

Qualified staff for every specific situation

DEDICARE

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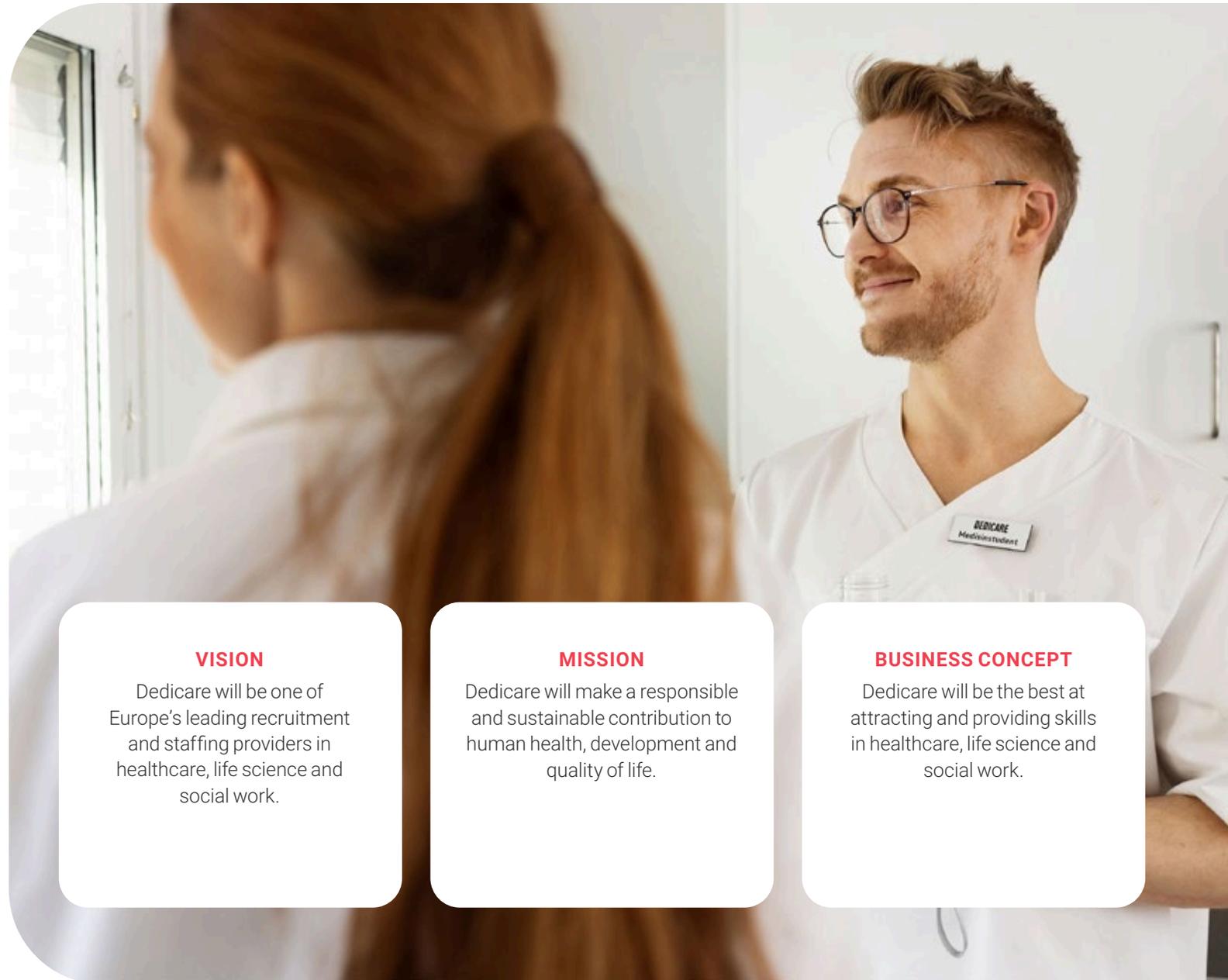
Overview



About Dedicare

Dedicare is the Nordic region's largest recruitment and staffing provider in healthcare, life science and social work, with operations in Sweden, Norway and Denmark. In Finland we carry out recruitment for our staffing operations in the rest of the Nordic region. We have also had a presence in the UK & Ireland since autumn 2022. We recruit and contract in doctors, nurses, social workers, sociologists, psychologists, preschool staff and life science specialists to clients in the private and public sectors.

With over 26 years' experience, we are the biggest and most experienced recruitment and staffing company in the Nordics. Our primary driving force is to make a responsible and sustainable contribution to human health, development and quality of life. We provide our clients with skills, and help our consultants progress towards their career goals with good terms of employment. The impact we create is safer and more accessible health and social care for everyone, and this is something we're proud of.



VISION

Dedicare will be one of Europe's leading recruitment and staffing providers in healthcare, life science and social work.

MISSION

Dedicare will make a responsible and sustainable contribution to human health, development and quality of life.

BUSINESS CONCEPT

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

History

Our journey began in 1996, but now Dedicare has a presence Nordic wide, as well as in the UK & Ireland, where we have over 2,000 consultants on assignment daily. Our journey towards becoming one of Europe's leading recruitment and staffing providers in healthcare, life science and social work continues.



Dedicare is founded

when we realise that Sweden's healthcare sector has an acute need for skills. The objective is to help healthcare by providing qualified nurses, and thus help achieve better, more accessible healthcare for everyone.

1996



Dedicare floated on the Stockholm stock exchange

as a step towards our vision of becoming the Nordic region's largest, and one of Europe's leading, recruitment and staffing companies.

2011



Providing preschool staff starts in Norway

under the Acapedia brand, and we also move into social worker staffing in Norway.

2017



Acquisition of Danish staffing provider KonZenta

We're now providing skills Nordic wide, and can also offer our consultants assignments in Denmark.

2020

2002



Dedicare makes its first cross-border move, when acquire **Active Nurse in Norway**. By starting up in Norway, Dedicare can offer an even broader palette of stimulating assignments and new environments for our consultants.

2009

Dedicare takes the step of **starting up doctor staffing in Norway**, so it can offer nurse and doctor staffing in Sweden and Norway.

2013

Dedicare begins providing social worker staff in Sweden, and subsequently extends this to **psychologists**. This means we are providing specialist skills to the social work sector.

2019

Dedicare opens a recruitment office in Finland, enabling Finland's doctors and nurses to access the whole Nordic region for work. We expand our proposition and **start offering recruitment** in 2019.

2022

In March 2022, we acquire **H&P Search & Interim AB**, which recruits and contracts in consultants Nordic wide **in the life science sector**. This means we are now also offering recruitment and staffing in sectors including pharmaceuticals, biotechnology and medical devices.



Dedicare also takes a momentous step into Europe in 2022, when it **acquires UK recruitment and staffing provider Templars Medical Agency Ltd**. This means we are now offering consultants in the UK, Ireland and the Falklands Islands, Gibraltar and other exciting locations around the world.

The year in brief

Net revenue

The group's net revenue increased by 41.5 percent for the year 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.

In **Sweden**, turnover increased by 25.2 percent for the year to SEK 562.8 million (449.5) with SEK 40.7 million of this 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 year 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 year to SEK 178.8 million (149.1). The increase mainly related to doctor staffing.

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

Earnings before interest and taxes

The group's EBIT for the year 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 amortisation of 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).

The group's **equity/assets ratio** was 35.4 percent (35.9).

The group had 1,230 (925) **employees**, of which 31 percent relate to Sweden, 58 percent to Norway, 8 percent to Denmark and 3 percent to New Markets.

The proposed **dividend per share** is SEK 6.00. Total dividend amounts to SEK 57.38 million, which is 57 percent of net profit for the year.

Yearly growth, %

41.5%

2021

2020

41.2%

14.0%

Operating revenue, SEK m

1,768.0

2021

2020

1,249.9

885.2

Profit for the year, SEK m

101.3

2021

2020

65.6

36.1

EBIT margin, %

7.6

2021

2020

7.0

5.7

Equity/assets ratio, %

35.4

2021

2020

35.9

37.0

Dividend, SEK

6.00

2021

2020

4.00

2.50

Highlights of the year



Events 2022 Sweden

- ✓ Dedicare Sverige AB incorporated to transfer the Swedish business operations from the parent company Dedicare AB to a separate subsidiary
- ✓ H&P Search & Interim acquired, and consulting and recruitment services in life science added to Dedicare's offering
- ✓ Dedicare actively pursues the issue of good terms of employment for healthcare staff through dialogue, opinion articles, and finally appealing against Sweden's nationwide tendering procedure
- ✓ Dedicare entrusted by clients to assume overall responsibility for staffing through 'total staffing solutions' (Sw. totalbemanningslösningar) or 'guaranteed staffing solutions' (Sw. garantibemanningslösningar)
- ✓ H&P Search & Interim recognised as a 'Gazelle' growth company in 2022



Events 2022 Norway

- ✓ Operations expand by starting up life science in Norway
- ✓ Acapedia starts staffing preschool workers in Stjørdal
- ✓ Dedicare recognised as a 'Great Place to Work' in Norway
- ✓ Dedicare AS and Dedicare Doctor AS appointed recognised as 'Gazelle' growth companies in 2022



The business is broadened by Life Science is started in Norway.



Events 2022 Denmark

- ✓ Dedicare wins tender from Denmark's central regional health authority, enabling it to provide specialist physicians over a four-year term
- ✓ Early in the year, we increased internal staffing, primarily in recruitment
- ✓ Operations expanded beyond long-term contracts for Swedish doctors and nurses, to also cover long-term contracts for Danish nurses and doctors
- ✓ Recruitment of doctors and nurses added to services portfolio in the second and third quarters
- ✓ Start-up of new life science business segment



Events 2022 The Group

- ✓ Dedicare acquires Templars Medical, a recruitment and staffing provider of doctors in the UK, Ireland and the UK's non-European territories
- ✓ The group completes full implementation of sustainable recycling of all IT equipment
- ✓ All internal staff take further training in IT security
- ✓ Madeleine Raukas decides to leave Dedicare's Board of Directors in August
- ✓ Anette Sandsjö becomes CFO in September, and joins Group Management
- ✓ Radically upscale digital presence on social media in all countries, focusing on increase brand recognition, four candidates and clients.

CEO's statement

A fantastic year and exciting start to our expansion into Europe

We're putting a really great year for Dedicare behind us, our best to date. We achieved growth on all markets, while our sales and profitability both increased. In the year, we expanded our two original business segments, Healthcare and Social Work, into the Life Science sector. Our mission is for Dedicare to make a responsible and sustainable contribution to human health, development and quality of life, and here, life science is obviously a really good fit.

Biggest in the Nordics

In the year, we consolidated our status as the Nordic region's largest recruitment and staffing provider in healthcare, life science and social work. It's important that wherever our clients are in the Nordics, we can satisfy their skills supply needs. In our customer satisfaction survey for 2022, 98 percent of respondents stated that they were satisfied with us and will be appointing us again.

It's important that we offer our consultants the widest choice of assignments compared to competitors. Some consultants want assignments close to home, while others are interested in those in other parts of their own countries. We also have a lot of consultants interested in assignments in foreign countries, and a high share of our business is what we call Cross-border Staffing, where we offer consultants assign-

ments in other Nordic countries, where we arrange work, accommodation and travel. From 2023 onwards, we also have the ambition of offering consultants assignments in the UK & Ireland through our acquisition of Templars Medical—a big competitive advantage!

Being an attractive employer is crucial for us. When we succeed in that confirmed in our satisfaction survey for 2022, where our consultants give Dedicare very high score.

Financial performance

Turnover for 2022 was SEK 1,789 million, which is growth of 41,5 percent year on year. This means we more than doubled sales in two years. Our EBIT was SEK 135.8 million, growth of 52,3 percent year on year. It's also very positive that we more than doubled EBIT in two years.

Our markets

The common denominator of the markets where we operate are population growth and more older people. This has implications including the demand for healthcare, pharmaceuticals and medical devices increasing. We're also witnessing a rising need for, and increasing demands on, municipal social services, and mental health problems increasing, sharply among young people. People are placing increasing demands on social welfare resources, which is presenting a major challenge to society.

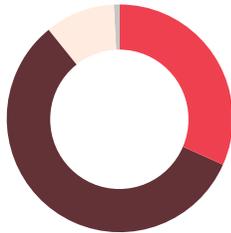
We were very successful in providing skills on a permanent and temporary basis to clients in 2022, which has helped enable good and equivalent health and social care for everyone, wherever they live.



We offer consultants assignments in other Nordic countries, where we arrange work, accommodation and travel. From 2023 onwards, we also have the ambition of offering consultants assignments in the UK & Ireland through our acquisition of Templars Medical.”

Sales breakdown

- Sweden 31.8%
- Norway 57.4%
- Denmark 10.1%
- Other markets 0.7%



Sweden

In 2022, we brought all our Swedish business into a single company, Dedicare Sverige AB.

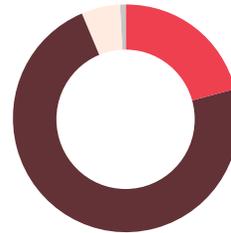
Sweden performed very well in 2022: turnover was SEK 562.8 million, 25.2 percent growth year on year. EBIT was SEK 31.7 million, growth of 118.6 percent year on year.

The main increases in 2022 were in nursing and social worker staffing, where demand was high. In the year, we faced challenges in doctor staffing, where margin pressure persists. We reorganised doctor staffing to focus on the right business.

Our acquisition in Sweden, H&P Search & Interim, contributed SEK 40,7 million of turnover and SEK 7,2 million to EBIT. In the year, the Swedish Association of Local Authorities and Regions (SKR) decided on a coordinated nationwide tender for care staffing services. This procedure was subject to appeal in May, and new

EBIT breakdown

- Sweden 22.3%
- Norway 82.5%
- Denmark 6.5%
- Other markets 0.8%



documentation was published in November. Several companies appealed against the tender, and the court issued an interim ruling to block agreements. Until the new deal is in place, we are continuing to operate under existing agreements with all regional authorities. We expect a new deal to be in place in the second quarter of 2023.

Norway

Our business in Norway succeeded in beating its record year of 2021, with turnover of over SEK 1 billion in 2022, which is really strong, and an increase of 56.0 percent year on year. All regions of our Norwegian business sustained their robust growth, and we won market shares. Demand in all our business segments was very high. EBIT was SEK 112.1 million, a 54.8 percent increase year on year.

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, and the need for healthcare staffing services on the Norwegian market going forward will remain substantial.

Denmark

We consolidated our positioning on the Danish market, and our operation there has continued to perform very well. Turnover was SEK 178.8 million, a 20.0 percent increase year on year. The Danish business focuses on long-term assignments in nurse and doctor staffing, and demand in both these job categories increased in the year. Denmark's EBIT was SEK 8.8 million, a 33.3 percent increase.

Great Place to Work

In 2022, Dedicare Norway became certified as a Great Place to Work. Great Place to Work is a company that evaluates the working environment of businesses worldwide. A total of 65 internal staff from Dedicare Norway participated in the survey, with all responding positively to its main question "Overall, I think this is a good place to work".

Turnover and EBIT margin



New Markets

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 & Ireland. The fourth quarter of 2022 was Templars' first with Dedicare, when turnover was SEK 10.8 million, and EBIT was SEK 1.1 million.

Our vision

In 2022, we took a big step in our ongoing evolution when we started up outside the Nordics through our acquisition of Templars Medical in the UK & Ireland, bringing us access to Europe's largest healthcare staffing market and becomes a platform for continued growth.

Initially, we'll be offering recruitment and staffing of doctors, but in time, we will also be offering skills in our other business segments.

Our vision is to become one of Europe's leading staffing providers in our business segments, and in 2022, we were Europe's tenth largest staffing company operating in healthcare. Our vision offers a possibility of increased growth, simultaneous with diversified risks through operating in several countries.

Going forward, we view Germany, France and the Netherlands as interesting new markets.

Sustainability

In the year, we continued to work on our four prioritised sustainability issues. Diversity and gender equality, good terms of employment, skills management of staff, and customer satisfaction.

Our staff, both those in-house and consultants, are a critical factor for our great success in recent years. It's crucial that we can attract and retain staff, and leadership is the foundation. In the year, we conducted leadership training in Norway in Sweden, and will implement it in Denmark in 2023.

Clear core value

One of Dedicare's clear core values is social sustainability, and in the year, we took a clear standpoint on good terms of employment in our sector. For us, good terms of employment in Sweden mean collective bargaining agreements and occupational pensions for all staff and consultants. At present, we're only one of three healthcare staffing providers in Sweden offering collective bargaining agreements, which may mean a financially insecure old age for retirees. With this initiative, we want to make collective bargaining agreements the sector standard, and achieve greater security.

In a longer-term perspective, Dedicare's ambition is to create value through more flexible working lives with good terms of employment health and social care staff,

which will mean less people leaving the sector. More people will train for work in societal welfare systems when there's diversity of employers and clients.

Strategic crossroads

One of our five strategic focus areas is "Market & Service Development" where we will work proactively on starting up and developing businesses in new customer segments, geographical regions and job categories that contribute to human health, development and quality of life.

Apart from starting up in the UK & Ireland, we also decided to create a new customer segment, Life Science, through the acquisition of H&P Search & Interim in Sweden. Through H&P, we offer life science specialists to pharmaceutical and medical device.

This acquisition is also the basis for creating the life science business segment in Norway and Denmark.

Continued digitization

Another of our strategic focus areas is "Operational Efficiency". We've continued to invest in IT and digitalisation, where we were already working on matching with AI. These investments are designed to create secure and efficient business processes, in-house in Dedicare, and for our clients and consultants. In the year, we also consolidated our efforts in IT security, as part of defending



We have doubled sales in two years. Our EBIT was 135.9 million, growth 52,3 percent year on year. It's also very positive that we more the doubled EBIT in two years."

our business against increasing cyber threats. Our goal is for Dedicare to be at the sector's leading edge in digital solutions and IT security.

I'd like to thank all our clients for our great partnerships, and all our people and consultants for your fantastic commitment and hard work in 2022—thank you!

Krister Widström

Managing Director & CEO

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Market



Market and drivers

Demographic progress is a common driver on Nordic and European markets, and indicates that the share of the population aged over 80 will increase over the next 10 years. In many countries, over half of care places are occupied by people aged over 65, and pressure on the number of places will probably increase ahead. Meanwhile, substantial retirement of nurses and doctors is expected over the next 10 years. The shortage of healthcare staff will be substantial in the future, unless major political action is taken. This shortage of resources presents

a challenge to healthcare and the staffing sector, and has resulted in rapidly increasing healthcare staff salary levels.

Acute shortage of healthcare staff

Shortage of healthcare staff is a challenge facing the whole of Europe and the US; each Nordic country has a shortage of thousands of doctors and nurses. The combination of the shortage of healthcare staff with increasing demand for care places has meant many countries transitioning from a healthcare staff shortage to acute crisis.

Higher costs of health and medical care

The combination of increasing healthcare costs and demographics, with technological advances in medicine and rising demands from patients and care consumers is forecast 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 key to running a cost-efficient business that also offers the potential to reorient quickly when required.

Our Surrounding

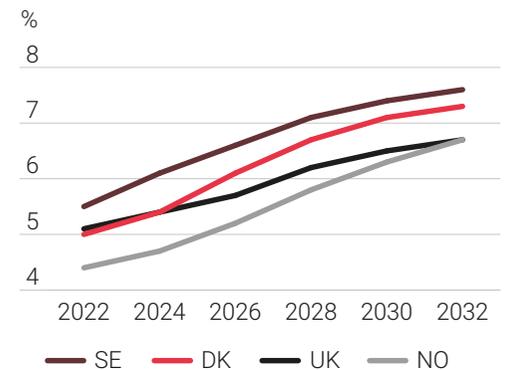
At present, there are many negative events in the outside world, including the war in the Ukraine, high inflation and high energy prices, which mean many forecasters expect that we are heading towards, or are already in, recession. Dedicare believes that healthcare and social work services are fairly acyclical, whose consumption will remain substantial, even in a recession.



Progress indicates we're heading towards an ageing population.



Share of population over the age of 80, per country



Our market

Dedicare mainly conducts recruitment and staffing operations in three countries: Sweden, Norway and Denmark. In Finland we carry out recruitment for our staffing operations in the rest of the Nordic region. We have also had operations in the UK since the fourth quarter of 2022. We provide our clients with skills in four segments, and the portfolio of skills may vary between the different countries.

Our offering

Dedicare provides specialist recruitment and staffing services in the following segments and markets.

	 Healthcare	 Life science	 Social work	 Preschool
Sweden	✓	✓	✓	
Norway	✓	✓	✓	✓
Denmark	✓	✓		
UK	✓			

Our clients

Apart from life science, over 90 percent of the market consists of public sector bodies like regional health authorities, municipalities and public authorities. The Nordic region is one of Europe's larger healthcare staffing markets.



Our market, cont.

Dedicare meets:

Social worker consultant Rosil

Rosil is a social worker consultant via Dedicare and currently works in an operation in Stockholm. The best thing about Rosil’s job is that she gets to make a difference. Working as a consultant through Dedicare, she doesn’t just get to help her clients, but also supports other sites that need relief, while contributing skills and getting the chance of career development.

“As a Dedicare consultant, you get the opportunity to try new workplaces, and this enables you to develop your skills. You decide when and where you want to work yourself, and you represent a reputable company that shows you a lot of trust and commitment.”

Rosil always feels seen and heard.

“In my experience, Dedicare is always there for me as a consultant. They’re responsive, ensure they’re satisfying my wants, and offer me good developmental prospects.”



Sweden

Sweden is the largest Nordic market for healthcare staffing. Clients are mainly regional health authorities, municipalities and private healthcare providers. The regional authorities are the largest purchasers of staffing services in healthcare, and according to the Swedish Association of Local Authorities and Regions (SKR), SEK 7,8 billion of healthcare staffing services were purchased in 2022. The cost of agency staff is only 4.8 percent of total healthcare personnel expenses in healthcare, a very low share.

Of the total market for healthcare staffing, Dedicare estimates that approximately 60 percent of market turnover is for doctor staffing, approximately 35 percent for nurses and approximately 5 percent for other healthcare job categories. The demand for social worker staffing has also increased in recent years. 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 until 2020.

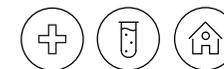
A high share of healthcare and social work staffing in Sweden is purchased through public tender. Contracts are usually for two years, with extension options of another two years. There are usually two contract models: rosters based on price with 5-10 providers, and fixed fee arrangements with 20-30 providers.

In 2022, Sweden’s 21 regional health authorities integrated through a collective tender intended to apply from spring 2023

onwards. Regional authorities’ costs for contracting in staff increased by nearly 25 percent in 2022, compared to the corresponding period of 2021.

There are approximately 90 competitors in Sweden, of which some 30 percent are termed “authorised”, which means they are party to collective bargaining agreements. Skills-based member companies of employers’ organisation Almega estimate that only a minority of Sweden’s healthcare staffing market consists of these authorised providers. Dedicare is an authorised recruitment and staffing provider, which means it offers good and secure terms of employment for consultants and employees. Companies that are not authorised are not subject to the requirement of compliance with collective bargaining agreements. If they so wish, such enterprises can decide to offer employees higher salaries without pension contributions, or charge clients higher prices, which can lead to a competition imbalance on the market.

Region, Sweden:



Turnover, SEK million 562.8
Growth, percent 25.2
Consultants* 536
MD. Eva Brunberg

*No. of consultants on assignment

Our market, cont.

Norway

Norway is the Nordic region’s second-largest market for healthcare staffing, where the main clients are healthcare providers and municipalities. The Confederation of

Norwegian Enterprise (NHO) estimates the procurement of healthcare staff at some NOK 3.4 billion in 2022. Providers that are not members of NHO, and vendors from Denmark and Sweden who are not included in the NHO statistics, are additional. Dedicare estimates that these providers had sales of approximately NOK 1.6 billion in 2022. Dedicare estimates that some 30 percent of turnover is sourced from doctor staffing, about 50 percent from nurses, and about 20 percent divided between other job categories.

Norway implemented restrictions to regulate parts of the staffing sector in 2022, although healthcare staffing is exempted.

A high share of staffing in healthcare is conducted through public tender in Norway. All of Norway’s hospitals are served by a single collective framework agreement with purchasing organisation Sykhusinnkjøp.

Agreements run for two years with further two-year extension options. The framework agreement for nurses was

renegotiated in 2023, and the framework agreement for doctors runs until 2025. There are some 40 competitors in Norway, and about half are members of NHO, while a number of Swedish in Danish enterprises also compete on the Norwegian market.

Region, Norway:



Turnover, SEK million 1,015.6
Growth, percent. 56.0
Consultants* 1,053
MD. Bård Kristiansen

* No. of consultants on assignment

Dedicare meets:

The adventurous Lotta

Lotta has 10 years’ experience as an intensive care nurse and loves her job. But during Covid-19, her workload became too much, and she was having difficulty in achieving a good work-life balance. She decided to prioritise her quality of life and resigned, but continued working as a consultant in Norway, through Dedicare.

“In my new position as a contracted nurse, I get the chance to go hiking in Norway’s magical surroundings, free time to go home and visit friends, my children and grandchildren. I control my own working-hours. I can breathe easy and enjoy good quality of life.”

“Coming to new sites, with new people and procedures, can be challenging. I am affected by loneliness and get homesick sometimes,” she explains.

“But it passes. I get out hiking, go exploring, and like making contact with other consultants. Dedicare sometimes arranges dinners at the sites where we work, which is great for making contact with other people. I haven’t regretted taking this decision for a second, so thanks to Dedicare for making this possible.”



Our market, cont.

Dedicare meets:

Senior physician Tobias

Tobias, a senior psychiatry physician, opted for life as a consultant in Denmark, and has attained work-life balance. Developing his skills and getting more quality time with his children are top of Tobias's agenda. The big difference between his current role and day-to-day life in Sweden is more freedom and flexibility.

"I've opted for a setup when I go home on Thursday afternoons, and am back in Gothenburg by about 5:30 p.m. Another big difference is that I've got more time for clinical work. I'm really happy with my setup, and think my everyday life in Denmark really works well.

Before Tobias finally decided to start his consultancy project, there were a few things he was unsure about that needed ironing out.

"Obviously, there are vulnerabilities in relocating to a foreign country, with all the implications of cross-border employment, but I'm so relieved that Dedicare deals with all of that. Right from the get-go, I felt Dedicare really listened to my wants. I've always felt secure."



Denmark

Denmark's main clients are regional health authorities and municipalities. The Danish market can be divided into two, traditional short-term staffing and long-term staffing, where assignments are for at least six months. Dedicare is only active on long-term assignments for doctors and nurses. There are no official market statistics for healthcare staffing in Denmark, but Dedicare estimates that procurement of healthcare staffing is worth about SEK 3.5 billion, of which SEK 0.5 billion is long-term assignments.

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

There are nearly 30 competitors active in Denmark, of which about half are party to collective bargaining agreements, primarily in nurse staffing. In long-term assignments, where Dedicare is active, there are 4-5 competitors.

Dedicare Denmark created a new business segment in life science in 2022, mainly addressing the private sector, which provides an estimated total of over 50,000 jobs, primarily in eastern Denmark, where over 700 life science entities have invested a total of over DKK 30 million.

Region, Denmark:



Turnover, SEK million 178.8
Growth, percent 19.9
Consultants* 75
MD. Kasper Madse

*No. of consultants on assignment

Our market, cont.

New Market

UK

The UK is Europe’s largest healthcare staffing market. According to Staffing Industry Analyst (SIA), there was some SEK 43 billion of healthcare staffing procurement in 2021.

Dedicare has been active in the UK since October 2022 through its acquisition of Templars Medical. Dedicare is active in traditional doctor staffing in the UK, as well as recruitment and long-term contracts in Ireland, and the UK’s non-European territories. Most healthcare staffing in the UK is through the public National Health Service (NHS). There are four separate framework agreements covering England, Scotland, Wales & Northern Ireland. Templars Medical has framework agreements for doctor staffing in England, Scotland & Wales.

There are several hundred competitors active in the UK, although the market is dominated by 5-6 major players.



Region, UK:



From October 1, 2022
Turnover, SEK million 10.8
Growth, percent. -
Consultants* 43
MD. Andrea Thornton

* No. of consultants on assignment

Dedicare meets:

Anaesthetist consultant Cath

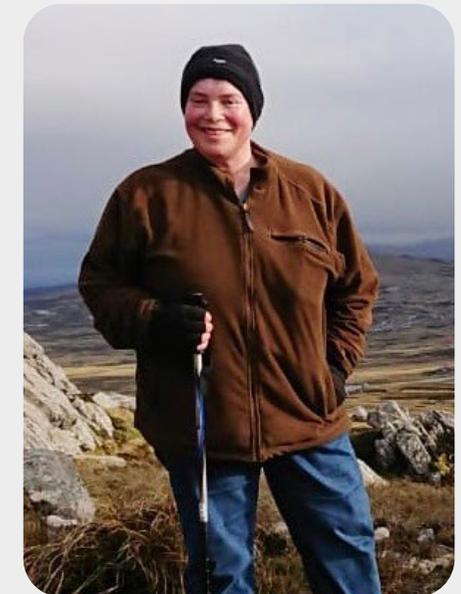
Cath is a Consultant Anaesthetist working on a temporary basis in the Falkland Islands, where she lives in a small community nestling in a beautiful landscape. This means she can pursue her hobby – photography. “Being the only anaesthetist on site can be a big responsibility, but there’s always plenty of support available if I need it,” she says.

“The people I work with are really fantastic. Some were born here, others have moved here, and some are here on contract, but we work as a single team. There’s also a consultant anaesthetist who I can contact when I need help.”

When Cath isn’t working at the hospital, she has the opportunity to explore the beautiful nature and devote her time to photography.

“I’ve seen and photographed seals, sea lions and killer whales.”

“I feel appreciated in my team and by Templars Medical. They are always trying to find the best solution for me.”



3

Strategy



Business model

Dedicare works to satisfy current needs across society. Our business model is based on the need for skills in healthcare, life science and social work in our society and the surrounding world. We endeavour to make a responsible and sustainable contribution to human health, development and quality of life.

Our business concept and business model

Dedicare will make a responsible and sustainable contribution to human health, development and quality of life. Our vision is to be one of Europe's leading recruitment and staffing providers in healthcare, life science and social work. Our **business concept**, which will realise our vision, is to be the best at attracting and delivering skills in healthcare, life science and social work.

Our **business model** is based on society's need for skills in healthcare, life science and social work. From this, we have formulated a strategy and set a number of goals to satisfy society's needs and realise our vision. We offer and deliver our recruitment and staffing services to public and private sector clients, and satisfy client needs for resources in healthcare, life science and social work within the framing of our customer assignments. Our people are our most important resource, and by being the best employer, we can retain and attract the best people. Because society's needs are changing continuously, we constantly adapt our business to match these changes.



A value-creating business model

Social challenges

Challenges

- ✓ Population growth and more older people mean the demand for health-care, pharmaceuticals and medical devices is increasing
- ✓ Increasing needs and demands in municipal social services
- ✓ Mental health problems are increasing, sharply among young people
- ✓ Substantial shortage of qualified staff like doctors, nurses, social workers and psychologists
- ✓ People's increasing demands for social welfare resources

Needs

- ✓ Healthcare needs to rationalise to serve everyone
- ✓ A better working environment and employment terms to retain staff in healthcare and municipal social services
- ✓ More people training for work in social welfare systems
- ✓ More resources/staff are imperative

What Dedicare does

Vision

To be one of Europe's leading recruitment and staffing providers in healthcare, life science and social work

Business concept

The best at attracting and offering skills in healthcare, life science and social work

Our business model and strategy

The core of our business model is society's needs, and we base our strategy and business on them.



Value creation

Through its operations, Dedicare creates value for its stakeholders in the short and long term. To ensure we achieve our goals and create value for our stakeholders, we have identified a number of KPIs that we work towards. Read more about our goals and performance on page 24-25.

Dedicare also endeavours to achieve long-term value creation for stakeholders. Directly or indirectly, our operations enable us to participate in and contribute to:

- ✓ More flexible working lives with good terms of employment for staff in health care, life science and social work, which means fewer people leave the sector
- ✓ More people train for work in social welfare systems when there is a diversity of employers and clients
- ✓ Good and equivalent health and social care for everyone, wherever they live
- ✓ More and better pharmaceuticals and medical devices
- ✓ A healthier population with better well-being, which strengthens society

Five strategic focus areas

1. Attractive Employer
2. Attractive Client
3. Market & Service Development
4. Operational Efficiency
5. Customer & Social Benefit

Dedicare's contributions to the UN SDGs



Strategic focus areas

Dedicare's mission force is to make a responsible and sustainable contribution to human health, development and quality of life. Our vision is to be one of Europe's leading recruitment and staffing providers in healthcare, life science and social work.

We have five strategic focus areas to clarify to the whole group where we put our energy and focus to achieve our goals in the short and long-term—Attractive Employer, Attractive Client, Market & Service Development, Operational Efficiency, and Customer & Social Benefit.

	Attractive Employer	Attractive Client	Market & Service Dev.	Operational Efficiency	Customer & Social Benefit
Ambition	Dedicare will be the best employer in recruitment and staffing by hiring, developing and retaining the best people.	Dedicare will be the first choice client for candidates and consultants in healthcare, life science and social work, by offering the broadest selection of assignments and competitive terms of employment.	Dedicare will work proactively on starting up and developing businesses in new customer segments, geographical regions and job categories that contribute to human health, development and quality of life.	Dedicare will have the sector's most efficient business processes for sales, staffing and recruitment by working proactively on innovative, cost-efficient and scalable digital solutions.	Dedicare will be a specialist and market leader in attracting and offering skills in healthcare, life science and social work to public and private sector customers, which helps create equivalent and sustainable healthcare.
Strategic goal	1. eNPS >50 2. Commitment index >4	1. Consultant satisfaction >9	1. One new geographical market and/or new service segment per year	1. EBIT margin >7 percent	1. Customer satisfaction >9
Performance	1. 60 2. 4,3	9,1	2 st	7,6 percent	8,9



1. Attractive Employer

It is critical for Dedicare to retain and develop our internal staff. We improve our potential to achieve our goals when we build and retain skills within the company, and we operate in a sector where trust and long-term relationships are important. The company's managers are culture bearers, and decisive for achieving a good working environment, strong performance, and for staff development and satisfaction, which is why we follow rigorous processes when appointing managers. The company's managers also participate in mandatory leadership training programs each year, so their leadership evolves continuously, and they also gain good potential to help staff develop.

To enable our business to grow, it is also important that we can attract and retain new staff. We continuously develop our Employer Branding work for candidate groups for our internal positions. Knowledge of target group preferences, internal staff perceptions of Dedicare, and of our competitors mean we can efficiently adapt our message and target it correctly. Our long-term experience means we know what people need in the crucial work on recruitment and staffing in healthcare, life science, social work and pre-school staff.

We conduct employee satisfaction surveys and "check our pulse", an effective tool to measure satisfaction and commitment across the group, in each country, and by individual function. Great Place to Work conducted a survey of internal staff for Dedicare Norway in 2022. We achieved excellent results on all question categories. In spring 2023, we'll find out how we rank against other employers in Norway that have taken the survey.

We use the Office Swap concept at group level, which enables staff to work from a different office for up to five days, exchange best practice and promote cross-border collaboration.

2. Attractive Client

There is a substantial shortage of candidates/consultants in all our segments. To achieve our objective of being the best at providing skills in healthcare, life science and social work skills, we also need to be the best at identifying and attracting candidates and consultants, while simultaneously ensuring we retain and develop the consultants we already have. To be attractive, we need a very broad selection of interesting and stimulating assignments, and offer competitive terms.

In each country where we operate, we will be able to offer assignments in metropolitan or rural areas, and across the public and private sectors. By having operations in multiple countries, we can offer attractive cross-border assignments, which helps us attract and retain existing consultants.

3. Market & Service Development

We will be active in starting up and developing businesses in new customer segments, geographical regions and job categories. To achieve long-term sustainable development, we need to discover new opportunities and have the courage to innovate. We view a presence in several countries and/or new job categories as an opportunity for increased growth and profitability, but this also diversifies risk when encountering upturns and downturns in countries and customer segments. We started up a new customer segment in Sweden in life science in 2022 through our acquisition of H&P Search & Interim, which operates in Sweden. This operation mainly targets the private sector and is the foundation of our continued life science initiatives across the Nordics and rest of Europe. We also started up in the UK, Ireland and the UK's non-European territories in 2022 through our acquisition of Templars Medical. This acquisition consolidates our positioning in Europe, and will be a platform for continued growth.

4. Operational Efficiency

Our focus in recent years has been on developing and digitalising our systems and processes, and continuing our work on developing information security systems for forthcoming ISO 27001 certification. Our strategy of creating an architecture of state-of-the-art and integratable solutions continues. Dedicare will have high flexibility so it can respond quickly to changes in its business environment. As part of this strategy, we are maintaining our direction towards outsourcing all IT services associated with management and support. In our business activities, we are continuing the development of systems that support our sales, staffing and recruitment processes. We intend to standardise where possible to ensure that all our business segments can benefit from the investments we make in our future, and maintain cost-efficient operations. Our focus in our back office is on standardising process-efficient solutions where reasonable, plus a sharp focus on automation, and secure integrations.

5. Customer & Social Benefit

Our clients are mainly in the public sector, such as regional health authorities, municipalities and public authorities. By delivering recruitment and staffing services in healthcare, life science and social work to public and private sector customers on those markets where Dedicare operates, we help create good and equivalent health and social care for people, and make a contribution to medical progress. Our services are quality assured through our ISO-certified



processes, and by our people being specialists in their segments. Our customer satisfaction is an indication that we are creating social benefit.

We also create social benefit as a Nordic market leader by taking a standpoint on good and sustainable terms for our employees and consultants on all markets in a sector where this cannot be taken for granted.

Goals and performance

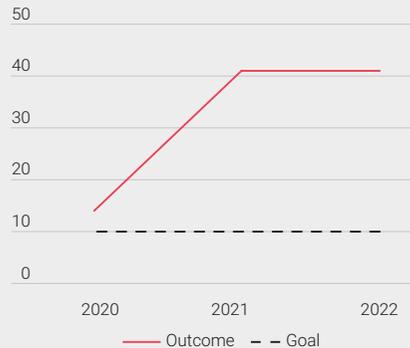
Financial goals and performance

Dedicare's financial goals apply over a business cycle, and are monitored continuously based on market conditions and changes within the company. The financial goals focus on growth, profitability and a strong financial position.



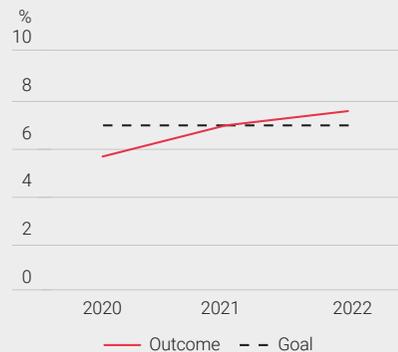
Growth

Dedicare will grow by at least 10 percent per year. This goal includes additional acquisitions.



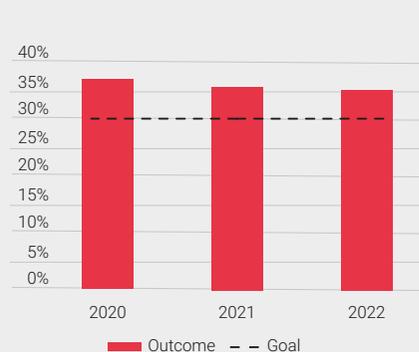
EBIT margin

Dedicare's goal is for an EBIT margin of over 7.0 percent.



Equity/assets ratio

Dedicare's equity/assets ratio will be 30 percent.



Dividend policy

Dedicare's goal is for its dividend to be at least 50.0 percent of net profit per year.



Sustainability goals and performance

The sustainability goals are a key part of the company's strategy. The goals focus on developing sustainable solutions, conducting responsible business and being an attractive employer.

Internal employee satisfaction

The satisfaction of Dedicare's internal employees should exceed 4/5

Outcome 2022

4/5

Customer satisfaction

Dedicare's customer satisfaction should exceed 9/10

9/10

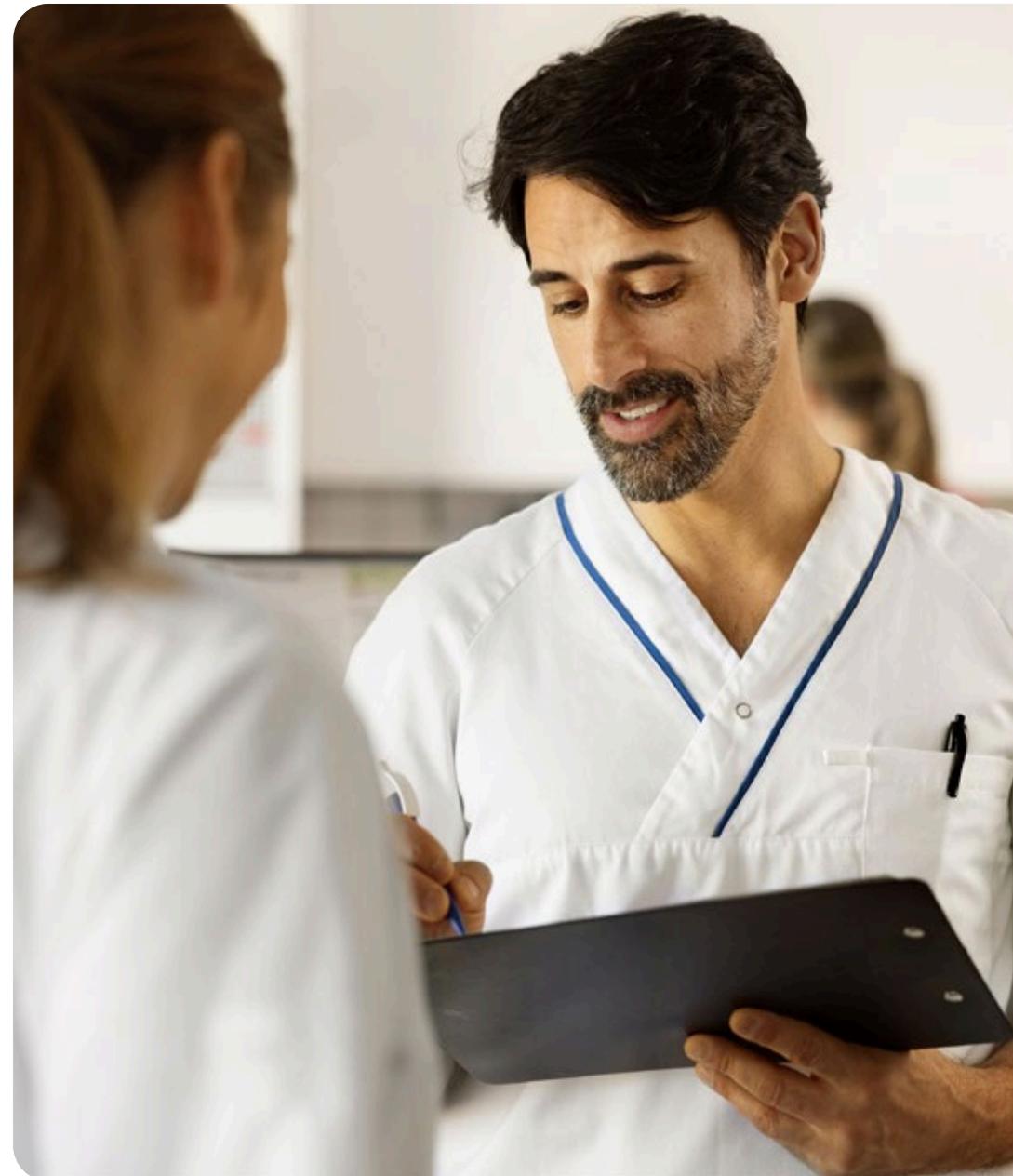
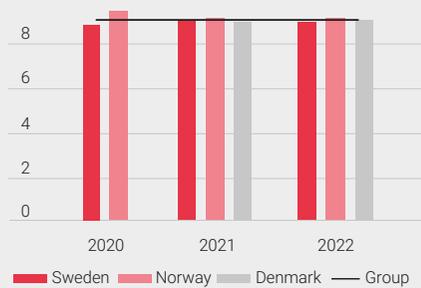
Consultant satisfaction

Dedicare's consultant satisfaction should exceed 9/10

Outcome 2022

9/10

Outcome 2020-2022



Risks and risk management

Like all business activities, Dedicare's operations are associated with risks. Risks are something that can impact operations negatively, but if correctly managed, can create value. Accordingly, how risk is managed is highly significant.

Dedicare divides risks into operational, strategic and financial risks. Operational and strategic risks include sustainability risks.

Risk management organisation

Dedicare's Board of Directors is accountable for the company's risk management. Risks linked to business development and long-term strategic planning are subject to consultation by Group Management, and decisions are taken by the Board of Directors.

Group Management reports risk issues such as the group's financial status and compliance with the group's Finance Policy, to the Board of Directors regularly. There are a number of central policies that are the foundation of operational risk management, which is conducted at all levels of the organisation.

Identifying risks

Identifying risks, and avoiding, limiting or preventing them materialising and impacting operations negatively is important and conducted regularly on the basis of data

and information from the group's operations. Dedicare works continuously on assessing and evaluating those risks that the group is exposed to, or may be exposed to. In this process, all risks are subject to probability and consequence assessment. All events that could impact Dedicare's credibility are important to consider and minimise. This responsibility rests with Group Management, and is conducted through dialogue with the group's stakeholders.

Risk management

Being able to manage risks is part of Dedicare's governance and controls. The rapid dissemination of expedient information is ensured by the company's management structures and processes. If possible, the risk, and the effects of adverse events, are minimised through preventative action if possible. Alternatively, risk is transferred through insurance or contracts, for example. However, some risks cannot be eliminated or transferred and usually, these are an active part of business operations.

Risk overview

A number of risk segments have been identified in Dedicare's risk management process. A selection of them, and summary of how each risk is managed, follows. Other risks that are unknown to the company,

or that the company currently considers insignificant, may have a material impact on Dedicare's operations, financial position and results of operations. Financial risk management is also reviewed in more detail in note 31 on pages 99-100.



Risks and risk management

Strategic risks

Strategic risks are events or situations that could impact Dedicare’s long-term capability to achieve its goals. They primarily relate to exogenous factors like macroeconomic and political risks, sector and market risks, as well as branding risks.

Risk	RISK Probability	MANAGEMENT Impact
Regulated operations/ political risk	<p>Health and medical care in the Nordics and UK are subject to extensive public regulation. In principle, all Dedicare’s operations are conducted in the regulated segment. This means that operations can be fundamentally impacted by new or reformed regulations adopted by parliaments, elected bodies or other public authorities. Norway decided on restrictions to regulate parts of the staffing sector in 2022, with healthcare staffing exempted. Essentially, healthcare in the Nordics and UK is publicly funded. Most of Dedicare’s sales are to the public sector. Dedicare’s private sector clients are also largely active in publicly funded health and social care. Political or operationally based decisions that imply a more restrictive view of purchasing from staffing providers may have a negative impact on Dedicare’s operations and growth prospects.</p>	<p>Dedicare’s growth and success are dependent on the group executing the right strategy to address demand and respond quickly to changed market conditions. Dedicare encounters risks related to structural and political trends by diversifying and being active on several markets, in segments with differing business cycles, and that are impacted differently by structural changes and altered political risk. The group’s strategy is based on a high capacity for change and internal mobility so resources can be optimally utilised where they are needed most.</p>
Competition	<p>Dedicare is active on a competitive market with substantial price pressure. The investments necessary to start up a staffing operation in healthcare, life science and social work are relatively small compared to many other sectors. Increased competition may have a negative impact on the group’s sales, profitability and growth.</p>	<p>The group conducts regular assessments of the prevailing competitive situation on each local market and at relevant levels in its operations. The group focuses on developing skills to encounter new types of solution that Dedicare’s customers demand.</p>

● Low ● Medium ● Medium-high ● High

Operational risks

Operational risks can often be influenced, and are normally regulated by, policies, guidelines and instructions. Operational risks are part of Dedicare's day-to-day work and are managed by its operational entities. Operational, or business-related risks, which also include sustainability risk, include risks related to the brand, insurable risks, IT risks, as well as environmental, health and personnel-related risks.

Risk	RISK Probability	MANAGEMENT Impact
Customer dependency	<p>Dedicare has a small number of customers, which combined, represent a high share of the company's total sales. Often, staffing services are purchased through single integrated tendering processes. 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.</p>	<p>Dedicare's business is built on delivering quality. To ensure its clients are satisfied, Dedicare follows up on its assignments, which quality assures the individual assignment and performance of the group's processes. Having a high revenue share from a small number of individual clients, or clients in a single sector, is always a risk. Dedicare works actively on client segmentation to create good diversity between sectors and size of clients to reduce dependency on individual client companies and sectors. Customer satisfaction is one of the group's sustainability targets and is regularly monitored by management</p>
Skills shortages in the consulting business	<p>One potential obstacle to continued 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. If we are unsuccessful in recruiting, there is a risk that a shortage of candidates limits our growth. We also need to ensure we keep staff turnover at a low level so that our consultants remain with the company as long as possible.</p>	<p>Dedicare works actively on its consultant offering and social media communication regarding the benefits of choosing Dedicare as a client when considering work as a consultant. Dedicare will be expanding its marketing function in 2023 so it can intensify this work further on all markets. The company also works systematically on anti-discrimination and inclusion, which is based on the company's core values, and with clear processes and procedures to counter discrimination, in recruitment for example. This enhances our potential to attract more potential candidates in recruitment. We develop our consultant managers into good leaders for consultants, and enable them to help consultants to develop through new, stimulating, and reasonably challenging, assignments through training programmes. We regularly measure how satisfied consultants are with their consultant managers and consistently gain very high ratings in this survey. We measure our staff turnover in-house, and analyse it regularly, while also taking the necessary action, because we believe it is important for our consultants to retain the same manager over time. Consultant managers are highly accessible digitally, but also ensure they meet their consultants individually and at events that several consultants attend. All consultants employed by Dedicare have collective bargaining terms of employment, including pension provisions.</p>

● Low ● Medium ● Medium-high ● High

Operational risks, cont.

Risk	RISK Probability	MANAGEMENT Impact
Inability to retain key individuals and managers	Dedicare is negatively impacted if managers and other key individuals decide to leave the company. Firstly, because we then lose core competence, and secondly because long-term relationships are important in our sector. Accordingly, it is critical for us to remain an attractive employer for staff that have worked for the company for several years, which is also why this is one of our five strategic focus areas.	It is important for Dedicare to maintain good terms of employment for internal staff, simultaneous with ensuring that we remain competitive for the long-term, to remain an attractive employer over time. All employees are subject to collective bargaining terms of employment, including pension provisions. Dedicare conducts monthly sampling of internal staff to maintain regular information on job satisfaction, and to take the necessary action quickly. Each function receives the survey results of its own staff, then prepares action plans. Through regular follow-up and appraisal interviews, staff also gain an opportunity to verify their job satisfaction, performance, needs and wants regarding their career development with first-line managers. First-line managers are responsible for the individual career development of staff, but Dedicare also arranges collective training programs. In 2022, these programmes dealt with activities including leadership, IT security and marketing on social media. In principle, all new and vacant positions are advertised internally first to offer in-house candidates the opportunity for career development wherever possible. We believe that good managers are critical to satisfaction, performance and career development, so it is mandatory for all managers to participate in Dedicare's leadership development programme.
Understaffing by clients	Dedicare's consultants are part of, and impacted by, our clients' working environments. When our clients are struggling with understaffing, this also impacts our consultants, and the risk that consultant health deteriorates due to stress increasing. Accordingly, there is also a risk that the consulting profession becomes less attractive	Dedicare maintains regular dialogue with consultants, where verification relating to occupational health & safety is important. We also conduct regular consultant satisfaction surveys. We monitor sickness absence monthly to discover repeated short sickness absences quickly, so we can evaluate if measures are necessary early. We maintain regular dialogue with clients on their staffing situations and need for further staffing or recruitment to permanent positions.
Contractual penalties	Framework agreements with public sector customers in Sweden, Norway 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	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.

● Low ● Medium ● Medium-high ● High

Operational risks, cont.

Risk	RISK Probability	MANAGEMENT Impact
Incorrect medical treatment	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. 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.
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.	In its acquisitions, Dedicare places great emphasis on a well-executed integration, and retaining key individuals. All acquisitions are preceded by in-depth market research into competition and demographics, with each investment model extending over several years. Additionally, exogenous issues and operational profile are analysed in several different respects.
IT security	Increased digitalisation means Dedicare needs to manage risks emerging from the digital information society. Operations are dependent on the availability of tailored digital systems, a highly functional IT environment and infrastructure. The capability to counter cyber threats, deal with business continuity and information security risks is additional. Delays to the roll-out of core systems, unplanned outage, cyber security breaches, data infringement and data losses are material risks that need to be managed.	The group has centralised IT management, and continuously reduces the risk of various types of attack through the necessary measures, and proactively managing and investing in IT security.
Environmental and climate impact	Increased turnover means more travel for our consultants, and a greater environmental impact ,because many of our consultants work in different locations to those they live in.	As a service provider, Dedicare exerts no significant environmental impact, and its largest environmental footprint is through travel. Accordingly, like our travel policy, our environmental policy encourages all our colleagues to use public transport wherever possible, and not to extend travel time significantly. However, in the rural regions of Norway, air is the predominant means of transport.

● Low
 ● Medium
 ● Medium-high
 ● High

Financial risks

Financial risks mainly include currency, financing, interest rate and credit risks. Financial risks are managed by the group's central Finance function pursuant to the provisions of its Finance Policy, which is approved by Dedicare's Board of Directors. The goal is to identify the group's risk exposure, and to create predictability in economic outcomes with some planning, and to minimise potential unfavourable impact on the group's results of operations in close collaboration with the group's operational units. By consolidating and controlling risk centrally, Dedicare can reduce the risk level, simultaneous with costs decreasing. Financial risk management is reviewed in more detail in note 31 on pages 99-100.

Risk	RISK Probability	MANAGEMENT Impact
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, DKK and GBP. Exchange rate fluctuations may have a negative impact on Dedicare's financial position and results of operations. Currency risks are not hedged. ● ● ● ●	The goal of Dedicare's currency management is to minimise exchange rate effects by using incoming currency for payments in the same currency. Parts of translation exposure are hedged by the group arranging loans in DKK. ● ● ● ●
Liquidity risk	Liquidity risk is the risk of potential difficulties in securing funds to satisfy 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. ● ● ● ●	Dedicare has no need for refinancing at present. Dedicare expects future demand for the services the company offers to remain positive. ● ● ● ●

● Low ● Medium ● Medium-high ● High

Why invest in Dedicare?

Investing in Dedicare is an investment in more secure and accessible health and social care for everyone. Our intention is to make a responsible and sustainable contribution to human health, development and quality of life. We provide our clients with skills and help our consultants towards their career goals with good terms of employment.

1 Growing demand on a stable market

Needs within social welfare systems are increasing, but supply cannot grow at the same rate, because of the shortage of staff. To maintain quality and quantity, more resources and new solutions are necessary. The market features stability, and growth driven by social progress.

High demand in the sector

- ✓ **Increased demand:** population growth and more older people mean the demand for healthcare, pharmaceuticals and medical devices is increasing. Increased needs and demands within municipal social services.
- ✓ **Staff shortages:** there are substantial shortages of qualified staff like doctors, nurses, social workers and psychologists. Contracting in staff is the solution for providing good and equivalent healthcare and social services for everyone wherever they live.
- ✓ **Acyclicity:** demand is stable, and business is mainly conducted through framework agreements, enabling long-termism and planning. This creates reliability and makes Dedicare acyclical.

2 We're well positioned on the market

Dedicare is a market leader in its business segments, and we safeguard our market positioning through high quality of deliveries, responsiveness and flexibility to clients and colleagues.

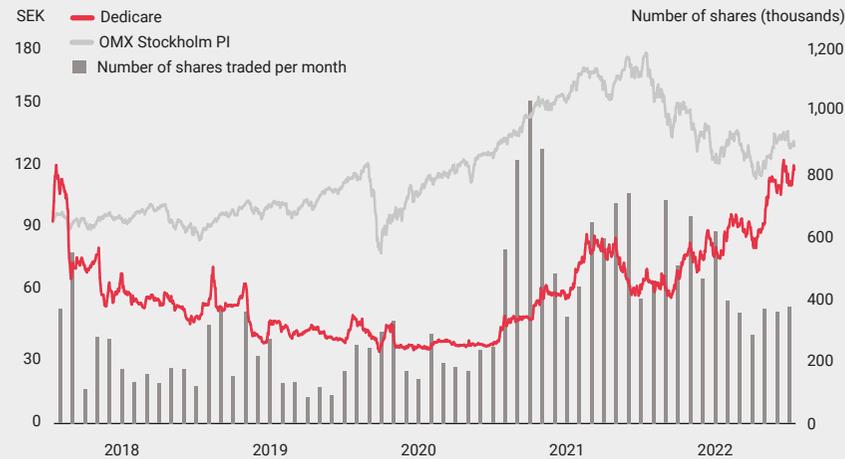
Market leadership

- ✓ **The largest recruitment and staffing provider in the Nordics:** this means we can satisfy client needs for the supply of skills wherever they are located in the Nordics.
- ✓ **An attractive employer and client:** our focus is on offering a good working environment, competitive terms of employment and career development through challenging assignments close to home and cross-border.
- ✓ **Operational efficiency:** our investments in IT and digitalisation are intended to create economies of scale with secure, data-driven and effective operational processes, in-house and for our clients and consultants. The goal is for Dedicare to be at the sector's leading edge in digital solutions and IT security.

Why invest in Dedicare, cont.

Key indicators

Share price and turnover 2018–2022



Growth 2022

41.5%



3 Strategy for continued growth and earnings performance

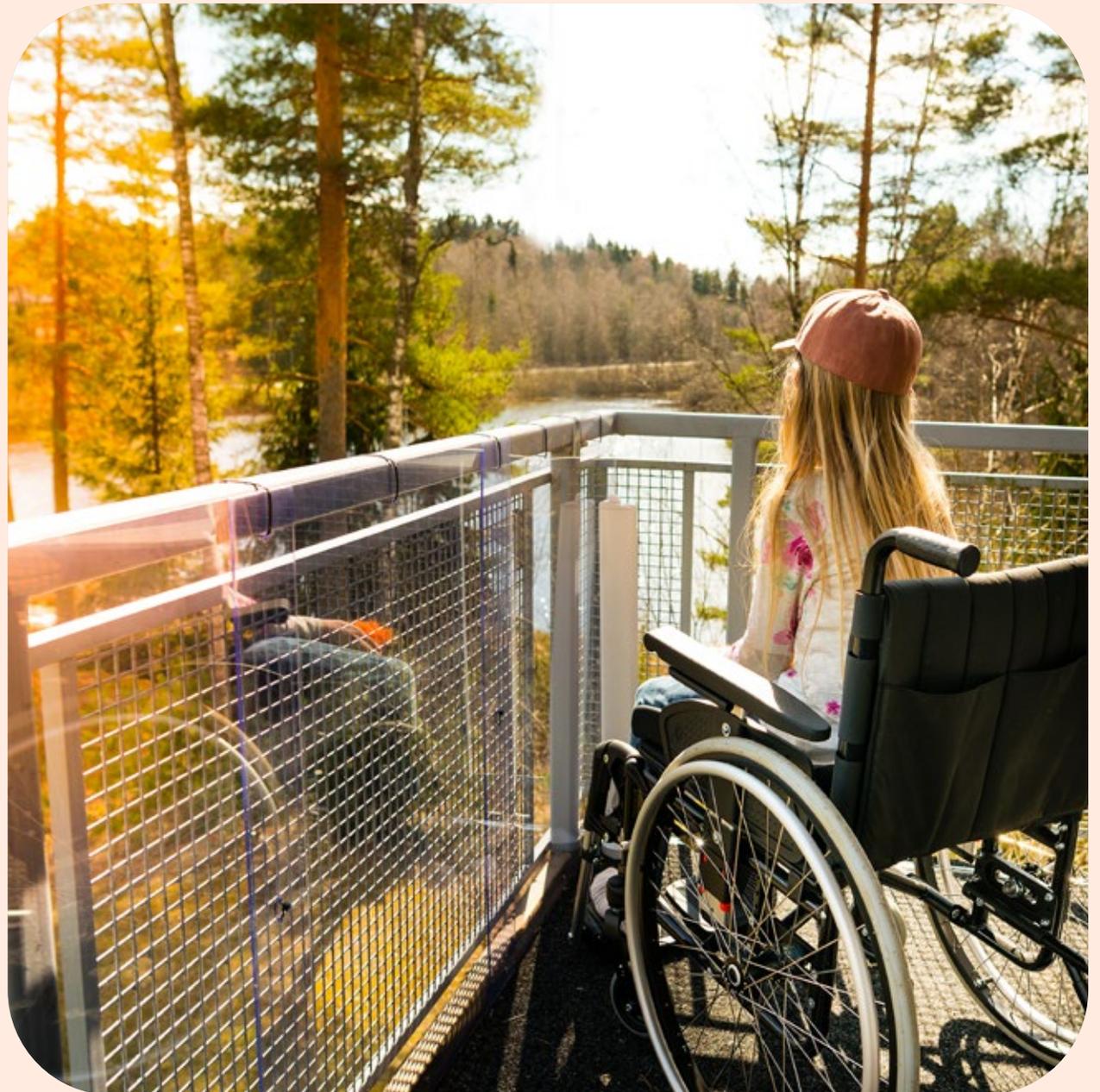
We have achieved robust growth and earnings performance. We have started up operations in life science, and established an operation in the UK. We will continue working towards higher growth, satisfied customers, consultants and staff, and will keep progressing towards our vision of becoming one of Europe’s leading recruitment and staffing providers in our niche.

Stable and profitable growth

- ✓ **High growth:** high organic growth of turnover and earnings in recent years. Through acquisitions, we have added new business segments and new countries. We will continue this process.
- ✓ **Satisfied customers, consultants and employees:** we achieve very good ratings in our satisfaction surveys of clients, consultants and employees, which is a prerequisite for our continued growth and profitability.
- ✓ **High dividend yield:** our dividend policy stipulates a pay out of at least 50 percent of net profit, and the average dividend pay-out ratio over the last five years is 63 percent.

4

Sustainability



Sustainability at Dedicare

Dedicare is the Nordic region's largest recruitment and staffing company in healthcare, life science and social work. Our customers have missions that are critical to society, and their needs are the starting-point of Dedicare's operations.

Our Sustainability Report for the financial year 2022 has been prepared pursuant to the provisions of the Swedish Annual Accounts Act's (ÅRL) chapters 6 and covers the whole Dedicare group. The KPIs and content are for the whole group unless otherwise stated.

Dedicare's most important stakeholders are our customers, consultants, internal employees, Board of Directors and shareholders. When formulating our sustainability work, we have adopted their perspective.

Our strategic focus areas:

1. Attractive employer
2. Attractive client
3. Market and service development
4. Operational efficiency
5. Customer and social benefit

Read more on page 21

Our sustainability work

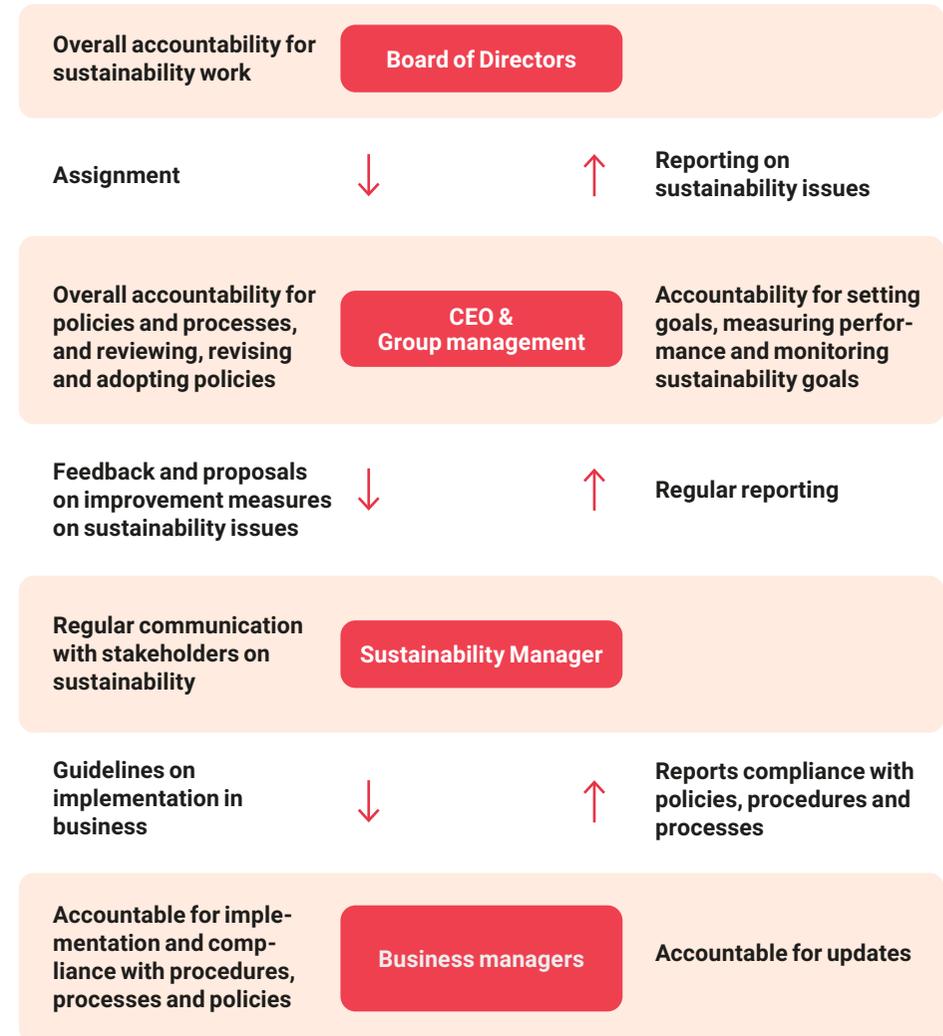
Dedicare's sustainability work is about how we deal with social and environmental issues, risks and opportunities, and how we conduct ourselves to minimise our negative impact. From this, we set meaningful goals. Social needs and our commitment to our customers', employees and consultants' well-being are all factored into our objective of becoming a responsibly managed company.

By assisting our customers on recruitment for permanent positions, and with flexible staffing solutions, Dedicare can participate in helping create good and equivalent healthcare, the development of pharmaceuticals and social care for people in the countries where we operate. Our five strategic focus areas and our core values give direction and guidance to our work, and help us maintain a sustainable and successful business.

Sustainability governance

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

Dedicare's model for sustainability governance



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 procedures, processes and policies. Each line manager is responsible for the implementation and compliance with procedures, processes and policies in our business.

Our policies

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.

Goals and monitoring

Group management is responsible for setting goals, measuring performance and monitoring sustainability goals, and the CFO presents financial and non-financial goals and performance for group management at least once yearly.

Focusing on HR issues and social sustainability

The nature of our operations mean most issues relevant to sustainability work lie within the remit of human resources and social sustainability. Dedicare's group management is responsible for 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 accountability in the Corporate Governance Report on pages 55-65 and Risk management on pages 27-31.

Prioritised goals of Agenda 2030

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 38-46. More detail on how we contribute to these goals is in each sub-section.



Core values that make a difference

Committed

We're determined to find the right person for the right assignment. We go the extra mile to meet the client's challenge, while also finding the next, exciting assignment for the candidate. We're highly committed to assisting health and social care, and life science, to find skilled staff.

Dynamic

We're responsive and always at the leading edge of technological solutions. We operate a quality-assured process, but are always challenging ourselves to find new ways to develop our offerings and our business. We're flexible and motivated to find the right solutions.

Human

At Dedicare, everything is about people. We treat everyone with respect, and want to help people to achieve their professional goals. We know that every person and situation is unique. We respect the important work our clients, candidates and consultants do every day.

Reliable

You should feel secure and always be able to rely on us, we never promise more than we can deliver. Quality, good service and on-time delivery are our watchwords. We want straightforward honest dialogue, and value feedback that enables us to always get better.

Materiality analysis

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

We have identified the following relevant sustainability aspects, which are the basis of 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, the Board of Directors, shareholders and the communities we operate in. These stakeholder groups guide the work on identifying our most relevant sustainability aspects.

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**

Business ethics and anti-corruption



Everyone working at Dedicare should contribute to Dedicare's business being managed ethically, responsibly and on a businesslike footing in accordance with Dedicare's anti-corruption policy. Every manager is accountable for directly reporting that their staff are aware of and comply with this policy.

Dedicare provides a whistleblower function so people can report impropriety or abuse. Legislation stipulates that anyone with a working related with the company should be able to submit reports, although Dedicare allows a wider circle of stakeholders to do this using a form available on each national website. Dedicare's whistleblower system enables anonymous reporting.

We have zero tolerance for corruption and bribery and this is stated in our anti-corruption policy. The risk of bribery and corruption considered small. In our anti-corruption policy, there are clear guidelines for what is approved representation vis-à-vis our customers. The policy is communicated to all employees and the immediate manager responsibility for the guidelines being followed.

Environment



Climate change is one of humanity's greatest challenges. Even if Dedicare's climate impact is modest, we do what we can to minimise our climate footprint.

Dedicare is ISO certified on the environment. Certification means we have an environmental policy that we use to identify environmental goals in our business that can reduce our climate impact, and have a segregation of duties on environmental issues that ensures legal compliance in the environmental segment. We verify compliance at least twice a year, at least once per year by an external auditor.

Those environmental segments where Dedicare has prioritised a more active approach are travel, energy, consumables and equipment. Dedicare's biggest environmental impact is through travel, and accordingly, our environmental policy, like our travel policy, sets guidelines for all employees to use digital conferencing where possible.

When travelling we should use environmental options like rail or other public transport, before car or air wherever possible. When we sign new power contracts, we should primarily select renewable sources like solar, wind, hydro or biofuel. As far as possible, we avoid leasing offices in buildings with oil-fired boilers, and switch off computers and lighting at the end of the working day.

Our first-choice office materials should be products with a low environmental impact. Our goal is to minimise our paper consumption by digitalising processes. We sort office waste at source for recycling. It is important that we process old computers in an environmental and safe manner.

We have a recycling system operated by a provider that ensures efficient and environmental lifecycle management. We also set the requirement that our suppliers should have environmental certification, or alternatively, use a structured environmental management system.

1. Diversity and gender equality

Dedicare is the largest recruitment and staffing company operating in healthcare, life science and social work in the Nordics, and is also endeavouring to be no. 1 in gender equality and diversity.

Diversity and gender equality are important to us from a human perspective, and for our competitiveness. Our core business is recruitment and staffing in jobs where there are shortages, which means that attracting as many potential candidates regardless of sex, gender-fluid identity or expression, ethnic origin, sexual orientation, religion or other faith, disability or age is mission-critical.

The same applies to the recruitment of staff at our offices. If we are unsuccessful in recruiting, there is a risk that a shortage of candidates obstructs our growth. This is why we work systematically on our people's whole journey with Dedicare to promote gender equality and diversity, and to counter discrimination and victimisation. This work is assured through policy documents, standardised processes and in-house training.

A standardised and skills-based recruitment process

At Dedicare, we use a standardised, skills-based selection and recruitment process, which enables us to minimise the risk of discrimination, and in turn this promotes

diversity at the company. We're very careful to formulate job specifications that are non-discriminatory, and design ads to attract broad candidate bases. Because we want to select from the client's formal requirements profile, we make sure that the wants and needs of our clients are non-discriminatory, and if not, we help them make adjustments to the job specification and ads as part of our advisory services in recruitment or staffing assignments.

Consistent contracts and processes

Dedicare utilises standard templates and terms & conditions in employment contracts. We conduct salary mapping to verify that pay levels are non-discriminatory. Our processes for appraisal interviews are consistent, which ensures that everyone gets the same opportunity to discuss career development. Our promotion process requires staff to satisfy criteria identified in advance, and our HR Manager is involved in all management appointments, which also need group management approval.

Dedicare meets:

The psychologist working in retirement

Tomas is one of Dedicare's consultants aged over 65 who's decided to keep working, even though he's reached retirement age. He was attracted by life as a consultant, because he feels best when he keeps 'keeps going.' With flexible, part-time working, he can control his hours and bring his long-term experience as a psychologist on his own terms.

Tomas works in schools where he helps children facing various types of challenge. His work involves anything from developing teaching styles to reviewing how well the school is working organisationally.

"At work, I get to be part of a context and get social and intellectual stimulus, which I'd miss as a full-time pensioner."

Tomas has worked as a psychologist on a consulting basis with Dedicare for over two years, and is enjoying it.

"If you want to keep a hand in on your working life, and get stimulus, I can really recommend working this way. You can control how much and how often you want to work yourself. This means that work suddenly becomes exciting again, and you get renewed enthusiasm."



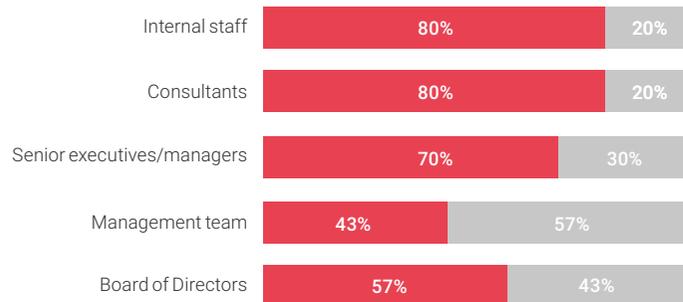
Gender division

We have more female than male staff at Dedicare, which is because most of the jobs we staff are traditionally female dominated. Until year-end 2021, the share of

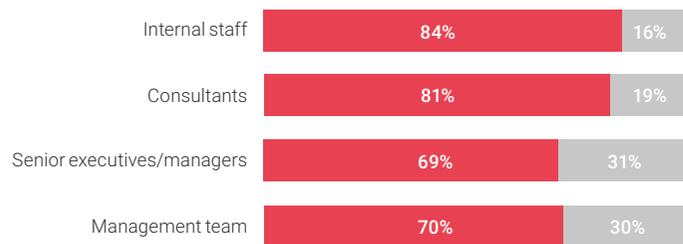
women that had qualified as nurses was 90 percent. The gender division among doctors is fairly even, although the share of women increases every year in the cohorts that qualify, while 80 percent of social

workers are women. The average number of employees in 2022 was 1,230 (926). In 2022, Dedicare's gender division was 79.6 percent (70.4) women, and 20.4 percent (29.6) men.

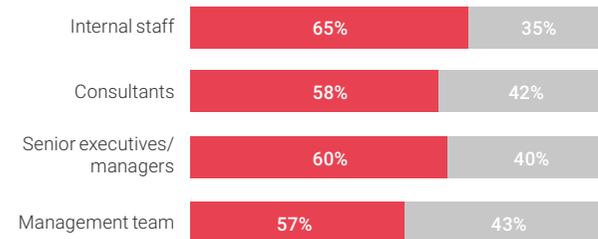
Gender division, group



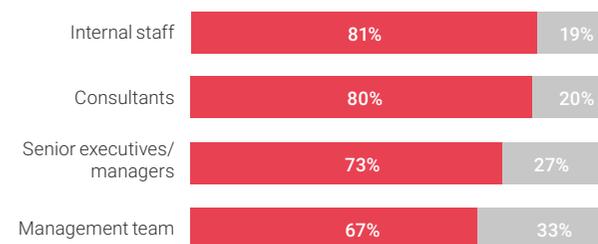
Gender division, Sweden



Gender division, Denmark



Gender division, Norway



Women ■ Men ■

Prioritised goals of Agenda 2030

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 38-46. More detail on how we contribute to these goals is in each sub-section..



2. Good terms of employment

Our consultants and internal staff both enjoy secure terms of employment. It's important for us that our staff feel secure during their employment with us, and in the future. We provision collectively bargained occupational pensions for our employees, unlike many of our competitors.

Collective bargaining agreements regulate 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 including occupational pension models. 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.

Dedicare meets:

“With Dedicare, you get the best of both worlds—freedom and security”

Camilla has been working as a consultant through Dedicare for nearly a year. It's important for her to maintain a good work-life balance, which means she gets the time to do what she loves. But she also has secure employment and good relationships.

“I needed a fresh start to improve the relationship between work and leisure. By chance, I heard about the opportunities Dedicare was offering—being a consultant, but at the same place for at least six months at a time.”

Camilla likes having ‘regular’ colleagues that know her, and who she knows. With Dedicare she gets the best of both worlds, which

as she puts it, are freedom and security.

“Obviously, the benefits are the flexibility, predictability and security. While also being paid a salary that matches your skills. After my employment with Dedicare, my everyday life is completely new, and I have more energy and time for the things I love. It also means I can do more, and I'm probably a better colleague and nurse at work.”



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.

Sickleave absence

Dedicare works actively to reduce sickleave absence by offering keep-fit subsidies and regular monitoring of employee health through interviews and anonymous surveys. Our goal is for sickleave absence to be below 3.0 percent. For 2022, the level was

2.8 percent (2.1), so we achieved our goal. 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.

The UN goal of decent work

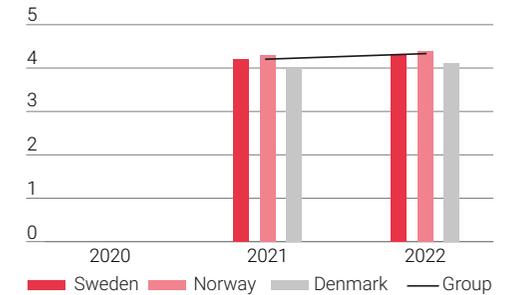
All employment with Dedicare should be subject to good terms. In Sweden, we have collective bargaining agreements for consultants in our offices, and for all consultants. In Norway and Denmark, we have terms equivalent to collective bargaining agreements. With this commitment, we want to guarantee that employee rights are protected, and that more employment contracts have good terms and conditions, in accordance with target 8–8. We also believe that our management of sickleave absence and actively reminding internal staff of our keep-fit subsidy make a positive contribution to goal 8 on decent work.



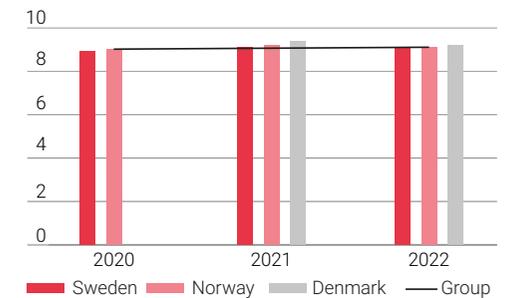
Satisfied staff

At Dedicare we care for our staff and consultants, and conduct an employee satisfaction survey every year, measuring satisfaction of consultants and staff. Each business area receives the survey results for their own staff, and then produces an action-plan. For 2022, we achieved the goals we set, and the results are in these graphs.

Employee satisfaction



Consultant satisfaction



Sickleave absence

Sickness absence, % ¹	Operation	2022		2021		2020	
		Internal staff	Consultants	Internal staff	Consultants	Internal staff	Consultants
Short-term sickleave absence	Sweden	0.91	3.20	0.82	0.35	0.51	5.15
	Norway	1.33	2.43	2.66	2.29	4.86	1.6
	Denmark	0.86	1.87	1.05	-	0.69	-
Long-term sickleave absence	Sweden	1.28	0.34	0.29	0.01	0.00	1.12
	Norway	4.97	0.44	1.86	0.01	4.24	0.02
	Denmark	0.00	0.13	0.11	-	0.00	-

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, so they gain experience of different workplaces and methods. We also offer 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 of individualised training programmes in segments including IT systems and security, legislation including labour law and regulatory compliance, public tendering, sales, leadership and recruitment.

Dedicare meets:

A summer idyll offering skills development in Fredrikstad

Andrzej, a psychiatrist, likes working as a consultant through Dedicare, and has found a good work-life balance. Most recently, he's been on assignment in scenic Fredrikstad, Norway, where he enjoys the archipelago, time on his boat, and the beach.

"Being a consultant is the best job I've ever had. My assignment is as I expected, and my staffing consultant monitors my progress closely.

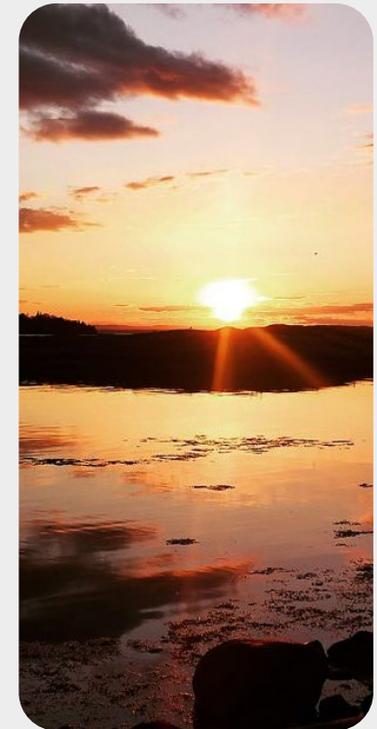
"Security and predictability are important for me when working in a different country."

The biggest difference with being a consultant is that you need to be able to adapt quickly to new work routines," comments Andrzej.

"I've had great, supportive colleagues around me who've made it easier to adopt new systems."

Andrzej's most memorable experience is when he's been able to follow treatments with good outcomes closely.

"It's exciting to gain more knowledge of new fields, and I'm adding new consulting services continuously. Helping patients get on with their lives makes me happy!"



Courses conducted in 2022

We offered our staff a variety of different courses and training packages in the year. The following table summarises these courses by category, training hours, and

participants. Dedicare continuously trains all the organisation's managers through a long-term leadership development program involving four days' training each year, with exercises conducted between training sessions.

Courses conducted

Courses conducted in 2022 ¹	Internal staff		Consultants	
	No. of employees	No. of hours	No. of consultants	No. of hours
Leadership	49	1,220		
Sales training	30	450		
S-HLR			36	144
A-HLR			36	144
Basic HLR			2	15
Management coaching, nurses			1	5
Language	3	7	538 ²	428
IT	3	12		
Marketing	297	377		
Accounting and payroll	6	40		
Other courses, consultants			10	195
Other courses, internal staff	3	158		
Total		2,263		931

¹ A total of 52 hours of university credit courses that staff have taken are included, because these hours were funded by Dedicare

² No. of lessons

The UN goal of quality education

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's customers have missions that are critical to society, and their needs are the starting-point of our operations. When our customers get fast delivery and are satisfied, this is evidence that we're really helping create social benefit. It is also 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 2022, municipalities and regional health authorities represented 77.0 percent (90.0) of Dedicare's revenue, private health and social care providers 23.0 percent (10.0). The largest customer, Stockholm regional health authority, generated 15.7 percent (22.8) of total revenue in Sweden in the year.

Norway

Dedicare's customer base in Norway consists of regional health authorities that purchase healthcare staffing services through the collective purchasing organisation Sykehusinnkjøp. In 2022, municipalities and regional health authorities provided 94.5 percent (92.7) of revenue, and private sector players, 5.5 percent (7.3). 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 99.0 percent (95.8) of revenue, and private hospitals represented 1.0 percent (4.2). Dedicare's largest customer is the North Jutland regional health authority, which generated 25.5 percent (23.0) of total revenue in Denmark in the year.

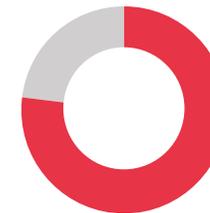
UK

Most staffing in healthcare staffing in the UK is arranged through the government National Health Service (NHS), with all customers being public sector.

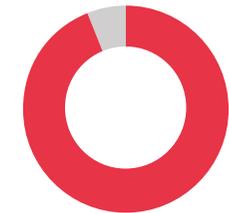
Customer proposition

Dedicare provides doctors, nurses, social workers, psychologists, specialists in life

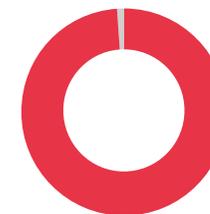
Customer base, Sweden



Customer base, Norway



Customer base, Denmark



Customer base, UK



science 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 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.

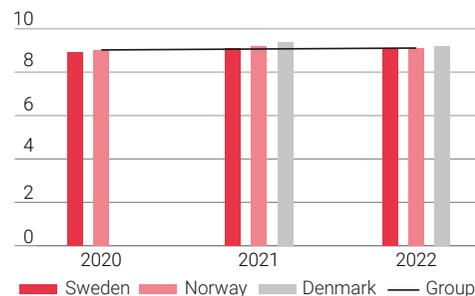
Tenders

A high share of Dedicare's customer contracts are covered by framework agreements. Dedicare works continuously to satisfy the standards set in 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 minimum customer satisfaction of 9 on a 10-point scale. In our most recent survey from 2022, customer satisfaction was 8.9, and most of Dedicare's customers stated that they were satisfied with Dedicare as a provider; 98 percent of customers intend to appoint Dedicare again.

Customer satisfaction



Dedicare meets:

“I’m happier and more experienced.”

Jan Wisinger came to North Jutland in Denmark to try something new and experience a new workplace. As a surgeon working on a consulting basis, he really enjoys a good work-life balance, with one week off a month to travel back to his family.

“I think I get more done than before and I get home earlier, without having expended more energy. A good balance is when my day's been productive, but not stressful. I've got time to enjoy work with my colleagues, and take time to sit down with patients.”

Jan is enjoying his consulting position. He has skilled colleagues, and learns something new almost every day, despite many years' experience. But moving to a new country is always a big step. Jan says a good place to stay, making contacts and finding out about your surroundings helps.

“Dedicare is a problem-solver that's made it easy to change workplace. They're like a godfather, accountant and home-finder rolled into one. They can also quickly become a friend to call when you need some help.”



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 continued its work on streamlining and digitalising the digital workplace for staff by 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.

Goals and performance

For more information, see page 24.

The UN goal of good health

By being able to offer skills and the right staffing, 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

Dedicare has been covered by the EU Taxonomy Regulation, designed to demonstrate how much of a company's activities are environmentally sustainable and satisfy the EU's six environmental objectives, since the financial year 2021. Initially, only the first two targets are included in the Taxonomy, on climate change mitigation and climate change adaptation. Dedicare is covered by the Taxonomy because we are classified as a large company, have shares listed on a regulated marketplace and an average of over 500 employees. In the following tables, Dedicare has reported the group's share of activities in turnover, capex and opex considered eligible for the Taxonomy. Dedicare's operations are not currently covered by the EU list of economic activities, and accordingly, Dedicare has no turnover, capex and opex related to revenue-generating activities eligible for the Taxonomy. The share of eligible capex stated in the table is for purchases from suppliers whose operations are covered by the Taxonomy in the form of leased premises, where real estate values are covered by economic activity 7.7 Acquisition and ownership of buildings.

Million SEK	Total	Percentage economic activities not covered by the taxonomy (%)	Percentage economic activities covered by the taxonomy but not environmentally sustainable (%)	Percentage economic activities covered by the taxonomy and environmentally sustainable (%)
Turnover	1,768.0	100%	0.0	0.0
Capex	68.0	76.9%	23.1%	0.0
Opex	2.7	100%	0.0	0.0

ACCOUNTING POLICIES

Turnover

According to the Taxonomy, turnover is the same as net sales recognised in the Consolidated Income Statement, see page 72. For Dedicare, 0.0 percent of turnover is currently covered by the EU's list of eligible economic activities. The list of eligible activities will probably be extended by the EU Commission in future, so this share may alter in the coming years.

Capex

According to the Taxonomy, total capex covers the investments made in the financial year to increase the value of the non-current assets in Dedicare's Balance Sheet, which include property, plant and equipment, customer contracts, databases, trademarks & brands and other intangible non-current assets. Investments that have increased the value of right-of-use assets pursuant to IFRS 16 are also covered in capex. Goodwill is not included.

Tangible assets covered by capex amount to SEK 1.9 million for the financial year, and mainly consist of office equipment. Total

investments are stated in note 14 on page 93 in the Purchases line. Intangible assets covered by capex amounted to SEK 52.3 million for the financial year, and mainly consist of customer contracts, databases and trademarks & brands, which have occurred through acquisitions, as well as other intangible non-current assets. Total investments are stated in note 12 on page 90 on the Purchases through acquisitions of subsidiaries and Purchases lines. Right-of-use assets pursuant to IFRS 16 covered by capex amount to SEK 13.8 million for the financial year and mainly consist of premises. Total investments are stated note 13 on page 92 in the Increase in right-of-use assets in the year line. Eligible capex under the Taxonomy consists partly of the investments made to benefit the activity specified under turnover, but because no share of turnover is considered Taxonomy eligible, in this context, the eligible capex is 0.0 percent of total capex. Apart from this, there are investments attributable to purchases from suppliers whose economic activities are covered by the Taxonomy. Dedicare has set that share of capex reported as right-of-use assets pursuant to IFRS 16 as eligible, because in this case, the counterparties are property owners, which accordingly, conduct economic activity included in the Delegated Taxonomy Act Annex I, 7.7 "Acquisition and ownership of buildings." In the financial year 2022, Dedicare was unable to determine that purchases from suppliers can be treated as

Taxonomy eligible definitively, and accordingly, is reporting all these investments as eligible but not consistent with the Taxonomy. Dedicare is working on this process so it can confirm this in future.

Opex

According to the Taxonomy, total opex means expenses for maintenance and servicing the group's property, plant and equipment, and short-term lease arrangements. For Dedicare, these expenses consist of refurbishment and maintenance expenses relating to non-current assets, and short-term leases. These expenses are not specified in the Consolidated Income Statement, but are included in other external expenses on page 72. Eligible opex is the share of total opex relating to property, plant and equipment used in an eligible activity. Because no share of turnover is covered by the Taxonomy, eligible opex in this context is 0 percent of total opex. Consideration should also be given to all expenses where the supplier conducts economic activities listed in the Taxonomy's Delegated Act, regardless of whether this expense is associated with activities considered eligible under Turnover. Dedicare has decided to apply the materiality exemption for opex pursuant to the Taxonomy Regulation, and accordingly, not investigate the eligibility of opex against the background that total opex pursuant to the Taxonomy for the year amounted to only SEK 2.7 million.

Turnover

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities (1)	Codes (2)	Absolute turnover (3) MSEK	Proportion of turnover (4) %	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')											
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Taxonomy aligned proportion of turnover, year 2022 (18) %	Taxonomy aligned proportion of turnover, year 2021 (19) %	Category (enabling activity or) (20) E	Category ('transitional activity') (21) T	
A. Taxonomy-eligible activities																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																					
Total (A.1 + A.2)																					
B. Taxonomy-non-eligible activities																					
Turnover of Taxonomy-non-eligible activities (B)		1,768	100																		
Total (A + B)		1,768	100																		

Capex

Proportion of Capex from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities (1)	Codes (2)	Absolute turnover (3) MSEK	Proportion of turnover (4) %	Substantial contribution criteria						DNSH criteria (‘Does Not Significantly Harm’)							Category (enabling activity) (20) E	Category (‘transitional activity’) (21) T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N		
A. Taxonomy-eligible activities																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Acquisition and ownership of buildings	7.7	15.7	23.1															
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2)		15.7	23.1															
Total (A.1 + A.2)		15.7	23.1															
B. Taxonomy-non-eligible activities																		
Capex of Taxonomy-non-eligible activities (B)		52.3	76.9															
Total (A + B)		68,0	100															

Opex**Proportion of Opex from products or services associated with
Taxonomy-aligned economic activities – disclosure covering year 2022**

Economic activities (1)	Codes (2)	Absolute turnover (3) MSEK	Proportion of turnover (4) %	Substantial contribution criteria						DNSH criteria (‘Does Not Significantly Harm’)							Category (enabling activity) (20) E	Category (transitional activity) (21) T	
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N			Taxonomy aligned proportion of Opex, year 2022 (18) %
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
Total (A.1 + A.2)																			
B. Taxonomy-non-eligible activities																			
Opex of Taxonomy-non-eligible activities (B)		2.7	100																
Total (A + B)		2.7	100																

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in 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 2022 on pages 34-50 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and 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 opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm 24 March 2023
PricewaterhouseCoopers AB

Henrietta Segenmark
Authorised Public Accountant

5

The share and shareholders



The share and shareholders

Dedicare's class B share had its initial public offering on Nasdaq Stockholm on 4 May 2011. On 31 December 2022, the share capital was SEK 4,781,321, divided between 9,562,642 shares, of which 2,011,907 class A shares and 7,550,735 class B shares, with a quotient value of SEK 0.50.

The share

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.

Share price performance

The year high was SEK 126.6, and the low was SEK 60.2. The closing price at year-end was SEK 122.0. Dedicare had 8,965 shareholders as of 31 December 2022. Dedicare gained 3,058 new shareholders and lost 1,677 shareholders in the year. No incentive programme have been issued in 2022.

Number of share and share capital history

Year	Transaction	Change in number of share	Total number of share	Class A shares	Class B shares	Change in share capital	Total share capital
October 1995	Incorporation	–	5,000	–	–	–	50,000
November 1998	Bonus issue	–	5,000	–	–	50,000	100,000
March 2011	Split 1:40	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 share 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 share 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
April 2022	New issue of class B shares	124,998	9,520,395	2,011,907	7,508,488	62,499	4,760,198
October 2022	New issue of class B shares	42,247	9,562,642	2,011,907	7,550,735	21,123	4,781,321

Major shareholders

Dedicare AB's ten largest shareholders as of 31 December 2022

Shareholder	No of shares	Votes, %
Rödgladan AB	1,540,722	8.77
Jenny Pizzignacco	1,128,349	27.65
Björn Örås	1,079,628	30.73
Healthinvest Partners AB	945,000	5.07
Avanza pension	575,261	3.19
Caroline Örås	177,000	1.01
Nordnet pensionsförsäkring AB	173,891	0.99
The bank of New York Mellon SA/NV	158,652	0.90
The bank of New York Mellon W9	139,126	0.79
Ålandsbanken AB	135,159	0.77

Shareholder base

Most of Dedicare's shareholders are domiciled in Sweden. As of 31 December 2022, 95.88 percent of shareholders were in Sweden, 2.91 percent in the rest of the Nordic region, 0.89 percent in the rest of Europe, 0.19 percent in the US, and 0.12 percent in the rest of the world.

Dividend and dividend policy

The Board of Directors of Dedicare is proposing a dividend of SEK 6.00 per share, or SEK 57.4 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 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 warrants have a three-year term from the date the subscription price is determined. Dedicare AB (publ) has offered the share warrants to the senior executives covered by the programme. All options were subscribed in the second quarter of 2021.

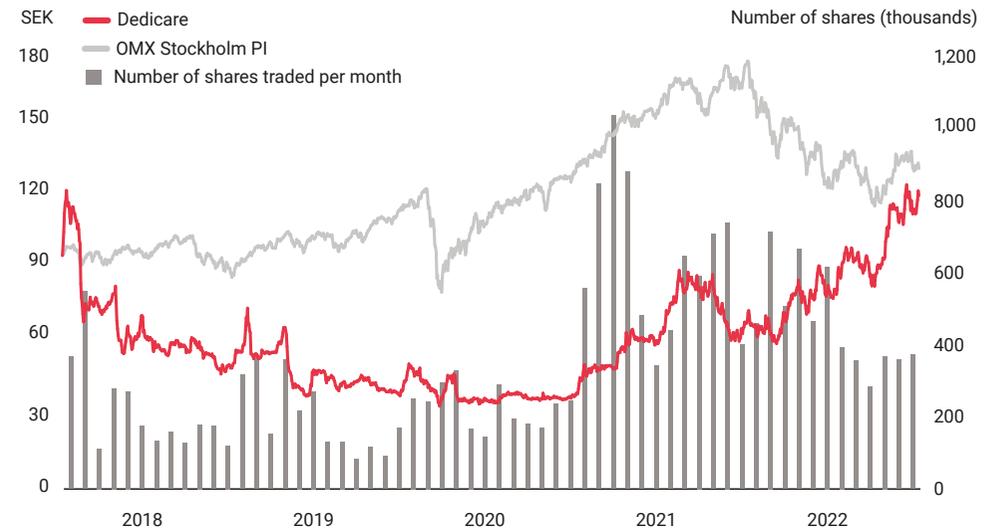
Trading

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

Share price and turnover 2018–2022



6

Corporate governance



Corporate governance

Dedicare AB (publ) is a Swedish public limited company with its registered office in Stockholm. The company is the parent of the Dedicare group. The company's share has been listed on Nasdaq Stockholm since May 2011.

Corporate governance framework

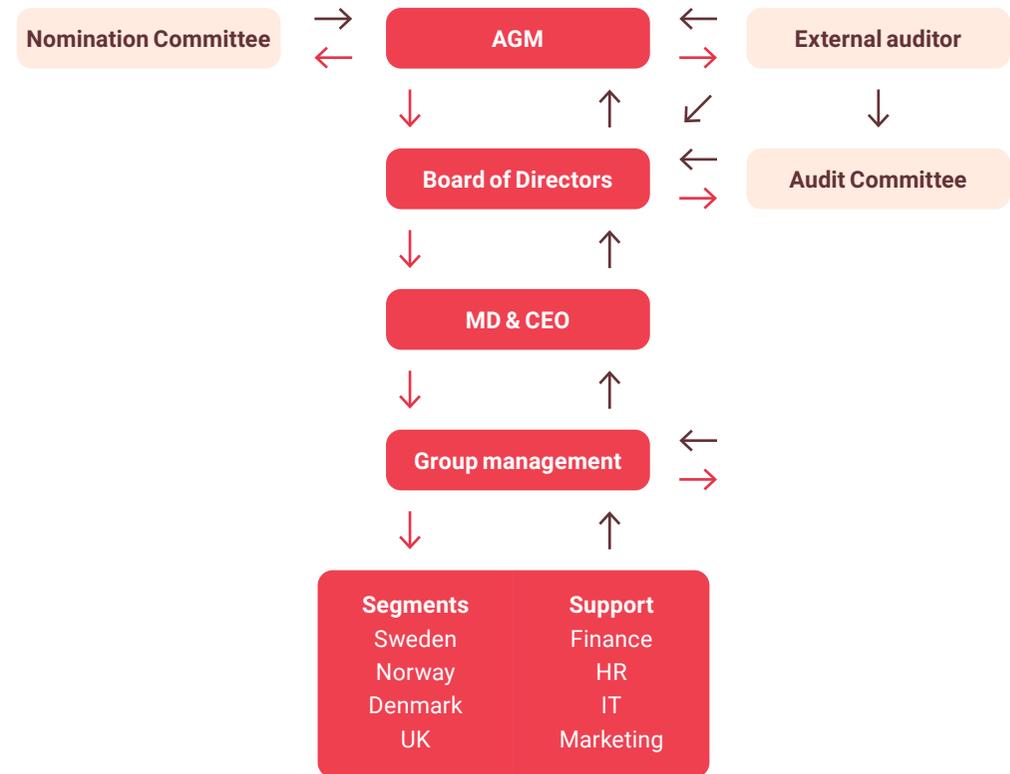
Corporate governance is based on external governance instruments including the Swedish Companies Act, Annual Accounts Act, Nasdaq Stockholm's Rulebook for Issuers and the Swedish Corporate Governance Code, as well as other internal governance instruments including the Articles of Association, instructions, policies and guidelines. The Swedish Corporate Governance Code is available at www.corporategovernance-board.se, which also reviews the Swedish corporate governance model.

Application of the Swedish Corporate Governance Code

Dedicare applies the Code, and there were instances of non-compliance in 2022. The majority of the Nomination Committee members are not independent of the company and management.

Additionally, Nomination Committee member Jenny Pizzignacco is a member of the company's management in her capacity as Vice President of Human Resources. None of the Nomination Committee members are independent of the company's largest shareholder or group of shareholders that co-operate on the company's administration. The reason for this non-compliance is that Björn Örås, Jenny Pizzignacco and Sara Lilja are major shareholders of Dedicare AB, and otherwise, several large shareholders would have difficulty combining the role of major shareholder with active exercise of their ownership role. A number of major shareholders were informed while convening the Nomination Committee, who all declined their entitlement to appoint a member of the Nomination Committee.

GOVERNANCE MODEL Governance & reporting



→ Reports

→ Appoints

Board of Directors and senior executives

Shareholders

Class B shares of Dedicare AB (publ) were listed on Nasdaq Stockholm on 4 May 2011, and are traded on the small cap list. As of 31 December 2022, there were 9,562,642 shares, of which 7,550,735 class B shares, and 2,011,907 class A shares. Each class B share carries one vote, while each class A share carries five votes. There were 8,965 shareholders as of 31 December 2022 (compared to 7,585 on 31 December 2021). As of 31 December 2022, Dedicare's largest shareholder was Björn Örås, with a holding representing 39,5% of the vote and 27,4% of the share capital of the company. More information on Dedicare's shares and shareholders is in the Share and shareholders section on pages 53-54

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.

The AGM offers all shareholders the facility to exercise the influence represented by their shareholdings. The rules governing the AGM, and the business of the Meeting are stated in sources including the Swedish Companies Act and the Articles of Association. Dedicare's financial year is from 1 January to 31 December, both dates

inclusive. The AGM should be held within six months after the end of the financial year. At the latest, the location and date of the AGM is announced at the time of the Third-quarter Interim Report on the company's website. The invitation to the AGM should be at the earliest six weeks, and the latest four weeks, prior to the Meeting through an announcement in the Swedish Official Gazette, and on the company's website. The notification is simultaneously announced in Swedish daily newspaper Svenska Dagbladet. Shareholders are entitled to have a matter considered at the AGM, and should request this in writing to the Board of Directors. Matters will be considered at the AGM if the Board has received the request at the latest seven weeks prior to the AGM. Pursuant to chap. 7 § 32 of the Swedish Companies Act, all shareholders are entitled to submit questions to the company regarding matters to be considered at the Meeting, and on the company's and the group's financial situation.

AGM 2022

The most recent AGM was held on 21 April 2022 at Dedicare's head office at Ringvägen 100, 10th floor, Stockholm, Sweden.

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, Madeleine Raukas and Anna Söderblom. Björn Örås was re-elected as Chairman of the Board. The AGM also approved Directors' fees of SEK 425,000 (420,000) to the Chairman of the Board, and SEK 190,000 (185,000) to each of the other Directors. For more information, see www.dedicare.se

AGM 2023

The AGM for the financial year 2022 will be held at the company's head office in Stockholm, Sweden, at 4 p.m. on 20 April 2023. The Annual Report will be available by 24 March 2023 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.

Nomination Committee

The duty of the Nomination Committee is to submit proposals on the number of Board members, the composition of the Board of Directors and proposal on Directors' fees to the AGM. The Nomination Committee should also submit proposals on the Chairman of the Board and AGM, and where

appropriate, auditors and their fees. Pursuant to the Code, the Nomination Committee should have at least three members, of which a majority should be independent of the company and group management.

Dedicare's Nomination Committee is 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.

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.

Nomination Committee for the AGM 2023

Dedicare's Nomination Committee for the AGM 2023 was appointed on 3 November 2022. The Members of the Nomination Committee for the AGM 2023 are:

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

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

Board of Directors

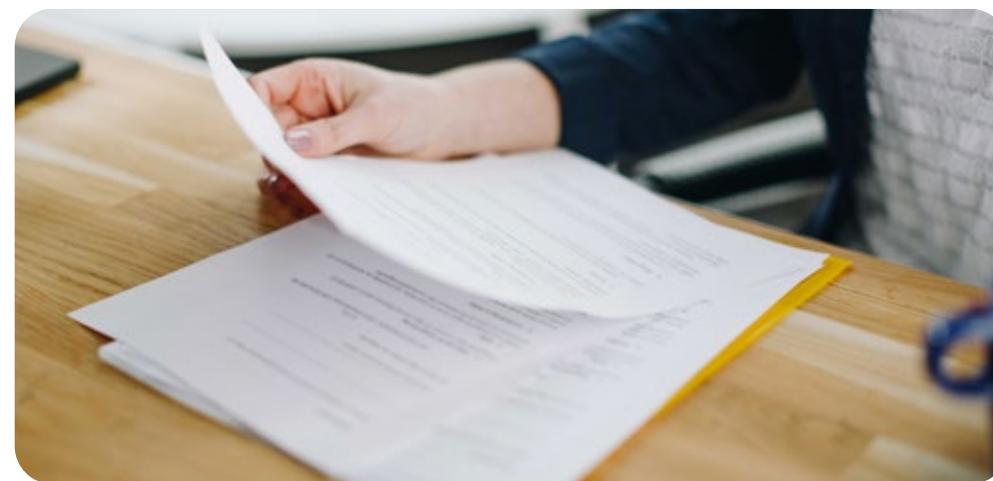
The Board of Directors' main duty is to protect the company's and shareholders' interests, appoint the Chief Executive Officer and be accountable for the company complying with applicable laws, the Articles of Association, and the Swedish Corporate Governance Code. The Board of Directors is also responsible for the group maintaining a suitable structure so the Board can exercise its ownership responsibility over the subsidiaries of the group optimally, and that accounting records, management of funds and the company's financial circumstances otherwise can be monitored satisfactorily.

Composition of the Board

The Board of Directors should consist of 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.



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

The Board of Directors' instructions and policies

The Board adopts rules of procedure for its work each year, and also adopts instructions for the Chief Executive Officer, as well as instructions on financial reporting. These regulate matters including the segregation of duties between the Board of Directors, Chairman, Chief Executive Officer and auditors, quora, conflicts of interest, internal and external reporting, procedures for convening meetings, meetings and minutes. Additionally, the Board has issued and adopted policies for corporate communication, finance, HR, insider information, IT security, fraud and whistleblowing, trade sanctions, and against bribery & corruption.

The work of the Board of Directors

Work of the Board of Directors in 2022

In the financial year 2022, the Board of Directors held a total of 12 scheduled meetings, of which eight were scheduled meetings, three were 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 CEO and CFO 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. Other employees participate as required to present on special matters.

The Board of Directors includes the Directors elected by the AGM: Björn Örås (Chairman), Madeleine Raukas (left on 19 August), Dag Sundström, Eva-Britt Gustafsson, and Anna Söderblom.

Board of Directors' composition

Name	Independence	Attendance
Björn Örås	No	12/12
Eva-Britt Gustavsson	Yes	12/12
Madeleine Raukas ¹⁾	Yes	8/8
Dag Sundström	Yes	11/12
Anna Söderblom	Yes	12/12

¹⁾ Resigned August 19, 2022

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.

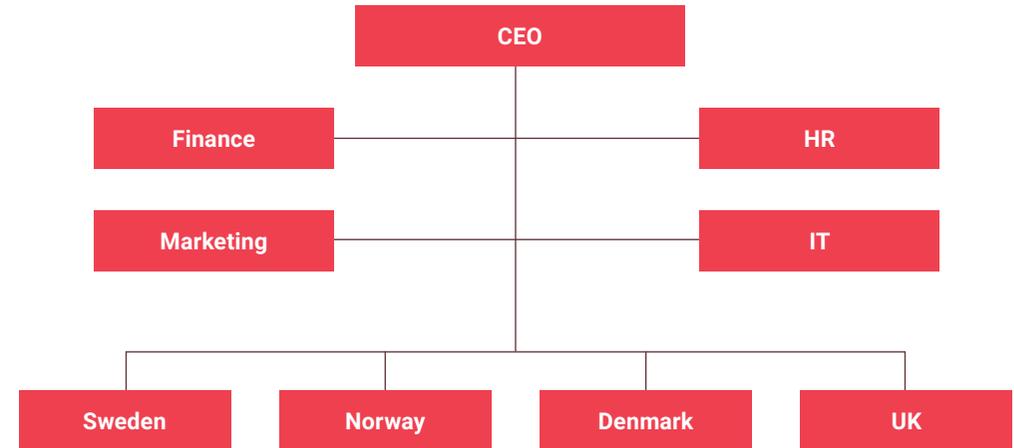
The Board of Directors' opinion is that it can effectively deal with remuneration and audit issues itself considering the number of Directors, the size of the company, and the majority of Directors being independent of the company and management.

The matter of the appointment of committees is reviewed each year. The Board has decided to appoint an Audit Committee in 2023, with responsibilities including quality-assuring financial reporting, and with the duty of monitoring the effectiveness of internal controls and the risk management system for financial reporting.

Management and organisation of sustainability work

The overarching strategies of Dedicare's sustainability work are adopted by group management, then managed and monitored

Organisation



through business planning processes at several levels of the company. Ultimate responsibility for sustainability issues rests with Dedicare's MD & CEO. Dedicare's sustainability work is led by the group's Vice President of Human Resources, who serves as spokesperson on environmental and social issues, is accountable for identifying priority areas, operates as the stakeholders' link with group management, and supports implementation of Dedicare's sustainability agenda.

Chief Executive Officer (CEO)

The Chief Executive Officer 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 2022, 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 continuously 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 MD/CEO, CFO, the Chief Executive Officers 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.

Auditors

Accounting firm PricewaterhouseCoopers AB was elected as auditor at the AGM on 22 April 2021 and were re-elected as auditors at the AGM on 21 April 2022.. 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 2023.

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.

Financial reporting

The Board of Directors is responsible for structuring the company's organisation so the company's financial affairs can be managed satisfactorily, and that financial statements, such as Interim Reports and annual financial statements to the markets are formatted pursuant to legislation, applicable accounting standards and other standards applying to listed companies. The Board should monitor financial progress, ensure the quality of financial reporting and internal controls, and monitor and evaluate operations regularly. Monthly analysis and follow-up meetings are conducted for each segment, where the CEO, CFO and relevant senior executives participate.

The CEO should ensure that the accounting records of group companies are prepared consistently with legislation, and that funds are managed satisfactorily. Dedicare's CEO sits on all the Boards of operational subsidiaries. The group prepares a monthly financial statement, which



is submitted to the Board and the group management. A profit and loss budget is prepared for each financial year, adopted at the Board meeting scheduled in December.

External financial information is published regularly in the form of: Interim Reports, an Annual & Sustainability Report, as well as press releases and important news considered share price sensitive.

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 standards and other requirements of listed companies.

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.

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 employee 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. The risk assessment is updated regularly to capture changes that materially impact internal controls over financial reporting.

In risk assessments, the likelihood of a risk occurring and the consequences of such risk are evaluated. Additionally, how quickly a potential risk could become a reality is considered. The risks in local and central financial reporting are evaluated in terms of the accuracy and existence of accounts, their completeness, rights and obligations, valuations or provisions, formatting and accounting consequences. The internal control environment is designed to reduce the risks identified to a level acceptable to management. Certain specific risks relating to tax and legal issues, for example, and other financial risks, are reviewed regularly and preventatively. Risks and risk management are reported separately in more detail on pages 26-31 of the Annual & Sustainability Report.

Control activities

To prevent, discover and rectify misstatements and variances, control activities have been adopted in relation to the risks identified. Control activities are conducted organisation wide, at all levels, and in all functions. Segments covered by control activities include:

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

Control activities are included in Dedicare's business processes, and play a key role in ensuring effective internal controls in the group. Local managements are responsible for ensuring the necessary control activities are in place and maintained in each entity. The group's CFO is responsible for conducting and maintaining all control activities at a central level. The control environment is based on a balanced combination of preventative controls and follow-ups, as well as automated and manual checks.

Information and communication

Dedicare's information and communication pathways are intended to be expedient and enable reporting and feedback from operations to the Board of Directors and management. Internal policies and guidelines are available on Dedicare's intranet and are also communicated to relevant individuals in its organisation. Reporting shortcomings in internal controls is to the Board of Directors and management based on the assessed consequences of such shortcoming.

Monitoring

Dedicare consolidates its internal control environment progressively by evaluating its design and operational efficiency, as well as verifying that predetermined control activities are being conducted as intended. Dedicare's core values are reviewed yearly, when an emphasis is placed on the policies and instructions that illustrate management's and the Board of Directors' view of internal governance and controls.

Follow-ups on any shortcomings that staff or external audits reveal are conducted quarterly, and discussed with the relevant individuals and members of Dedicare's group management.



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:**

1,079,628 class A and 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:

Other current assignments: lecturer
and researcher, Stockholm
School of Economics. Chairman
of Proact IT Group AB, Director of
BTS Group AB, Länsförsäkringar
Liv Försäkringsaktiebolag, Midway
Holding AB, and B3 Consulting
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 Technol-
ogy, Stockholm, M.B.A., Stockholm
School of Economics.

Other current assignments:

Chairman of the Board of Raoul
Wallenbergkolorna AB, Chairman
of the Board of DS Holding AB, and
Chairman of the Board of Dag Sund-
ström Consulting AB.

Dedicare shareholdings:

1,000 class B



Eva-Britt Gustafsson

Board member since: 2019

Born: 1950

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

Other current assignments:

None.

Dedicare shareholdings:

0

Auditor



Henrietta Segermark

Audit firm: Pricewaterhouse-
Coopers AB

Senior Audit Partner since: 2021

Other significant assignments:

Senior Audit Partner for companies
including Tobii AB (publ), DHL Sver-
ige, Seamless Distribution Systems
AB (publ), Charge Amps AB (publ)
and Pomona-gruppen AB

Board of Directors and senior executives, cont.

Group Management



Krister Widström

CEO and Managing Director of Dedicare AB
Born: 1962
Employed 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



Eva Brunnberg

Managing Director, Sweden
Born: 1968
Employed 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



Mattis Kjellin

CIO
Born: 1972
Employed since: 2018
Professional experience: Experience in the staffing industry and senior management positions in IT.
Dedicare shareholdings: 0



Bård Kristiansen

Managing Director, Norway
Born: 1970
Employed since: 2017
Professional experience: CEO of Medisinsk Vikarbyrå AS, Director of Adecco Helse AS.
Dedicare shareholdings: 30,000 share warrants



Kasper Madsen

Managing Director, Denmark
Born: 1979
Employed 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



Jenny Pizzignacco

Head of HR
Born: 1979
Employed since: 2016
Professional experience: Experience of Nasdaq and the staffing sector, formerly Interim CFO of Dedicare and CEO of Dedicare Nurse.
Dedicare shareholdings: 932,279 class A och 196,070 class B



Anette Sandsjö

CFO
Born: 1965
Employed since: 2022
Professional experience: Authorized accountant revisor of Deloitte, CFO of Lindorff Sverige, Group accounting manager of Proffice / Randstad, CFO of Intendia Group.
Dedicare shareholdings: 0

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in 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 2022 on pages 55-64 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 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 24 March 2023
PricewaterhouseCoopers AB

Henrietta Segenmark
Authorized Public Accountant

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Annual Report 2022



Administration Report

Dedicare AB (publ), corp. ID no. 556516-1501

Operations

Dedicare is an authorised recruitment and staffing company, whose main operations are contracting and staffing doctors, nurses, social workers, psychologists, preschool and life science staff. The group is active in Sweden, Norway, Denmark, Finland, the UK & Ireland, and has 149 (104) employees in its administrative and sales organisation, and in 2022, provided a total of 1,081 (821) doctors, nurses, social workers, psychologists, preschool staff and life science 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

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. 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 2020. 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 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.

Issue decision

The AGM on 22 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 prior to the next AGM, with or without preferential rights

for shareholders. The issue decision will include the facility 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 New Markets segment was created in tandem with the acquisition of Templars Medical Agency in October. 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, Dedicare Sverige AB, 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.

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.

**Results of operations and financial position
Revenue**

The group's net sales for the year increased by 41.5 percent to SEK 1,768.0 million (1,249.9). For more information, see note 2 Segment information and disclosures on categories of revenue.

In Sweden, turnover increased by 25.2 percent for the year 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 year 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 year 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.

Results of operations

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 year 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 year. 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 year, with an EBIT margin of 11.0 percent (11.1).

Denmark's EBIT was SEK 8.8 million (6.6) for the year, 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 year. The increase is primarily due to depreciations of surplus values from acquisitions and expenses related to the acquisitions of H&P Search & Interim AB and Templars Medical Agency Ltd.

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

Financial position and cash flow

The group's accounts receivable increased to SEK 230.6 million (131.6) for the year. The group's cash and cash equivalents as of 31 December 2022 were SEK 142.8 million (132.4). SEK 4.9 million (42.2) of the non-current liabilities are provisions and SEK 74.9 million (15.5) are interest-bearing liabilities. Non-current liabilities are mainly due to the contingent consideration and loan related to the acquisition of Dedicare A/S (KonZenta ApS). Accrued expenses and deferred income for the period increased to SEK 208.3 million (158.9).

Cash flow from operating activities was SEK 105.4 million (69.6). The increased cash flow from operating activities is mainly due to higher EBIT. Net cash flow relating to acquisitions amounted to SEK -27.1 million (0). For more information, see Note 24. 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

The equity/assets ratio as of 31 December 2022 was 35.4 percent (35.9).

Investments

Investments in tangible and intangible non-current assets in the year were SEK 5.4 million (2.3). Investments in the year mainly relate to IT systems. A five-year comparison of the group's results of operations and financial position is on page 106.

Human resources

The average number of employees expressed as FTEs was 1,230 (925). This includes subcontracting consultants, of which there were 189 (156) in the period January-December. More information is in the Sustainability Report on page 34 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 34 onwards.

Remuneration guidelines for senior executives

The Annual General Meeting (AGM) 2020 resolved on remuneration guidelines for senior executives. In 2022, 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 5.

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. 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. More detail on each salary model is in note 5.

Resolutions on any share and share price-related incentive programmes for senior executives should be taken by shareholders' meetings.

Employment terms of the CEO and other senior executives

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 of employment contracts initiated by the executive or the company, other senior executives are entitled to notice periods of six months. Monthly salary will be payable throughout this notice period, although any other salary received during this period will be deducted.

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

Departure from the guidelines of the salary model

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

Parent company

The parent company conducts overall group management, finance and IT management. Until the end of December 2021, the parent company had 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, and the Swedish business segment was transferred to a separate company, Dedicare Sverige AB. Net sales in the period Janu-

ary-December 2022 were SEK 27.6 million (451.1), and profit after financial items was SEK 49.7 million (61.0).

The share

Dedicare's class B share had its initial public offering on Nasdaq Stockholm on 4 May 2011. On 31 December 2022, the share capital was SEK 4,781,321, divided between 9,562,642 shares, of which 2,011,907 class A shares and 7,550,735 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 52.

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 funda-

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

Public funding and governance

Essentially, healthcare 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 opera-

tionally 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.

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 healthcare 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 largest client in Sweden, Region Stockholm health authority, represented some 15.7 per cent (22.8) of Dedicare Sweden's turnover in 2022. In Norway, the largest client Helse Sør Øst regional health authority, generated approximately 7.1 per cent (11.4) of Dedicare Norway's total turnover in 2022. The North Jutland regional health authority was Dedicare Denmark's largest client, representing approximately 34.3 per cent (25.5) of turnover in 2022. The largest client in the UK for the October-December period was King Edward's Hospital, which represented approximately 58.2 per cent (0) of turnover.

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.

The company would also be adversely impacted if executives and other key individuals decided 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.

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 agen-

cies 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. 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.

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 counter cyberthreats, business continuity and data security risks are additional. Delays in the rollout of key systems, unplanned outages, cybersecurity vulnerabilities, 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.

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, DKK, EUR and GBP. 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.

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 34–51 of the Annual Report.

Corporate Governance Report

The Corporate Governance Report is on pages 56-65 of the Annual Report.

Proposed appropriation of profit

The Board of Directors of Dedicare is proposing a dividend of SEK 6.0 per share (4.0), or SEK 57.4 million (37.6) 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	108,003,327
Profit for the year	83,742,138
Total	191,745,466

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

Dividend to shareholders	57,375,852
Carried forward	134,369,614
Total	191,745,466

Board of Directors' statement on proposed dividend

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 142.8 million (132.4) as of 31 December 2022, and the group is expected to generate positive cash flow in 2023.

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 corresponds to 56.6% (57.6) 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 %. 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 000	Note	1 Jan. 2022 31 Dec. 2022	1 Jan. 2021 31 Dec. 2021
Net sales	2	1,768,008	1,249,883
Capitilised work performed by the company		4,330	–
Other operating income		16,314	33,024
		1,788,652	1,282,907
Operating expenses			
Purchased services		-366,626	-271,214
Personnel expenses	5	-1,085,609	-780,084
Other operating expenses	4	-180,297	-128,935
Depreciation and amortisation of tangible and intangible assets	12, 13, 14	-20,208	-13,441
Earnings before interest and taxes		135,912	89,233
Profit from financial items			
Interest income and similar profit/loss items	7	6,592	727
Interest expenses and similar profit/loss items	8	-12,156	-2,883
Profit after financial items		130,348	87,077
Tax	10	-29,051	-21,513
Profit for the year		101,297	65,564
Other comprehensive income			
<i>Items reclassifiable to profit or loss</i>			
Translation differences		8,932	617
Total comprehensive income		110,229	66,181
Total comprehensive income attributable to:			
Equity holders of the parent		110,229	66,181
Basic earnings per share (SEK)	11	10.69	6.98
Diluted earnings per share (SEK)	11	10.59	6.91

Effective in 2022, exchange rate changes of an operating nature are reported under other operating income (exchange rate gains) and other operating expenses (exchange rate losses). They were previously reported under financial items. Comparative figures for 2021 have been updated as follows: other operating income increase by TSEK 33,024, other operating expenses increase by TSEK 31,572, interest income and similar profit/loss items decrease by TSEK 361 and interest expenses and similar profit/loss items increase by TSEK 1,091.

EBIT for 2022 includes acquisition expenses of TSEK 4,111. Adjusted for these non-recurring items, EBIT amounts to TSEK 140,023.

Consolidated Statement of Financial Position

SEK 000	Note	31 Dec. 2022	31 Dec. 2021
Non-current assets			
Intangible assets	12	171,088	78,568
Right-of-use assets	13	28,260	10,927
Equipment	14	1,999	1,669
Deferred tax assets	10	386	1,444
Deposits paid	27	4,792	4,788
Total non-current assets		206,525	97,396
Current assets			
Accounts receivable	16	230,581	131,580
Tax asset		7,556	9,991
Other receivables		2,474	491
Prepaid expenses and accrued income	17	152,751	125,977
Cash and cash equivalents	26	142,797	132,426
Total current assets		536,159	400,465
TOTAL ASSETS		742,684	497,861

SEK 000	Note	31 Dec. 2022	31 Dec. 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	18	4,781	4,698
Other paid-up capital		28,702	16,870
Translation reserve		-4,982	-13,914
Retained earnings		234,056	170,839
Total equity		262,557	178,493
Non-current liabilities			
Provisions	19	4,921	42,162
Long-term interest-bearing liabilities	20	74,911	15,472
Lease liabilities	13, 20	17,381	4,753
Deferred tax liabilities	10	18,159	10,692
Total non-current liabilities		115,372	73,079
Current liabilities			
Short-term interest-bearing liabilities	20	13,468	6,876
Lease liabilities	13, 20	10,253	6,449
Accounts payable	31	17,487	6,833
Current tax liabilities		31,917	24,322
Other current liabilities	21	83,336	42,952
Accrued expenses and deferred income	22	208,294	158,857
Total current liabilities		364,755	246,289
TOTAL EQUITY AND LIABILITIES		742,684	497,861

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

Consolidated Statement of Cash Flows

SEK 000	Note	1 Jan. 2022 31 Dec. 2022	1 Jan. 2021 31 Dec. 2021
Operating activities			
Earnings before interest and taxes		135,912	89,233
Adjustment for non-cash items	23	18,519	11,989
Interest received	7	1,098	136
Interest paid	8	-1,679	-1,191
Income tax paid		-23,703	-6,762
Cash flow from operating activities before changes in working capital		130,147	93,405
Cash flow from changes in working capital			
Decrease(+)/increase(-) in accounts receivable		-80,539	-38,792
Decrease(+)/increase(-) in receivables		-18,330	-50,391
Decrease(-)/increase(+) in accounts payable		8,388	4,054
Decrease(-)/increase(+) in current liabilities		65,671	61,311
Cash flow from operating activities		105,337	69,587
Investing activities			
Acquisition of subsidiaries	24	-27,111	-
Purchase of intangible assets	12	-4,333	-1,776
Purchase of equipment	14	-1,030	-512
Payment of contingent consideration		-36 139	-
Cash flow from investing activities		-68,613	-2,288
Financing activities			
Share warrants deposited		-	378
New shares in Issue expenses		-106	-
Borrowings	20	28,627	-
Repayment of loans	20	-11,690	-6,829
Repayment of lease liability		-9,089	-6,220
Cash deposits		269	-581
Dividend paid		-38,080	-23,488
Cash flow from financing activities		-30,069	-36,740
Cash flow for the year		6,655	30,559
Cash and cash equivalents at beginning of year		132,426	100,288
Exchange difference in cash and cash equivalents		3,716	1,579
Cash and cash equivalents at end of year	26	142,797	132,426

Effective in 2022, exchange rate changes of an operating nature are reported under Earnings before interest and taxes. They were previously reported under financial items. Comparative figures have been updated as follows: Earnings before interest and taxes increase by TSEK 1,452, Adjustment for non-cash items decrease by TSEK 1,452.

Consolidated Statement of Changes in Equity

SEK 000	Attributable to equity holders of the parent				
	Share capital	Other paid-up capital	Trans-lation reserve	Retained earnings	Total equity
Opening balance, 1 January 2022	4,698	16,870	-13,914	170,839	178,493
Comprehensive income					
Profit for the year	-	-	-	101,297	101,297
Other comprehensive income					
<i>Items reclassifiable to profit or loss</i>					
Translation differences	-	-	8,932	-	8,932
Total other comprehensive income	-	-	8,932	-	8,932
Total comprehensive income	-	-	8,932	101,297	110,229
Transactions with equity holders					
Share warrants deposited	-	-	-	-	-
Non-cash issues	83	11,938	-	-	12,021
Transaction expenses	-	-106	-	-	-106
Share dividend	-	-	-	-38,080	-38,080
Total transactions with equity holders	83	11,832	-	-38,080	-26,165
Closing balance, 31 December 2022	4,781	28,702	-4,982	234,056	262,557

SEK 000	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>					
Translation 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
Non-cash issues	-	-	-	-	-
Transaction expenses	-	-	-	-	-
Share 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

Parent Company Income Statement

SEK 000	Note	1 Jan. 2022 31 Dec. 2022	1 Jan. 2021 31 Dec. 2021
Net sales	3	27,583	451,081
Capitilised work performed by the company		4,330	–
Other operating income		5,606	4,990
		37,519	456,071
Operating expenses			
Purchased services		325	-171,381
Personnel expenses	5	-23,019	-256,972
Other external expenses	3, 4	-45,346	-37,110
Depreciation and amortisation of tangible and intangible assets	12,14	-1,837	-1,740
Earnings before interest and taxes		-32,358	-11,132
Profit from financial items			
Profit from participations in group companies	6	85,144	73,096
Interest income and similar profit/loss items	7	9,252	1,061
Interest expenses and similar profit/loss items	8	-12,374	-1,991
Profit after financial items		49,664	61,034
Appropriations	9	34,078	10,198
Profit for the year		83,742	71,232

Effective in 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: other operating income increase by TSEK 4,990, other external expenses increase by TSEK 7,894, Interest income and similar profit/loss items decrease by TSEK 4,990 och Interest expenses and similar profit/loss items increase by TSEK 7,894.

Parent Company Balance Sheet

SEK 000	Note	31 Dec. 2022	31 Dec. 2021
Assets			
Non-current assets			
Intangible assets			
Intangible assets	12	7,168	4,778
Total intangible assets		7,168	4,778
Property, plant and equipment			
Equipment	14	461	808
Total property, plant and equipment		461	808
Financial assets			
Shares in subsidiaries	15	201,753	103,973
Cash deposits		4,300	4,300
Total financial assets		206,053	108,273
Total non-current assets		213,682	113,859
Current assets			
Current receivables			
Accounts receivable	16	–	47,180
Tax asset		5,372	9,743
Receivables from group companies		171,966	–
Other receivables		723	34
Prepaid expenses and accrued income	17	21,345	44,053
Total current receivables		199,406	101,010
Cash and bank balances	26	105,605	120,757
Total current assets		305,011	221,767
TOTAL ASSETS		518,693	335,626

SEK 000	Note	31 Dec. 2022	31 Dec. 2021
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	18	4,781	4,698
Statutory reserve		20	20
Development fund		4,330	–
Total restricted equity		9,131	4,718
Non-restricted equity			
Share premium reserve		28,682	16,850
Retained earnings		79,322	50,500
Profit for the year		83,742	71,232
Total non-restricted equity		191,746	138,582
Total equity		200,877	143,300
Untaxed reserver	9	27,256	37,148
Non-current liabilities			
Provisions	19	–	35,626
Long-term interest-bearing liabilities	20	74,911	15,472
Total non-current liabilities		74,911	51,097
Current liabilities			
Short-term interest-bearing liabilities	20	13,468	6,876
Accounts payable	31	2,859	4,740
Liabilities to group companies		181,602	20,665
Other current liabilities	21	4,748	17,544
Accrued expenses	22	12,972	54,256
Total current liabilities		215,649	104,081
TOTAL EQUITY AND LIABILITIES		518,693	335,626

Parent Company Cash Flow Statement

SEK 000	Note	1 Jan. 2022 31 Dec. 2022	1 Jan. 2021 31 Dec. 2021
Operating activities			
Earnings before interest and taxes		-32,358	-11,132
Adjustment for non-cash items	23	2,349	2,357
		-30,009	-8,775
Interest received		3,759	1,061
Interest paid		-1,898	-966
Income tax paid		4,371	3,768
Cash flow from operating activities before changes in working capital		-23,777	-4,912
Cash flow from changes in working capital			
Decrease(+)/increase(-) in accounts receivable		47,116	-15,056
Decrease(+)/increase(-) in receivables		-138,416	-10,113
Decrease(-)/increase(+) in accounts payable		-1,852	1,811
Decrease(-)/increase(+) in current liabilities		107,446	24,726
Cash flow from operating activities		-9,483	-3,544
Investing activities			
Purchase of intangible assets	12	-4,330	-1,682
Purchase of equipment	14	-307	-42
Acquisition of subsidiaries	24	-41,733	-
Dividend received from subsidiaries		73,903	73,096
Payment of contingent consideration		-36 139	-
Cash flow from investing activities		-8,606	71,372
Financing activities			
Share warrants deposited		-	378
New shares in issue expenses		-106	-
Borrowings	20	28,627	-
Repayment of loans	20	-11,690	-6,829
Dividend paid		-38,080	-23,488
Group contribution received		24,186	398
Group contribution paid		-	-79
Cash flow from financing activities		2,937	-29,620
Cash flow for the year		-15,152	38,208
Cash and cash equivalents at beginning of year		120,757	82,549
Cash and cash equivalents at end of year	26	105,605	120,757
Available cash and cash equivalents net of blocked bank balances		105,605	120,757

Effective in 2022, exchange rate changes of an operating nature are reported under earnings before interest and taxes. They were previously reported under financial items. Comparative figures for 2021 have been updated as follows: Earnings before interest and taxes increase by TSEK 2,904, Adjustment for non-cash items decrease by TSEK 2,904.

Parent Company Statement of Changes in Equity

SEK 000	Restricted equity			Non-restricted equity			Total equity
	Share capital	Statutory reserve	Development fund	Share premium reserve	Retained earnings	Profit for the year	
Opening balance, 1 January 2022	4,698	20	–	16,850	50,500	71,232	143,300
Appropriation of earnings, according to AGM resolution	–	–	–	–	71,232	-71,232	–
Profit for the year	–	–	–	–	–	83,742	83,742
Development fund	–	–	4,330	–	-4,330	–	–
Transactions with equity holders							
Non-cash issues	83	–	–	11,938	–	–	12,021
Transaction expenses	–	–	–	-106	–	–	-106
Share dividend	–	–	–	–	-38,080	–	-38,080
Total transactions with equity holders	–	–	–	11,832	-38,080	–	-26,165
Closing balance, 31 December 2022	4,781	20	4,330	28,682	79,322	83,742	200,877

SEK 000	Restricted equity			Non-restricted equity			Total equity
	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Profit for the year		
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	–	–	–	–	71,232	71,232	
Transactions with equity holders							
Share warrants deposited	–	–	378	–	–	378	
Share 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	

Notes

Note 1 Accounting policies

General information

The consolidated accounts and annual accounts of Dedicare AB (publ) for the financial year ending on 31 December 2022 were approved by the Board of Directors and Chief Executive Officer for publication on 24 March 2023. 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 20 April 2023.

Dedicare is an authorised recruitment and staffing company, whose main operation is contracting and staffing doctors, nurses, social workers, psychologists, preschool and life science staff. The group is active in Sweden, Norway, Denmark, Finland, the UK & Ireland.

The composition of the group is stated in note 15.

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 2022

None of the IFRS or IFRIC interpretations that are mandatory for the first time for the financial year beginning 1 January 2022 have had any material impact on the company's financial statements.

New or revised IFRS and interpretation statements, 2023 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.

Amendments to the financial statements

Exchange rate fluctuations of an operating nature are recognised under other operating revenue (exchange rate gains) and other external expenses (exchange rate losses) effective 2022. Previously, they were reported under financial items.

The following amendments were made to presentation of the group's comparative figures in the financial statements:

Statement of Comprehensive Income: Other operating revenue increases by TSEK 33,024, Other external expenses increase by TSEK 31,572, Interest income and similar profit/loss items decrease by TSEK 361 and Interest expenses and similar profit/loss items increase by TSEK 1,091.

Statement of Cash Flows: EBIT increases by TSEK 1,452, Adjustments for non-cash items decrease by TSEK 1,452.

Consolidated accounts

The consolidated accounts have been prepared in accordance with the purchase method and include the parent company Dedicare AB (publ) and those companies that Dedicare exerts a controlling influence over.

Business combinations

The consolidated cost of the subsidiary is measured through an acquisition analysis in tandem with 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. Contingent consideration is measured at fair value. Intangible assets such as trademarks & brands, databases and customer contracts identified in the acquisition analysis are amortised over their estimated useful lives. Goodwill is treated as having an indefinite useful life and is consequently tested for impairment yearly, or where there are indications of impairment. 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. Intragroup

gains and balances are eliminated in the consolidated accounts.

Translation of foreign currency Presentation and functional currency

The group's presentation currency is Swedish kronor. Reports are prepared in thousands of Swedish kronor unless otherwise stated. The functional currency is the currency used in the economic environment where a subsidiary mainly operates. Dedicare AB's (publ) functional currency is Swedish kronor.

Foreign subsidiaries

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.

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.

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.

The accounting policies applied for segment reporting are consistent with those the group applies.

Operations are divided between the operating segments of Sweden, Norway, Denmark, New Markets and Group-wide Costs.

The Sweden, Norway, Denmark and New Markets segments consist of business activities 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.

Finland is reported in the Sweden segment. The new market segment 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, depreciation and amortisation related to business transfers, restatement IFRS 16, intra-group transactions, eliminations etc.

The group as lessee

The group's leases are mainly on office premises and vehicles. 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.

Generally, leases are Ltd., 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.

Certain leases include an option to extend 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 leased 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.

Measurement and recognition of leases as lessee

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.

The group's incremental borrowing rate is determined in each country by using the country's base interest rate plus the margin for financing, without amortization and collateral, that the group would receive from an outside party. Adjustment of the margin is made based on the length of the lease period.

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

Current tax is computed on taxable earnings for a period.

Deferred tax

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.

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.

Intangible assets

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 acquired 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 combination

Intangible assets acquired in a business combination 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. Acquired customer contracts are measured based on the remaining term of the contract at the acquisition date, converted to fair value. The amortisation period is on a straight-line basis over the useful life, and is based on the assessment conducted in the acquisition analysis, which is based on historical experience and future estimates of the asset's use in operations. This assessment is evaluated yearly.

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

Capitalised expenditure for development

Development costs directly attributable to developing and testing identifiable and unique software controlled by the group, is recognised as intangible assets when the following criteria are satisfied:

- It is technically possible to complete the software so it can be used
- The company intends to complete the software and use it
- The conditions to use the software are in place
- It can be demonstrated how the software will generate likely future economic benefits
- Adequate technical, economic and other resources to complete development and use the software are available, and

- The expenditure attributable to the software during its development can be measured reliably

Capitalised expenditure for development is recognised at cost less accumulated amortisation. The cost of an internally generated intangible asset is the total of the expenditure occurring from the date when the intangible asset first satisfies the above criteria for capitalisation. Activities in the research phase, maintenance and training initiatives are expensed as they occur. Amortisation begins when the asset is ready for use. The useful life is measured based on the period the acquired benefits are expected to flow to the company, based on historical data and considering future technological progress. Amortisation is on a straight-line basis over the useful life, and for capitalised development work, is estimated at 3–5 years. Amortisation is recognised in the Amortisation and impairment of tangible and intangible assets item in the Statement of Comprehensive Income. Expenditure for development previously expensed is not recognised as an asset in subsequent periods.

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 expenses for configuring or customising software in SaaS arrangements. Based on these agenda decisions, Dedicare is reporting implementation expenses for SaaS arrangements that are not within the application of IAS 38 or IFRS 16, as deferred expenses, when they occur and are expensed on a straight-line basis over the software's planned useful life.

Software is expensed effective the date it is ready for use. Activities during the research phase, as well as maintenance and training investments, are expensed as they occur.

An intangible asset relating to a database has been assessed based on the cost to recreate and converted to fair value. The useful life has been

measured on the basis of the actual useful life the database will be used in operations.

Other intangible assets

Other intangible assets are recognised at cost less accumulated amortisation and any accumulated impairment. Amortisation is on a straight-line basis over the useful life

Amortisation according to plan is as follows:

Other intangible assets, %	20.0
Customer contracts, %	10.0 - 28.6
Databases, %	12.5 - 20.0
Trademarks & brands, %	50.0 - 100.0

Property, plant and equipment

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

Depreciation according to plan is as follows:

Equipment, %	20.0
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The residual value and useful lives of assets are tested at each reporting date and adjusted as required.

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.

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.

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.

Cash and cash equivalents

Cash and cash equivalents consist of account balances with financial institutions and short-term liquid investments with terms from acquisition 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 applies the practical expedient 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. The model is based on the group's historical experience, external indicators and forward-looking information. The provisioned amount is recognised in profit or loss. Based on bad debt history, the historical loss risk has an insignificant effect on the credit loss, and accordingly, the provision for doubtful debt is based on individual estimates.

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.

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.

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 retirement 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 5.

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 info in note 11.

Alternative performance measures

The group applies ESMA guidelines for APMs. The group's APMs are defined according to these guidelines on page 107.

Government grants

The group accounts government grants 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 2022 and 2023 did not have/will not have any material impact on the

Note 1, cont.

parent company's financial statements. The parent company's accounts are consistent with the group's policies, apart from what is stated below.

Amendments to the financial statements

Exchange rate fluctuations of an operating nature are recognised under other operating revenue (exchange rate gains) and other external expenses (exchange rate losses) effective 2022. Previously, they were reported under financial items.

The following amendments were made to presentation of the group's comparative figures in the financial statements:

Statement of Comprehensive Income: Other operating revenue increases by TSEK 4,990, Other external expenses increase by TSEK 7,894, Interest income and similar profit/loss items decrease by TSEK 4,990 and Interest expenses and similar profit/loss items increase by TSEK 7,894.

Statement of Cash Flows: EBIT increases by TSEK 2,904, Adjustments for non-cash items decrease by TSEK 2,904.

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 2 Segment information and disclosures on categories of revenue

Dedicare monitors operations divided between the operating segments of Sweden, Norway, Denmark, New Markets and Group-wide Costs. For more information on segments, see note 1. All revenue in the following table is from external customers. No Dedicare customer represents more than 10 percent of the group's total revenue.

Revenue per operating segment, SEK 000	Group	
	2022	2021
Sweden	562,796	449,539
Norway	1,015,662	651,246
Denmark	178,798	149,098
New Markets	10,752	–
Total net sales	1,768,008	1,249,883
Capitalised work performed by the company	4,330	–
Other operating revenue	16,314	33,024
Total operating revenue	1,788,652	1,282,907

TSEK 39 (445,771) of the parent company's net sales are recognised in the Sweden segment. The remaining TSEK 27,544 (5,310) in net sales relates to sale within the Dedicare Group. None of the parent company's customers represent more than 10 percent of the parent company's total revenue.

EBIT per operating segment, SEK 000	Group	
	2022	2021
Sweden	31,653	14,504
Norway	112,090	72,417
Denmark	8,792	6,641
New Markets	1,066	–
Group-wide Costs	-17,689	-4,329
EBIT	135,912	89,233
Financial income and expenses	-5,564	-2,156
Profit before tax	130,348	87,077

Net sales per category of revenue, SEK 000	Group					Total 2021
	Public 2022	Public 2021	Private 2022	Private 2021	Total 2022	
Sweden	433,516	404,526	129,280	45,013	562,796	449,539
Norway	937,262	603,379	78,399	47,867	1,015,662	651,246
Denmark	176,245	142,816	2,554	6,282	178,798	149,098
New Markets	10,752	–	–	–	10,752	–
Total	1,557,775	1,150,721	210,233	99,162	1,768,008	1,249,883

Note 3 Intragroup purchases and sales, etc.

SEK 000	Parent company	
	2022	2021
Sales	27,544	5,310
Purchases	-1,509	-3,691

Year-2021 sales were previously reported under purchases, and purchases were previously reported under sales. Comparative figures are now reported in the correct category.

Note 4 Audit fees and reimbursement

SEK 000	Group		Parent company	
	2022	2021	2022	2021
PricewaterhouseCoopers AB				
Auditing	1,302	975	957	820
<i>Other auditing in addition to audit assignment</i>				
other statutory assignments	55	–	55	–
tax advice	452	193	315	165
other services	408	196	172	–
Total	2,217	1,364	1,499	985
Grant Thornton Sweden AB				
Auditing	–	239	–	174
<i>Other auditing in addition to audit assignment</i>				
other services	–	35	–	35
Total	–	274	–	209

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 2022 resolved to elect PricewaterhouseCoopers AB as auditor with Senior Auditor Henrietta Segenmark for the period until the end of the following AGM.

Note 5 Number of employees, salaries, other benefits and social security expenses

	2022		2021	
	No. of employees	Of which men	No. of employees	Of which men
Average number of employees				
Parent company				
Sweden	15	4	316	92
Total parent company	15	4	316	92
Subsidiaries				
Sweden	366	79	1	–
Norway	709	138	534	140
Denmark	87	56	74	42
UK	53	22	–	–
Total, subsidiaries	1,215	295	609	182
Total, group	1,230	299	925	274

Division of senior executives on reporting date	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Women:				
Directors	2	3	2	3
other members of management incl. CEO	3	3	2	3
Men:				
Directors	2	2	2	2
other members of management incl. CEO	4	4	1	1
Total	11	12	7	9

Salaries, benefits, etc., SEK 000	2022		2021	
	Salaries and other benefits	Soc. sec. exp. (of which pension expenses)	Salaries and other benefits	Soc. sec. exp. (of which pension expenses)
Parent company	13,485	5,176 (617)	180,211	75,317 (21,034)
Subsidiaries	874,333	184,311 (45,778)	461,057	56,642 (11,487)
Total, group	887,818	189,487	641,268	131,959
of which pension expenses		(46,395)		(32,521)

Salary and other benefits by country and between Directors, etc. and employees, SEK 000	2022		2021	
	Board of Directors and CEO (of which bonus etc.)	Other employees	Board of Directors and CEO (of which bonus etc.)	Other employees
Parent company				
Sweden	5,101	8,384	5,281	174,409
Subsidiaries				
Sweden	2,060	223,513	521	1,520
Norway	2,542	504,677	2,127	351,010
Denmark	1,819	131,128	1,309	105,090
New Markets	–	8,594	–	–
Total subsidiaries	6,421	867,912	3,957	457,620
Total group	11,522	876,296	9,238	632,029
(of which bonus etc.)	3,402	407	2,279	745

TSEK 1,708 (1,017) 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.

TSEK 1,240 (733) of the parent company's pension expenses relate to the group's Chief Executive Officer. The company has no outstanding pension obligations to the Board of 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 2023 for ITP2 policies arranged with Alecta are TSEK 3,440 (8,462). 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 0.03206 percent (0.01541) and 0.03605 percent (0.03401) 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 2022, Alecta's surplus expressed as the collective consolidation ratio was 172.0 percent (172.0).

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 TSEK 1,920 (1,680). Variable salary will be paid in 2023.

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 TSEK 1,889 (1,344) in 2022. Variable salary will be paid in 2023.

Compensation to the Board of Directors and group management

2022, SEK 000	Salary/Director's fee	Variable salary	Other compensation	Pension expenses	Total
Björn Örås (Chairman of the Board)	423	–	–	–	423
Madeleine Raukas ¹ (Director)	–	–	–	–	–
Dag Sundström (Director)	188	–	–	–	188
Anna Söderblom (Director)	188	–	–	–	188
Eva-Britt Gustafsson (Director)	188	–	–	–	188
Chief Executive Officer	2,413	1,920	5	1,240	5,578
Other senior executives (6)	7,934	1,889	46	995	10,864
Total	11,334	3,809	51	2,235	17,429

¹ Madeleine Raukas left the Board voluntarily in July 2022.

2021, SEK 000	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

Note 6 Profit/loss from participations in group companies

SEK 000	Parent company	
	2022	2021
Dividend from subsidiary Dedicare AS	51,802	55,372
Dividend from subsidiary Dedicare Doctor AS	29,601	14,561
Dividend from subsidiary Dedicare A/S	3,741	3,163
Total	85,144	73,096

Note 7 Interest income and similar profit/loss items

SEK 000	Group		Parent company	
	2022	2021	2022	2021
Interest income	1,098	136	3,759	1,061
Exchange differences	5,494	591	5,493	-
Total	6,592	727	9,252	1,061

TSEK 1,098 (136) of the group's interest income affects cash flow. TSEK 3,031 (925) of the parent company's other interest income and similar profit/loss items is revenue from other group companies.

Exchange rate gains of an operating nature are recognised under other operating revenue effective 2022. Previously, they were reported under interest income and similar profit/loss items. Exchange differences for 2021 decreased by TSEK 361 for the group, and decreased by TSEK 4,990 for the parent company.

Note 8 Interest expenses and similar profit/loss items

SEK 000	Group		Parent company	
	2022	2021	2022	2021
Interest expenses	-3,818	-1,792	-4,044	-1,485
Exchange differences	-8,338	-1,091	-8,330	-506
Total	-12,156	-2,883	-12,374	-1,991

TSEK 1,679 (1,191) of the group's interest expenses affect cash flow. TSEK 897 (328) of the parent company's other interest expenses and similar profit/loss items are expenses to other group companies.

Exchange rate losses of an operating nature are recognised under other operating expenses effective 2022. Previously, they were reported under interest expenses and similar profit/loss items. Exchange differences for 2021 increased by TSEK 1,091 for the group, and decreased by TSEK 7,894 for the parent company.

Note 9 Appropriations and untaxed reserves

Appropriations, SEK 000	Parent company	
	2022	2021
Change, tax allocation reserve	10,246	9,917
Difference between book and plan depreciation	-354	-39
Group contributions received	24,186	399
Group contributions paid	-	-79
Total	34,078	10,198

Untaxed reserves, SEK 000	Parent company	
	31 Dec. 2022	31 Dec. 2021
Tax allocation reserve	25,258	35,504
Accumulated excess depreciation	1,998	1,644
Total	27,256	37,148

Note 10 Tax

SEK 000	Group		Parent company	
	2022	2021	2022	2021
The following components are included in the tax expense:				
Current tax	-33,539	-24,815	-	-
Deferred tax	4,488	3,302	-	-
Total tax on profit for the year	-29,051	-21,513	-	-
Reported profit before tax	130,348	87,077	83,742	71,232
Tax at applicable tax rate for the parent company 20.6%	-26,852	-17,938	-17,251	-14,674
Tax effect of:				
Tax adjustment, previous year	3	-	-	-
Differences in tax rates	-1,716	-1,387	-	-
Non-deductible expenses	-1,288	-310	-148	-215
Non-taxable revenue	1	-	17,540	15,058
Taxable revenue not recognised through profit or loss	228	-2,762	-	-
Deductible expenses not recognised through profit or loss	750	1,074	22	-
Effect of loss carry-forwards	-12	-14	-	-
Effect of tax adjustments	-165	-176	-163	-169
Reported tax	-29,051	-21,513	-	-

Deferred tax assets

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Deferred tax assets relate to the following items:				
Non-current assets	299	-	-	-
Current assets	87	-	-	-
Right-of-use assets				
Investigation, employer's contributions, Norway	-	1,330	-	-
Other	-	114	-	-
Total	386	1,444	-	-

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 TSEK 579 (550), of which TSEK 0 (0) has been accounted. The time limitation for tax assets in Finland is divided between the years 2023 and 2032. 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 000	Group	
	31 Dec. 2022	31 Dec. 2021
The group's deferred tax liabilities relate to the following items:		
Untaxed reserves	6,463	8,127
Deferred tax liability surplus	10,591	2,565
Other	1,105	-
Total	18,159	10,692

Note 11 Earnings per share

	Group	
	2022	2021
Profit for the year, SEK 000	101,297	65,564
No. of shares, average before dilution	9,478,845	9,395,397
Basic earnings per share, SEK	10.69	6.98
Diluted earnings per share, SEK	10.59	6.91
No. of shares on reporting date	9,562,642	9,395,397
Proposed dividend per aktie, SEK	6.00	4.00
Proposed dividend, SEK 000	57,376	37,582

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 12 Intangible assets

31 Dec. 2022, SEK 000	Group					Total
	Goodwill	Customer contracts	Databases	Trademarks & brands	Other intangible assets	
Opening purchase value	61,713	16,621	4,674	–	6,865	89,873
Purchased through acquisition of subsidiaries	45,332	36,048	10,281	1,541	63	93,265
Purchases	–	–	–	–	4,333	4,333
Retirements	–	–	–	–	-6	-6
Reclassification	–	–	–	–	-711	-711
Exchange differences	5,225	1,656	447	17	3	7,348
Closing accumulated purchase value	112,270	54,325	15,402	1,558	10,547	194,102
Opening amortisation	–	-8,311	-998	–	-1,996	-11,305
Purchased through acquisition of subsidiaries	–	–	–	–	-20	-20
Retirements	–	–	–	–	1	1
Amortisation for the year	–	-7,012	-1,912	-430	-1,252	-10,606
Exchange differences	–	-967	-117	–	–	-1,084
Closing accumulated amortisation	–	-16,290	-3,027	-430	-3,267	-23,014
Closing carrying amount	112,270	38,035	12,375	1,128	7,280	171,088

31 Dec. 2021, SEK 000	Group					Total
	Goodwill	Customer contracts	Databases	Other intangible assets		
Opening purchase value	60,189	16,306	4,585	7,039	88,119	
Purchases	–	–	–	1,776	1,776	
Retirements	–	–	–	-1,957	-1,957	
Exchange differences	1,524	315	89	7	1,935	
Closing accumulated purchase value	61,713	16,621	4,674	6,865	89,873	
Opening amortisation	–	-3,494	-420	-2,835	-6,749	
Retirements	–	–	–	1,957	1,957	
Amortisation for the year	–	-4,706	-565	-1,118	-6,389	
Exchange differences	–	-111	-13	–	-124	
Closing accumulated amortisation	–	-8,311	-998	-1,996	-11,305	
Closing carrying amount	61,713	8,310	3,676	4,869	78,568	

SEK 000	Parent company	
	Other intangible assets	
	31 Dec. 2022	31 Dec. 2021
Opening purchase value	6,764	7,039
Purchases	4,330	1,682
Retirements	-6	-1,957
Reclassification	-711	-
Closing accumulated purchase value	10,377	6,764
Opening amortisation	-1,986	-2,835
Retirements	1	1,957
Amortisation for the year	-1,224	-1,108
Closing accumulated amortisation	-3,209	-1,986
Closing carrying amount	7,168	4,778

Goodwill

Goodwill has been allocated to those cash-generating units that are expected to benefit from the synergies of the acquisitions, and correspond to the level at which goodwill is monitored in internal controls. The cash-generating units in Norway relate to Dedicare AS wholly, in Denmark to the sub-group Dedicare A/S (Dedicare A/S and KonZenta AB), in Sweden to H&P Search & Interim AB wholly, and to the UK to the sub-group Optical Medical Ltd. (Optical Medical Ltd. and Templars Medical Agency Ltd.) Impairment tests are conducted on these cash-generating units.

Specification Goodwill, SEK 000	Group	
	31 Dec. 2022	31 Dec. 2021
Goodwill Dedicare AS (Norway)	7,328	7,107
Goodwill Dedicare A/S (Denmark)	59,418	54,606
Goodwill H&P Search & Interim AB (Sweden)	31,627	-
Goodwill Optical Medical Ltd. (UK)	13,897	-
Total	112,270	61,713

Goodwill impairments tests

Testing of the need for impairment for goodwill is done annually and when there are indications that there is a need for impairment. 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 year following the reporting date, and for the following four-year period, management makes its own judgement. Perpetual growth of 2.0 percent (2.0) has been applied subsequently. The forecast period is set at five years. 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, salary growth that impacts expenses, operating margin and discount rate. The discount rate after tax reflects the specific risks applying to the various geographical markets. Based on the assumptions utilised for the impairment test as of the reporting date, no impairment was identified.

Discount rate before tax, percentage points	Group	
	2022	2021
Goodwill Dedicare AS (Norway)	11.7	10.6
Goodwill Dedicare A/S (Denmark)	12.2	9.6
Goodwill H&P Search & Interim AB (Sweden)	11.0	-
Goodwill Optimal Medical Ltd. (UK)	13.0	-

Sensitivity analysis

A sensitivity analysis has been conducted for each cash-generating unit with the same assumptions on cash flows for the forthcoming five 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 2024–2027.

Note 13 Leases

	Group	
	2022	2021
Amounts recognised in Income Statement, SEK 000		
Depreciation of right-of-use assets	-8,604	-6,191
of which: Premises	-8,013	-6,191
of which: Vehicles	-591	-
Interest expense for lease liabilities	-521	-325
Expenses related to short-term leases	-2,312	-297
Total amounts recognised in Income Statement	-11,437	-6,813

	Group	
	31 Dec. 2022	31 Dec. 2021
Amounts recognised in Statement of Financial Position, SEK 000		
Leased assets		
Carrying amount of right-of-use assets	28,260	10,927
of which: Premises	27,000	10,927
of which: Vehicles	1,260	-
Increase in right-of-use assets in the year	13,833	4,811
Sales in the year	-4,071	-
Revaluations in the year	15,732	-
Exchange differences in the year	443	363
Lease liabilities		
Current lease liabilities	10,253	6,449
Non-current lease liabilities	17,381	4,753
Total	27,634	11,202

	Group	
	2022	2021
Amounts recognised in the Consolidated Statement of Cash Flows, SEK 000		
Payments made related to lease arrangements	9,609	6,787
Total amounts recognised in the Statement of Cash Flows	9,609	6,787

Lease liabilities mature as follows:

31 Dec. 2022, SEK 000	Within 1 yr.	1-2 yr.	2-3 yr.	3-4 yr.	4-5 yr.	> 5 yr.	Total
Lease liabilities	10,253	9,103	7,050	696	266	266	27,634
31 Dec. 2021, SEK 000	Within 1 yr.	1-2 yr.	2-3 yr.	3-4 yr.	4-5 yr.	> 5 yr.	Total
Lease liabilities	6,449	2,743	1,018	350	335	307	11,202

The group has decided not to recognise a lease liability for short-term leases (lease arrangements with expected lease terms of 12 months or less), and for lease arrangements for which the underlying asset is of low value. All lease arrangements of low value have terms of less than 12 months and are recognised as short-term leases. Payment for such lease arrangements are expensed on a straight-line basis. Additionally, it is not permitted to recognise certain variable lease payments as lease liabilities, and accordingly, they are expensed as they occur.

As of 31 December 2022, the group's total short-term lease obligations, including short-term leases, were TSEK 12,803 (7,686).

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.

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 TSEK 753 (297). The parent company also leases premises with contracted annual rent of TSEK 5,080 (4,279).

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

SEK 000	Parent company	
	2022	2021
Within one year	4,670	4,401
Later than one year but within five years	8,410	3,833
Total	13,080	8,234

Note 14 Equipment

SEK 000	Group			
	31 Dec. 2022			31 Dec. 2021
	Vehicles	Equipment	Total	Equipment
Opening purchase value	–	4,808	4,808	5,200
Purchased through acquisition of subsidiaries	472	367	839	–
Purchases	–	1,030	1,030	512
Sales/retirements	–	-498	-498	-1,047
Exchange differences	–	64	64	143
Closing accumulated purchase value	472	5,771	6,243	4,808
Opening depreciation	–	-3,139	-3,139	-3,290
Purchased through acquisition of subsidiaries	-307	-174	-481	–
Sales/retirements	–	402	402	1,041
Depreciation for the year	-21	-976	-997	-852
Exchange differences	–	-29	-29	-38
Closing accumulated depreciation	-328	-3,916	-4,244	-3,139
Closing carrying amount	144	1,855	1,999	1,669

SEK 000	Parent company	
	31 Dec. 2022	31 Dec. 2021
	Equipment	Equipment
Opening purchase value	3,225	4,230
Purchases	307	42
Sales/retirements	-361	-1,047
Closing accumulated purchase value	3,171	3,225
Opening depreciation	-2,417	-2,829
Sales/retirements	319	1,044
Amortisation for the year	-612	-632
Closing accumulated depreciation	-2,710	-2,417
Closing carrying amount	461	808

Note 15 Participations in group companies

SEK 000	Parent company	
	31 Dec. 2022	31 Dec. 2021
Opening carrying amount	103,973	103,973
Acquisition of subsidiary H&P Search & Interim AB	60,699	-
Acquisition of subsidiary Optimal Medical Ltd.	37,081	-
Closing carrying amount	201,753	103,973

Corporate name	No. of shares	Share of equity %	Book value, SEK 000
Dedicare AS	3,956	100	9,844
Dedicare Sverige 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
H&P Search & Interim AB	1,002	100	60,699
Optimal Medical Ltd.	352,000	100	37,081
Total			201,753

Corporate name	Corp. ID no.	Reg. office	Equity, SEK 000	Profit/loss, SEK 000
Dedicare AS	982529786	Stjørdal (Norway)	27,184	6,505
Dedicare Sverige AB (formerly Dedicare Doctor AB)	556583-9742	Stockholm	5,668	5,568
Dedicare OY	2219561-1	Helsingfors (Finland)	183	-65
Dedicare Doctor AS	983077196	Stjørdal (Norway)	26,878	5,177
Dedicare Management AS	926097555	Stjørdal (Norway)	3,323	3,445
Dedicare A/S	36420340	Aalborg (Denmark)	21,350	8,919
NomAid AB	559164-6103	Stockholm	190	-
H&P Search & Interim AB	556767-6548	Stockholm	9,142	5,666
Optimal Medical Ltd.	09526199	Skipton (UK)	6,566	-39

Note 16 Accounts receivable

Accounts receivable, SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Reported accounts receivable, gross	232,233	131,660	-	47,257
Credit loss reserve	-1,652	-80	-	-77
Total	230,581	131,580	-	47,180

Payment terms of customer invoices are 30 days. Companies regularly estimate the need for the doubtful debt reserve at individual level.

Maturity analysis 31 Dec. 2022, SEK 000	Group					Total
	Not due	1-30 days	31-90 days	91-180 days	>180 days	
Reported accounts receivable, gross	208,385	11,152	6,760	2,440	3,496	232,233
Credit loss reserve	-	-	-	-691	-961	-1,652
Total	208,385	11,152	6,760	1,749	2,535	230,581

31 Dec. 2021, SEK 000	Group					Total
	Not due	1-30 days	31-90 days	91-180 days	>180 days	
Reported 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

Credit loss reserve, SEK 000	Group	
	31 Dec. 2022	31 Dec. 2021
Opening reserve for expected credit losses	-80	-177
Reserves in the period	-1,652	-80
Reversed reserves	80	177
Closing reserve for expected credit losses	-1,652	-80

Note 17 Prepaid expenses and accrued income

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Prepaid rent	-	-	1,183	1,057
Accrued income	138,920	117,419	17,126	41,404
Other prepaid expenses	13,831	8,558	3,036	1,592
Total	152,751	125,977	21,345	44,053

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

Note 18 Share capital

2022	Class A shares	Class B shares	Total no. of shares
Opening balance	2,011,907	7,383,490	9,395,397
Non-cash issues	–	167,245	167,245
Closing balance	2,011,907	7,550,735	9,562,642

2021	Class A shares	Class B shares	Total no. of shares
Opening balance	2,011,907	7,383,490	9,395,397
Closing balance	2,011,907	7,383,490	9,395,397

Quotient value & votes per share	Class A shares	Class B shares
Quotient value, SEK	0.5	0.5
Votes per share	1.0	0.2

Registered share capital as of 31 December 2022 is SEK 4,781,321 (4,697,699). All shares are fully paid up.

Note 19 Provisions

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Opening balance	42,162	38,910	35,626	34,437
Additional provisions	–	519	–	519
Provisions used/reversed in the year	-37,443	–	-35,626	–
Reclassification from accrued expenses and deferred income	–	2,063	–	–
Exchange differences	203	670	–	670
Closing balance	4,921	42,162	–	35,626

The group's closing balance for 2022 consists of a provision for Norwegian employer's contributions. An investigation of employer's contributions in Norway was conducted on the basis of estimated future expenses if the Norwegian tax agency finds that Dedicare's interpretation of rules on reduced employer's contributions in northern Norway is erroneous. No response from the Norwegian authorities has been received yet. TSEK 35,626 of contingent consideration linked to the acquisition of Dedicare A/S is included in the parent company's and the group's closing balances for 2021. The contingent consideration was fully paid in 2022.

Note 20 Reconciliation of liabilities related to financing activities

31 Dec. 2022, SEK 000	Group			Parent company		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Debt to credit institutions	28 807	13 468	42 275	28 807	13 468	42 275
Contingent consideration liability	46 104	–	46 104	46 104	–	46 104
Lease liabilities	17 381	10 253	27 634	–	–	–
Total	92 292	23 721	116 013	74 911	13 468	88 379

31 Dec. 2021, SEK 000	Group			Parent company		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Debt to credit institutions	15 472	6 876	22 348	15 472	6 876	22 348
Lease liabilities	4 753	6 449	11 202	–	–	–
Total	20 225	13 325	33 550	15 472	6 876	22 348

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Opening balance	33,550	40,918	22,348	28,671
Cash:				
New loans	28,627	–	28,627	–
Repayment/amortisation	-11,690	-6,829	-11,690	-6,829
Payment of contingent consideration, Dedicare A/S	-36,139	–	-36,139	–
Repayment of lease liability	-9,089	-6,220	–	–
Total cash	-28,291	-13,049	-19,202	-6,829
Non-cash:				
Reclassification of contingent consideration, Dedicare A/S	35,626	–	35,626	–
New/revalued lease arrangements	29,297	5,175	–	–
Terminated lease arrangements	-4,194	–	–	–
Additional contingent consideration	44,025	–	44,025	–
Remeasurement at fair value	6,000	506	5,582	506
Total non-cash	110,754	5,681	85,233	506
Closing balance	116,013	33,550	88,379	22,348

In tandem with the acquisition of Dedicare A/S (KonZenta ApS) in 2020, Dedicare arranged acquisition finance totalling DKK 45 million (SEK 65.7 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 28.6 million) will be realised in 2022, and also has a three-year maturity. Interest paid in 2022 amounted to DKK 0.561 million (DKK 0.295 million) (SEK 0.867 million and SEK 0.4 million respectively). The loan accrues interest of CIBOR +1.5 percent. For information on pledged assets, see note 28.

Note 21 Other current liabilities

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
VAT liability	19,266	9,837	–	6,259
Liability for personal income tax and social security contributions	62,637	33,106	4,704	11,285
Other liabilities	1,433	9	44	–
Total	83,336	42,952	4,748	17,544

Note 22 Accrued expenses and deferred income

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Accrued vacation pay	73,480	52,055	1,075	4,183
Accrued pension expenses	9,891	13,264	3,958	9,867
Accrued payroll expenses	74,634	58,726	3,379	21,374
Accrued consulting expenses	37,303	26,131	462	13,527
Other accrued expenses	12,986	8,681	4,098	5,305
Total	208,294	158,857	12,972	54,256

Note 23 Non-cash items

SEK 000	Group		Parent company	
	2022	2021	2022	2021
Amortisation	20,208	13,441	1,837	1,740
Provision, investigation into employer's contributions	-1,808	–	–	–
Retirement/reclassification non-current assets	688	–	757	–
Impairment of accounts receivable	1,459	–	64	–
Unrealised exchange rate effects ¹	-2,028	-1,452	-309	611
Other items	–	–	–	6
Total	18,519	11,989	2,349	2,357

¹ Effective in 2022, exchange rate fluctuations of an operating nature are recognised in EBIT, which impacts non-cash items. The comparative figures for 2021 have been updated as follows: unrealised exchange rate effects decrease by TSEK 1,452 for the group, and increase by TSEK 2,904 for the parent company.

Note 24 Business combinations

Details of business combinations	H&P Search & Interim AB	Optimal Medical Ltd.
Fair value of consideration transferred		
Amounts settled in cash	19,243	18,380
Issued shares of Dedicare AB (publ)	8,300	3,722
Liability for contingent consideration	31,777	12,248
Total fair value of consideration transferred	59,320	34,350
Carrying amount of identifiable net assets		
Customer contracts	22,400	13,648
Databases	7,800	2,481
Trademarks & brands	300	1,241
Equipment	34	320
Deposits paid	–	92
Current receivables	12,683	8,147
Cash and cash equivalents	3,838	6,585
Current tax liability	-1,102	-1,297
Current liabilities	-11,977	-7,081
Deferred tax liabilities	-6,283	-3,491
Total identifiable net assets	27,693	20,645
Goodwill on acquisition	31,627	13,705
Total	31,627	13,705
Group net cash flow on acquisition		
Consideration transferred, cash and cash equivalents	-19,243	-18,380
Acquired cash and cash equivalents	3,838	6,674
Total group net cash flow on acquisition	-15,405	-11,706
Parent company net cash flow on acquisition		
Consideration transferred, cash and cash equivalents	-19,243	-18,380
Acquisition-related expenses	-1,379	-2,731
Total Parent company net cash flow on acquisition	-20,622	-21,111

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 implies a stronger portfolio through operations now being extended to also include life science. The purchase consideration for the acquisition of H&P was paid cash and shares of

Dedicare AB (publ) through a non-cash issue. A contingent consideration was agreed based on H&P's earnings performance over the coming two and three years respectively. The definitive acquisition analysis and measurement of goodwill and any other intangible assets linked to the acquisition was completed in the third quarter. Acquisition-related expenses of TSEK 1,379 were recognised as an expense in the group's earnings.

The acquired operation contributed total revenue of TSEK 40,760 and profit after tax of TSEK 1,926 to the group for the period 1 April 2022 to 31 December 2022. If the acquisition had been conducted as of 1 January 2022, consolidated pro forma revenue and profit after tax as of 31 December 2022 were TSEK 56,396 and TSEK 8,992 respectively.

Acquisition of Optimal Medical Ltd.

On 1 October 2022, Dedicare acquired 100 percent of the share capital and voting rights of Optical Medical Ltd., company reg. no. 09526199, which conducts operations in recruitment and staffing of doctors in the UK, Ireland and the UK's non-European territories through its wholly owned subsidiary Templars Medical Agency Ltd. (Templars). This acquisition is fully consistent with Dedicare's growth strategy, and consolidates the group's positioning in Europe with a platform in the UK & Ireland for onward 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 was 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 TSEK 2,731 were reported as an expense in the group's earnings.

The acquired operation contributed total revenue of TSEK 10,752 and profit after tax of TSEK 440 to the group for the period 1 October 2022 to 31 December 2022. If the acquisition had been conducted on 1 January 2022, consolidated pro forma revenue and profit after tax as of 31 December 2022 were TSEK 33,316 and TSEK 2,607 respectively.

Note 25 Business divestment

On 1 January 2022, a business line previously conducted within Dedicare AB (publ) was transferred to the subsidiary Dedicare Sverige AB. The intention is to concentrate operations in subsidiaries. The transferred operation is recruitment and staffing of social workers, psychologists and nurses in Sweden.

Note 26 Cash and cash equivalents

SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Cash and bank balances	142,797	132,426	105,605	120,757
Total	142,797	132,426	105,605	120,757

Note 27 Financial assets and liabilities

Financial assets measured at amortised cost, SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Cash and cash equivalents	142,797	132,426	105,605	120,757
Accounts receivable	230,581	131,580	–	47,180
Accrued income	138,920	117,419	17,126	41,404
Deposits paid	4,792	4,788	4,300	4,300
Receivables from group companies	–	–	171,966	–
Total	517,090	386,213	298,997	213,641
Financial liabilities measured at amortised cost, SEK 000	Group		Parent company	
Liabilities to group companies	–	–	181,602	20,665
Lease liabilities	27,634	11,202	–	–
Accounts payable	17,487	6,833	2,859	4,740
Other accrued expenses	50,290	34,812	4,559	18,832
Liabilities to credit institutions	42,275	22,348	42,275	22,348
Total	137,686	75,195	231,295	66,585

Financial liabilities measured at fair value, SEK 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
<i>Contingent considerations</i>				
H&P Search & Interim AB	33,548	35,626	33,548	35,626
Optimal Medical Ltd.	12,556	–	12,556	–
Total	46,104	35,626	46,104	35,626

The contingent considerations for H&P Search & Interim AB are due for payment in July 2024 and July 2025. The contingent consideration for Optimal Medical Ltd. is due for payment in November 2024. 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 000	Group		Parent company	
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2022	31 Dec. 2021
Pledged assets				
Lien on assets	20,500	20,000	20,000	20,000
Pledged shares in subsidiaries	86,289	78,703	84,366	84,366
Total pledged assets	106,789	98,703	104,366	104,366
Contingent liabilities				
Contingent liabilities				
Bank guarantees	9,502	8,934	9,502	8,934
Total contingent liabilities	9,502	8,934	9,502	8,934

As of 31 December 2022, there is a TSEK 9,502 (8,934) 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.

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 12.

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 5. 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 67.6 percent (63.7) for the full year 2022, is generated in Norway and Denmark, more information in note 2. 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	2022		2021	
	Average	Closing	Average	Closing
NOK	1.052	1.057	0.998	1.025
EUR	10.627	11.128	10.144	10.227
DKK	1.428	1.496	1.364	1.375
GBP ¹	12.574	12.581	–	–

¹ The average rate of exchange of the GBP in 2022 is computed for the period October-December 2022, i.e. from the acquisition date of the UK subsidiary.

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

SEK 000	Group	
	31 Dec. 2022	31 Dec. 2021
<i>Financial assets</i>		
NOK	312,638	154,994
DKK	47,277	25,416
Other currencies	15,102	44
Total assets in foreign currency	375,017	180,454
<i>Financial liabilities</i>		
NOK	38,536	17,412
DKK	43,579	59,367
Other currencies	17,462	–
Total liabilities in foreign currency	99,577	76,779

Total exchange gains and losses recognised in the Income Statement:

SEK 000	Group	
	2022	2021
Exchange gains included in other operating revenue	16,243	33,024
Exchange losses included in other external expenses	-18,363	-31,572
Exchange gains included in interest income and similar profit/loss items	5,494	591
Exchange losses included in interest expenses and similar profit/loss items	-8,338	-1,091
Total	-4,964	952

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 TSEK 42,276 (22,348). A one percentage point change in interest rates would affect the group's interest expenses before tax by TSEK 333 (257) 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 16.

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.

Note 31, cont.

Maturity analysis of financial liabilities

Financial liabilities 2022, SEK 000	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
Liabilities to group companies	–	–	–	–	181,602	–	–	–
Accounts payable	17,487	–	–	–	2,859	–	–	–
Liabilities to credit institutions	–	3,367	10,101	74,911	–	3,367	10,101	74,911
Accrued expenses	25,984	19,167	4,519	–	943	–	3,587	–
Total liabilities	43,471	22,534	14,620	74,911	185,404	3,367	13,688	74,911

Financial liabilities 2021, SEK 000	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
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

For all financial 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 191,745,466 SEK.

These funds are appropriated as follows:

The Board of Directors proposes a dividend to shareholders SEK 57,375,852.

The Board of Directors proposes that the following funds are carried forward SEK 134,369,614.

Note 34 Post balance sheet events

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.

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 24 March 2023. 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 20 April 2023.

Krister Widström
Managing Director & Chief Executive Officer

Björn Örås
Chairman

Dag Sundström
Director

Eva-Britt Gustafsson
Director

Anna Söderblom
Director

Stockholm, 24 March 2023

Our Audit Report was presented on 24 March 2023

Henrietta Segenmark
Authorised Public Accountant
PricewaterhouseCoopers AB

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 2022. The annual accounts and consolidated accounts of the company are included on pages 66-101 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 2022 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 2022 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.

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.

Key audit matters Revenue

As of December 31, 2022, the Group's reported revenues amount to SEK 1,768 million and mainly include the sale of staffing services. Revenue is recognised in the manner that reflects the transfer to the customer in terms of control over the service and thus the fulfilment of the performance obligation. For staffing services, the performance obligation is fulfilled over time, and for recruitment, at a specific point in time. Revenue is recognised at the amount that the Group expects to be entitled to in exchange for transferring the service to the customer. Recognition of revenue for staffing services 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 occurrence have a significant impact on financial reporting.

The Company's accounting principles for revenues are set out on page 81 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 through audit of

supporting documents and reconciliation to invoices

- Audit of 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 through data analysis and matching of general ledger and invoices against external payment files

Key audit matter

Valuation of goodwill

As per 31 December 2022 goodwill amounts to SEK 112.3 million, whereof SEK 59.4 million is attributable to the acquisition of the Danish company Dedicare A / S, SEK 7.3 millions to the acquisition of the Norwegian company Dedicare AS, SEK 31.6 millions to the acquisition of the Swedish company H&P Search & Interim AB and SEK 13.9 millions to the acquisition of the UK company Optimal Medical Limited. As stated in Note 12, 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 year following the reporting date, and for the following four-year period assumptions are made by management. The calculation of the fair value is based on management's assumptions and judgments about sales growth, development of margins, the discount rate (WACC) and growth beyond the forecast period. The value calculated in the test corresponds to the value of discounted cash flows for identified cash-generating units: Dedicare AS (Norway), Dedicare A/S (Denmark), H&P Search & Interim AB (Sweden) and Optimal

Medical Limited (UK). 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 2022.

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 have a 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 2022. 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 other 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 1-65 and 106-110. The other information further consists of Dedicare's remuneration report 2022, which is not included in the annual report document, but which is published on the company's website at the same time as this 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 Directors 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisorn-sansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Dedicare AB (publ) for the year 2022 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 Directors 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 Directors 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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

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 2022.

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

In our opinion, the Esef report 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 the preparation of the Esef report 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 obtain 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 examination 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 and consolidated 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 examination 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 validation that the Esef report has been prepared in a valid XHTML format 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 consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Dedicare AB (publ) by the general meeting of the shareholders on the 21 April 2022 and has been the company's auditor since the 22 April 2021.

Stockholm, Sweden, 24 March 2023

PricewaterhouseCoopers AB

Henrietta Segenmark
Authorised Public Accountant

Five-year summary

The following table states condensed financial information for the financial years 2018–2022.

SEK 000	2022	2021	2020	2019	2018
Condensed Income Statement, continuing operations					
Operating income	1,788,652	1,282,907	885,195	775,988	812,017
Operating expenses	-1,652,740	-1,193,674	-841,373	-740,683	-761,790
EBIT	135,912	89,233	43,822	35,305	50,227
Financial items	-5,564	-2,156	3,724	-924	-506
Profit after financial items	130,348	87,077	47,545	34,382	49,721
Tax	-29,051	-21,513	-11,482	-7,947	-11,487
Profit for the year	101,297	65,564	36,064	26,435	38,234
Condensed Balance Sheet, continuing operations					
Assets					
Intangible assets	171,088	78,568	81,372	7,333	6,230
Other non-current assets	35,437	18,828	19,626	24,167	9,565
Current receivables	393,362	268,040	183,322	144,975	141,780
Cash and cash equivalents	142,797	132,426	100,288	62,694	58,244
Total assets	742,684	497,861	384,608	239,169	215,819
Equity and liabilities					
Equity	262,557	178,493	135,423	93,088	102,455
Non-current liabilities	115,372	73,079	81,230	20,854	10,892
Current liabilities	364,755	246,289	167,955	125,227	102,472
Total equity and liabilities	742,684	497,861	384,608	239,169	215,819
Key indicators					
EBIT margin, %	7.60	6.96	4.95	4.55	6.20
Equity/assets ratio, %	35.35	35.85	35.21	38.92	47.47
Return on equity, % ¹	47.27	42.41	31.96	27.90	36.65
Return on total assets, % ¹	23.47	19.53	14.96	14.80	22.39
Average number of employees	1,230	925	678	629	658

¹ Alternative performance measures not defined according to IFRS.

Other information

Alternative performance measures

SEK 000	Group		
	31 Dec. 2022	31 Dec. 2021	31 Dec. 2020
Net profit	101,297	65,564	36,064
Average equity	214,273	154,611	113,438
Return on equity, %	47.27	42.41	31.79
Profit after financial items	130,348	87,077	47,545
Average total assets	607,262	445,772	317,246
Return on total assets, %	23.47	19.53	14.99
EBITDA	156,120	102,674	55,432

Definitions of key indicators

Average equity

The average of recognized shareholders' equity at 1 January, 31 March, 30 June, 30 September, 31 December.

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.

EBIT

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

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 as a percentage of total assets.

Number of employees, average

Total hours worked in the period divided by scheduled working hours for a fulltime 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.

eNPS

Employee net promoter score is a metric of employee experience. It ranges from -100 to +100 to measure the number of ambassadors of the company and employee loyalty.

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. CET on Thursday 20 April 2023 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 10 April 2023, and secondly have notified Dedicare by no later than 14 April 2023.

Notification of participation in the AGM should be addressed to:

Dedicare AB
FAO: CFO
Ringvägen 100
118 60 Stockholm
Sweden
anette.sandsjo@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, 10 April 2023. 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 12 April 2023 will be considered when preparing the share register.

Financial information

Interim Report, January–March	20 April 2023
AGM for the financial year 2022	20 April 2023
Interim Report, April–June	14 July 2023
Interim Report, July–September	20 October 2023
Financial Statement, January–December	16 February 2024

Dividend

The Board of Directors is proposing a dividend of SEK 6.00 per share to shareholders. The proposed record date is 24 April 2023. If the AGM approves this proposal, the dividend is scheduled for payment from Euroclear Sweden AB on 27 April 2023.

Dedicare Sweden

Stockholm
Ringvägen 100
118 60 Stockholm

Gothenburg
Västra Hamngatan 13a
411 17 Gothenburg

Skellefteå
Kanalgatan 77
931 34 Skellefteå

Lund
Lilla Fiskaregatan 19
222 22 Lund

Dedicare Finland

Kalevankatu 6
00100 Helsinki

Dedicare Norway

Oslo
Kronprinsens gate 5
0251 Oslo

Stjørdal
Kjøpmannsgata 24C
Postboks 41
7500 Stjørdal

Dedicare Denmark

Copenhagen
Amager Strandvej 390
2770 Kastrup

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Tagholm 15, 2. sal
DK-9400 Nørresundby

Templars Medical

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