnings per share

Profit for the period attributable to holders of ordinary shares of the parent company, divided by the weighted average number of outstanding ordinary shares in the period.

EBIT margin

Earnings before interest and taxes as a percentage of operating revenue.

EBIT margin adjusted for non-recurring items

EBIT adjusted for non-recurring items associated with acquisitions as a percentage of operating revenue.

EBIT adjusted for non-recurring items

EBIT adjusted for non-recurring items associated with acquisitions.

EBIT

(Earnings before interest and taxes)
Profit or loss before financial items and tax.

Equity/assets ratio

Equity as a percentage of total capital.

Profit margin

Profit after financial items as a percentage of operating revenue.

Calendar for financial information

24 March 2023	Annual and Sustainability Report 2022
20 April 2023	Interim Report 1 January – 31 March 2023
14 July 2023	Interim Report 1 January – 30 June 2023
20 October 2023	Interim Report 1 January – 30 September 2023
16 February 2024	Year-end Report 1 January – 31 December 2023

Krister Widström
CEO and Managing Director

Stockholm, Sweden, 17 February 2023

This report has been signed by the Managing Director and CEO after authorisation by the Board of Directors.

Auditor review

This Year-end Report has not been subject to audit or summary review by the company's auditors.

For more information, please contact:



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