

Improved profitability and good organic growth

Fourth quarter, October–December 2022

- Operating revenue totalled SEK 2,480 million (2,110) an increase of 17.5 percent. Adjusted operating revenue amounted to SEK 2,442m (2,110). Organic growth was 5.5 percent (3.4).
- Operating profit amounted to SEK 127m (82), an increase of 54.0 percent. Adjusted operating profit amounted to SEK 89m (85).
- Net profit after tax for the period amounted to SEK 59m (33).
- Basic and diluted earnings per share for the period amounted to SEK 1.24 (0.68).
- Cash flow for the period amounted to SEK 90m (15). Operating cash flow totalled SEK 215m (157), an increase of 37.6 percent.

Full year, January–December 2022

- Operating revenue was SEK 9,241m (8,188), an increase of 12.9 percent. Adjusted operating revenue amounted to SEK 9,203m (8,188). Organic growth was 3.2 percent (3.1).
- Operating profit amounted to SEK 439m (493), a decline of 11.0 percent. Adjusted operating profit amounted to SEK 405m (495).
- Net profit after tax for the period amounted to SEK 210m (276).
- Basic and diluted earnings per share for the period amounted to SEK 4.36 (5.67).
- Cash flow for the period amounted to SEK -38m (-92). Operating cash flow amounted to SEK 697m (795).

Significant events after the reporting period

- On 31 January 2023, the Swedish Health and Social Care Inspectorate (IVO) revoked Humana Assistans AB's permit to conduct operations. According to IVO's decision, Humana Assistans AB must cease its operations 10 February 2023 at the latest. The company appealed IVO's decision to the Administrative Court and received suspension on 7 February. IVO may appeal the received suspension to the Court of Appeal. On February 7, the Swedish Social Insurance Board announced that payments of assistance compensation will be made directly to the customer, which increases administration and delays payments. The situation that has arisen may, in the event of a negative development from this situation, such as major customer losses or a revoked permit, affect the terms and conditions and/or the structure of the company's financing. See page 13 for more information.
- In February 2023, the MAT (medication-assisted treatment) company Solstenen i Skåne AB was acquired. Full year revenues amount to approximately SEK 46m.
- Humana's Board proposes to the 2023 AGM that no dividend be paid for the 2021 financial year.

Key ratios

SEK millions	Oct–Dec 2022	Oct–Dec 2021	%	Jan–Dec 2022	Jan–Dec 2021	%
Net revenue	2,438	2,101	16.0%	9,199	8,176	12.5%
Other operating revenue	42	9	385.0%	42	12	248.8%
Operating revenue	2,480	2,110	17.5%	9,241	8,188	12.9%
Adjusted operating revenue	2,442	2,110	15.8%	9,203	8,188	12.4%
Operating profit	127	82	54.0%	439	493	-11.0%
Adjusted operating profit	89	85	4.2%	405	495	-18.2%
Net profit for the period	59	33	77.5%	210	276	-24.1%
Operating cash flow	215	157	37.6%	697	795	-12.3%

Comments from the CEO

The year has passed, and although this report mainly refers to the last quarter of 2022, we must commence with IVO's revocation of our permit in Humana Assistans AB on the last of January 2023. The announcement shocked both Humana's organisation as well as assistant recipients outside of the organisation. The Administrative Court has granted our request for suspension, which means that we can continue to pursue the assistance operations while the issue is decided in court.

We believe that the decision is deeply unfair and wrong for both our customers and employees. As the industry's largest provider, we have taken, and continue to take great responsibility in quality assuring and developing our business.



IVO's decision was taken after the authority investigated the company for two years. Humana has responded in writing to a large number of questions and had the opportunity to comment in writing on IVO's large amounts of material, but considers that the dialogue has been incomplete. We firmly believe that Humana has no systematic deficiencies in its assistance operations. We further consider that the IVO's decision lacks proportionality and that it would not have been possible to comply with the decision without causing great harm to assistant recipients, employees and the company.

IVO's decision is mainly substantiated by reclaim cases. These cases have been appealed to the court but have not yet gained legal effect. When the business is built by people and for people, errors occur, regardless of whether you are a private or public provider. All providers in the industry receive reclaims from time to time, including over 110 municipalities in the country. Getting reclaims issued is not the same as cheating. There are major ambiguities regarding the application of the regulations when it comes to reclaims. This is shown, among other things, by the result of the reclaims we have appealed, amounting to just over SEK 40 million, which resulted in a repayment obligation for Humana of just over SEK 1m. We provide for our reclaims and of course pay back where it is proven that we have failed. Over the period on which IVO's

documentation is based, the reclaims amount to a few per mille of our total turnover in Personal assistance, which cannot be claimed to constitute systematics.

The decision is also based on three cases of migration issues, where three people were hired, over the course of three years, without having a work permit to work at Humana. One of the three never even started its position, both other two cases were closed when we learned that they did not have a work permit.

Furthermore, IVO believes that we have not enforced their previous decisions. Since 2018, IVO has followed up four cases where IVO has investigated deficiencies in our operations. In all these cases, IVO has accepted the measures taken by Humana Assistans and closed the cases. It is natural that there are shortcomings in a business. The important thing is that shortcomings are analysed and corrected. Which is what Humana Assistans has done. Despite the fact that IVO has closed its review of the current cases, Humana Assistans has continued to take further measures to ensure the quality of its operations. For us, it is an obvious part of our quality work.

We believe it is important that the authority has greater possibilities for insight into which people receive assistance, how the assistance is carried out and the care we offer. All parties would benefit from a more open dialogue and clearer conditions for serious providers to develop care and correct any shortcomings.

Back to 2022:

2022 was an intense and challenging year with a high growth rate and great qualitative progress where we demonstrate the results our care creates. At the same time, we continue to develop in a positive direction financially, not only through historically high organic growth in the quarter, but also a stronger operating profit.

In the fourth quarter, operating revenue grew by around 18 percent; the number for the full year was approximately 13 percent. This is the highest annual growth increase since our IPO in 2016. Our strongest ever organic growth of 5.5 percent in the quarter is especially pleasing. This organic growth reflects our capacity to harness the market trends we are seeing, with demand for our services rising as social challenges increase. As we grow, more people are able to get the help they need to have a good life. This could not have been achieved without the dedication of all our colleagues and employees at Humana, who do their utmost every day for the individuals in our care.

Adjusted profit for the quarter totalled SEK 89m, a 4.2 percent improvement on the previous year. The increase in profit was largely driven by Individual & Family, which is both generating strong organic growth and improved profitability. As in the previous quarter, Elderly Care continues to make a positive contribution to Group profit. Demand remains high in all our business areas, and we are doing our utmost to make full use of our capacity.

Stronger market positions in several business areas

Individual & Family continues to perform well, with good occupancy levels that have resulted in strong organic growth and improved profit. An environment, with rising criminality, violence and social challenges, means that the demand for our services, infrastructure and competence increases.

Occupancy levels in **Elderly Care** continue to increase gradually. Our action programme and market activities have generated results, and it is pleasing that this business area is once again making a positive contribution to the Group profit. In early



Our strongest ever organic growth of 5.5 percent in the quarter is especially pleasing

2023, we are opening a new elderly care home in Täby for 90 residents.

Norway is showing healthy organic growth across all segments. Following a very strong 2021, profits are not at the level of the previous year, due to challenges in Child and Youth, as well as the necessary investments made during the year in infrastructure and support functions.

In **Finland**, performance in the quarter reflected the continued challenging market. Strong demand, mainly for Child and Youth services, is driving organic growth, but growth is expensive. The challenge of finding personnel and high sick leave is driving costs and having a negative impact on profit. We work actively to increase pricing and to improve our offering to employees.

In **Personal Assistance**, margins continue to be pressured by staff shortages, wage drift and higher overhead costs for assistants. The integration of Assistans för dig has progressed according to plan. The acquisition is making a positive contribution to consolidated profit, but is weighing on the margin.

Ready to contribute and evolve

Society and the care industry face significant challenges. We expect continued relatively high costs relating to shortage of staff and inflation. We are, of course, doing all we can to adjust prices and increase efficiency, and to be an even better employer. In November, we were pleased to be included in Universum's list of Sweden's Best Employers for the first time.

We operate in a world where society's resources are increasingly stretched, with fewer professional caregivers to look after more care recipients and our contractors facing financial pressure. We have to see an increase in efficiency, quality, the rate of innovation and freedom of choice. That's where Humana is needed. We are part of the solution, contributing by setting a higher standard in Nordic care.

Stockholm, 9 February 2023

Johanna Rastad
President and CEO, Humana AB



This is Humana

We drive the future of welfare

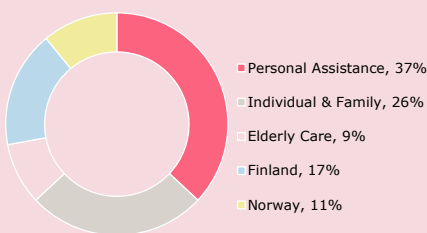
Humana is there for people with functional impairment, psychosocial disorders and mental health problems, as well as for the elderly. Our vision is *Everyone is entitled to a good life*.

With assignments in hundreds of municipalities, almost 10,000 customers and clients, 20,000 employees and several hundred units in Sweden, Finland, Norway and Denmark, we are a major provider in Nordic welfare today. Humana shows what quality care is all about. Our work is based on the individual's circumstances and needs. Our care is grounded in scientific evidence and the best available know-how and is provided by knowledgeable, dedicated employees. Both our own and external surveys confirm that we succeed in what we do time and time again.

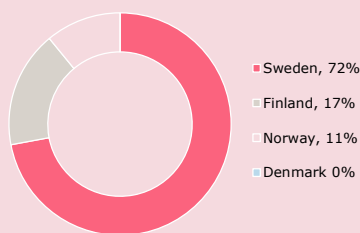
But we won't stop there. Continuous development to maintain the highest quality is an essential aspect for us. We intend to set a new, higher standard of care. This is how we drive the future of Nordic care and welfare.

Everyone is entitled to a good life. Humana works to make this a reality.

Five business areas



Operations in four countries



Strong market position in the Nordics

Humana is a Nordic care group with market-leading positions in individual and family care and personal assistance. Humana has a strong growth within elderly care.

20,176

employees

9,786

customers

9,241

revenue, SEK millions

The financial data on this page refers to the full year 2022.

Strategy for sustainable care

Humana's vision and overall objectives deal with social sustainability at an individual and societal level. For that reason, sustainability is an integral part of our strategy.

We have defined four strategic target areas: quality, attractiveness as an employer, profitable growth and social responsibility. These target areas, together with our core values, steer our business towards the vision that everyone is entitled to a good life.

OBJECTIVE

The obvious choice of provider of care services for customers, clients and contractors who require high quality.

STRATEGIC TARGET AREAS

QUALITY OPERATIONS



ATTRACTIVE EMPLOYER



PROFITABLE GROWTH



SOCIALLY RESPONSIBLE PROVIDER



Financial overview

Operating revenue by business area

SEK millions	Oct-Dec 2022	Oct-Dec 2021	%	Jan-Dec 2022	Jan-Dec 2021	%
Individual & Family	634	578	9.6%	2,426	2,257	7.5%
Personal Assistance ¹⁾	941	768	22.5%	3,419	3,042	12.4%
Elderly Care	211	190	11.2%	815	669	21.8%
Finland ³⁾	421	328	28.2%	1,528	1,284	19.0%
Norway	268	241	11.5%	1,034	916	12.8%
Other	5	5	1.0%	19	20	-3.2%
Total operating revenue	2,480	2,110	17.5%	9,241	8,188	12.9%

Organic growth by business area

Percent	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Individual & Family	9.3%	-2.8%	1.8%	0.9%
Personal Assistance	-1.9%	1.5%	-1.2%	1.9%
Elderly Care	11.2%	20.6%	21.8%	10.1%
Finland	11.6%	1.5%	4.0%	-0.5%
Norway	6.9%	17.5%	6.7%	13.8%
Total organic growth	5.5%	3.4%	3.2%	3.1%

Operating profit by business area

SEK millions	Oct-Dec 2022	Oct-Dec 2021	%	Jan-Dec 2022	Jan-Dec 2021	%
Individual & Family	41	7	466.0%	178	168	6.0%
Personal Assistance ^{1) 2)}	61	57	5.7%	198	208	-4.8%
Elderly Care	6	-8	n/a	5	-3	n/a
Finland ^{3) 4)}	11	2	347.9%	37	56	-33.7%
Norway	19	33	-41.6%	76	103	-25.9%
Other ⁵⁾	-11	-10	n/a	-56	-40	n/a
Total operating profit	127	82	54.0%	439	493	-11.0%

Operating margins by business area

Percent	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Individual & Family	6.5%	1.3%	7.3%	7.5%
Personal Assistance ^{1) 2)}	6.7%	7.5%	5.9%	6.8%
Elderly Care	3.0%	-4.0%	0.6%	-0.4%
Finland ^{3) 4)}	2.6%	0.7%	2.4%	4.3%
Norway	7.2%	13.8%	7.4%	11.3%
Total operating margin	5.2%	3.9%	4.8%	6.0%

1) Operating revenue and operating profit include a reversal of an earn-out payment of SEK 32m based on a new estimate of fair value in the fourth quarter 2022. 2) Operating profit for the fourth quarter 2021 includes retroactive repayment of previously paid-in pension premiums of SEK 11m, 3) Operating revenue and operating profit include a reversal of an earn-out payment of SEK 6m, which is adjusted for a final settlement in the fourth quarter 2022. 4) Operating profit for the fourth quarter 2021 includes a final settlement of a dispute of SEK -13m, 5) Operating profit for the third quarter 2022 includes costs for adaptation of central functions totalling SEK 4m.

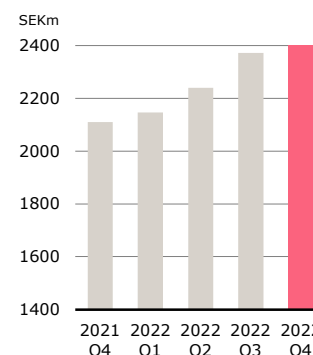
Group development

Revenue

Operating revenue amounted to SEK 2,480m (2,110) in the fourth quarter, an increase of 17.5 percent. Earn-outs are measured at fair value and Humana reports changes in fair value for the quarter as other operating income. During the fourth quarter, earn-outs were revalued by SEK 38 million, which increased operating income. Adjusted operating revenue amounted to SEK 2,442m (2,110). Organic revenue growth was 5.5 percent (3.4) for the quarter. Organic growth in the quarter was mainly attributable to increased occupancy in Individual & Family, and Finland. Acquired operations contributed SEK 182m to revenue in the fourth quarter. Operations under own management accounted for 95.7 percent of total revenue in the quarter, and contracted operations accounted for 4.3 percent.

Operating revenue for the full year amounted to SEK 9,241m (8,188), an increase of 12.9 percent. Adjusted operating revenue totalled 9,203m (8,188). Organic revenue growth was 3.2 percent (3.1). Acquired operations accounted for SEK 636m of revenue. Operations under own management accounted for 96.3 percent of total revenue and contracted operations accounted for 3.7 percent.

Revenue

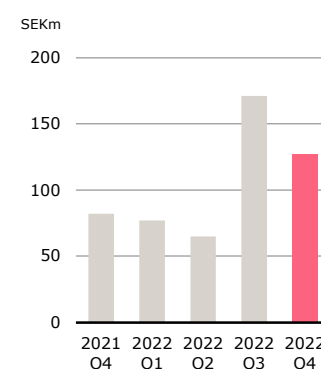


Profit

Operating profit for the fourth quarter totalled SEK 127m (82), an increase of 54.0 percent. The operating margin increased to 5.2 percent (3.9). Adjusted operating profit amounted to SEK 89m (85). The adjusted operating margin was 3.7 percent (4.0). The increase in operating profit was mainly attributable to higher occupancy within Individual & Family and Elderly Care, offset by increased costs of approximately SEK -14m due to inflation and continued shortage of staff.

Operating profit for the full year totalled SEK 439 m (493), a decrease of 11.0 percent, and the operating margin amounted to 4.8 percent (6.0). Adjusted operating profit totalled SEK 405m (495) and the adjusted operating margin was 4.4 percent (6.0). The decrease in operating profit for the full year was primarily attributable to higher staffing costs, partly related to higher sick leave, and costs for temporary resources. Inflation gradually impacted operating profit negatively during the full year. The pandemic had a direct negative impact of SEK -15m in the first quarter, while the impact on the remaining quarters was considerably lower.

Operating profit



Effects on operating profit from lease contracts regarding rent, depreciation and amortisation as a consequence from the accounting standard IFRS 16, which has been applied since 1 January 2019, amounted to SEK 19m in the quarter (see table).

IFRS 16 effects, SEK millions	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Rental charges	117	103	449	382
Depreciation/amortisation	-98	-85	-377	-316
Operating profit	19	18	72	66
Net financial effect	-26	-25	-103	-90
Profit before tax	-8	-7	-31	-24

Operating cash flow and interest-bearing net debt

Operating cash flow in the fourth quarter amounted to SEK 215m (157). The increase was mainly attributable to higher profit before tax, changes in working capital, partly offset by an increase in right-of-use assets as a result of indexation of existing lease contracts.

Humana's interest-bearing net debt increased by SEK 486m to SEK 4,712m (4,226). Net debt increased due to higher lease liabilities attributable to investments in new units and indexation of existing leases, acquisitions and in the first quarter share buybacks. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, is 5.5x (4.6).

During the first quarter of 2022, Humana repurchased shares of SEK 55m. As of 31 March 2022, the holdings of own shares amounts to 10 percent of the total number of outstanding shares corresponding to SEK 313m at cost. The repurchased shares have reduced cash and equity, which increases the company's interest-bearing net debt. The annual general meeting 2022 decided that the holdings of treasury shares to be redeemed and the share capital to be restored by way of bonus issue, which was executed on 19 May 2022. As of 31 December 2022, the total number of shares in the company was 47,826,058 and the company's holdings of own shares was 0.

Performance by business area

Individual & Family



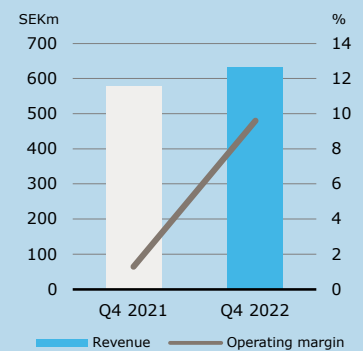
Revenue for the fourth quarter amounted to SEK 634m (578), an increase of 9.6 percent compared to the corresponding period last year. Revenue for the full year increased by 7.5 percent to SEK 2,426m (2,257). Organic growth was 9.3 percent (-2.8) for the quarter and 1.8 percent (0.9) for the full year. The increase in revenue during the quarter was attributable to higher occupancy in underlying operations, as well as to price increases. The increase in revenue for the full year was attributable to acquisitions completed in 2021, and gradually increasing occupancy and pricing in underlying operations during the second half of 2022.

Operating profit for the fourth quarter totalled SEK 41m (7), a year-on-year increase of 466.0 percent. Operating profit for the full year totalled SEK 178m (168), an increase of 6.0 percent. The operating margin for the quarter was 6.5 percent (1.3) and for the full year 7.3 percent (7.5). Operating profit for the quarter and full year grew due to higher occupancy in the Child and Youth and the Adult segments and pricing, partly offset by higher costs for personnel due to staffing challenges and high inflation. Full year operating profits were also affected by acquisitions and closed units,

Percentage of Group revenue, Q4 2022

26%

Operating revenue and operating margin



Personal Assistance



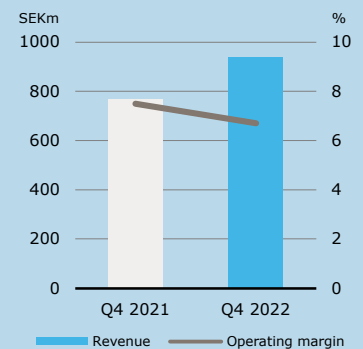
Revenue increased by 22.5 percent to SEK 940m (768) in the fourth quarter. Organic growth was -1.9 percent (1.5). Revenue for the full-year period was SEK 3,419m (3,042), an increase of 12.4 percent, of which -1.2 percent (1.9) was organic. Other revenue in the quarter and full year include a new estimate of an earn-out payment (SEK 32m) which reduced the adjusted operating revenue to SEK 908m (768) in the quarter and SEK 3,387m (3,042) for the full year. The increase in revenue during the quarter and the full year was attributable to acquisitions, partly offset to fewer completed assistance hours.

Operating profit for the quarter amounted to SEK 61m (57), an increase of 5.7 percent, while operating profit for the full year amounted to SEK 198m (208), a decline of 4.8 percent. Adjusted operating profit totalled SEK 28m (46) for the quarter and SEK 166m (197) for the full year. The quarter and full year have been adjusted for a new estimate of an earn-out payment (SEK 32m), while the previous year has been adjusted for a retroactive repayment of previously paid-in pension premiums (SEK 11m). The operating margin was 6.7 percent (7.5) for the fourth quarter and 5.9 percent (6.8) for the full year. The adjusted operating margin was 3.1 percent (6.0) for the fourth quarter and 4.9 percent (6.5) for the full year. Operating profit for the quarter and full year was affected by higher personnel costs, increased overhead costs for assistants and administrative costs related to acquisitions. Acquired operations made a positive contribution to operating profit for the quarter, but are putting pressure on margins in this business area.

Percentage of Group revenue, Q4 2022

37%

Operating revenue and operating margin



Elderly Care



Revenue for the fourth quarter amounted to SEK 211m (190), an increase of 11.2 percent and SEK 815m (669) for the full year, an increase of 21.8 percent. Organic growth was 11.2 percent (20.6) for the quarter and 21.8 percent (10.1) for the full year. The increase in revenue and organic growth for the quarter and full year was due to higher occupancy in both operations under own management and in contracted operations.

Operating profit amounted to SEK 6m (-8) in the quarter and SEK 5m (-3) for the full year. The operating margin was 3.0 percent (-4.0) for the quarter and 0.6 percent (-0.4) for the full year. Operating profit for the quarter was positively impacted, primarily by a higher occupancy rate. The positive trend for the full year was largely affected by improvements in occupancy, partly offset by higher personnel costs resulting from increased sick leave and inflation.

Finland



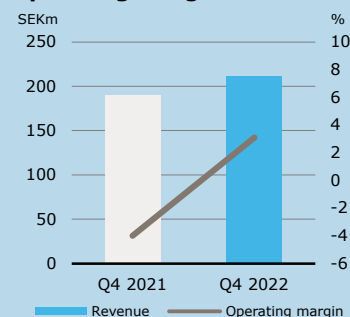
Revenue amounted to SEK 421m (328) in the fourth quarter, an increase of 28.2 percent. Revenue for the full year was SEK 1,528m (1,284), an increase of 19.0 percent. Other revenue in the quarter and full year include a final settlement of an earn-out payment (SEK 6m) which reduced the adjusted operating revenue to SEK 415m (328) in the quarter and SEK 1,522m (1,284) for the full year. Organic growth was 11.6 percent (1.5) for the quarter and 4.0 percent (-0.5) for the full year. The increase in revenue for the quarter and full year was primarily due to acquisitions, but new units in the Child and Youth segment and price increases also made a positive contribution.

Operating profit for the fourth quarter totalled SEK 11m (2), an increase of 347.9 percent. Operating profit for the full year amounted to SEK 37m (56), a decline of 33.7 percent. Adjusted operating profit totalled SEK 5m (15) for the quarter and SEK 31m (69) for the full year. The quarter and full year have been adjusted for a final settlement of an earn-out payment (SEK 6m), while the previous year was adjusted for a settled dispute (SEK -13m). The operating margin was 2.6 percent (0.7) for the quarter and 2.4 percent (4.3) for the full year. The adjusted operating margin was 1.3 percent (4.7) for the fourth

Percentage of Group revenue, Q4 2022

9%

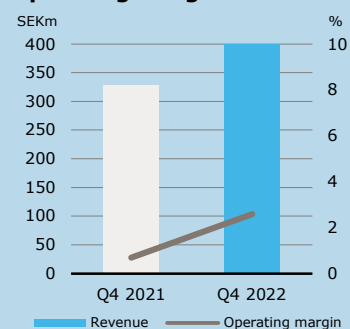
Operating revenue and operating margin



Percentage of Group revenue, Q4 2022

17%

Operating revenue and operating margin



quarter and 2.1 percent (5.3) for the full year. The lower adjusted earnings for the quarter and full year were due to continued high personnel costs resulting from high sick leave and shortage of staff, as well as salary increases. Furthermore, operating profit was impacted by inflation, ramp up costs for new units and acquisitions undergoing efficiency improvements.

Norway



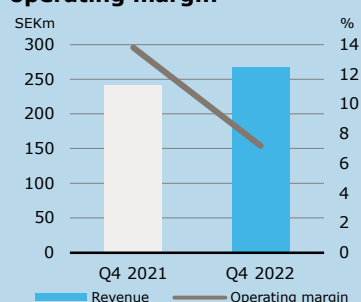
Revenue increased by 11.5 percent to SEK 268m (241) in the fourth quarter. Revenue for the full year amounted to SEK 1,034 (916) million, an increase of 12.8 percent. Organic revenue growth was 6.9 percent (17.5) in the quarter and 6.7 percent (13.8) for the full year. The increase for the quarter and full year was mainly attributable to increased number of clients in the Personal Assistance and improved pricing within Child and Youth.

Operating profit for the quarter totalled SEK 19m (33), a decline of 41.6 percent. Operating profit for the full year totalled SEK 76m (103), a decrease of 25.9 percent. The operating margin was 7.2 percent (13.8) in the quarter and 7.4 percent (11.3) for the full year. The lower operating profit for the quarter and full-year was due to the negative impact of challenges in the Child and Youth segment. Increased personnel costs resulting from salary increases, and higher costs from strengthening the central organisation to lay the foundations for continued growth also impacted.

Percentage of Group revenue, Q4 2022

11%

Operating revenue and operating margin



Financial position

Financing

Consolidated equity amounted to SEK 2,739m (2,553) at 31 December 2022. The equity/assets ratio was 27.9 percent (28.4). Interest-bearing net debt amounted to SEK 4,712 (4,226), a year-on-year increase of SEK 486m. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, increased to 5.5x (4.6). The leverage ratio increased due to increased lease liabilities attributable to investments in new units and indexation of existing leases, acquisitions, in the first quarter share buybacks and lower adjusted EBITDA.

SEK millions	31 Dec 2022	31 Dec 2021
Non-current interest-bearing liabilities	4,996	4,702
Current interest-bearing liabilities	406	218
Cash and cash equivalents	-690	-695
Interest-bearing net debt	4,712	4,226
<i>of which interest-bearing lease liabilities</i>	<i>3,051</i>	<i>2,773</i>
Interest-bearing net debt excl. lease liabilities	1,661	1,453
Equity/assets ratio	27.9%	28.4%
Interest-bearing net debt/adjusted EBITDA, 12 months, times	5.5x	4.6x

Cash flow

Cash flow for the quarter amounted to SEK 90m (15), with cash flow from operating activities amounting to SEK 259m (145). The increased cash flow from operating activities is mainly due to decreased working capital partly offset by increased paid interest. Cash flow for the full year amounted to SEK -38m (-92), with cash flow from operating activities amounting to SEK 633m (689) and relates to lower profit before tax and increased paid interest, partly offset by decreased working capital.

Cash flow from investing activities amounted to SEK -75m (-48) in the quarter and SEK -246m (-260) for the full year, and was due to investments in new units and indexation of existing leases.

Cash flow from financing activities amounted to SEK -94m (-82) in the quarter and SEK -424m (-521) for the full year, mainly due to repayment of lease liabilities. The full-year period was also impacted by share buybacks.

Financial targets

Profitability

An operating margin of 7 percent over the medium term.

Revenue growth

Annual organic revenue growth of 5 percent over the medium term. Bolt-on acquisitions may generate additional annual growth of 2–3 percent.

Capital structure

Interest-bearing net debt not exceeding 4.5 times EBITDA, i.e. operating profit before depreciation, amortisation and impairment (see Financial definitions and intent). Debt may temporarily exceed the target level, which may happen in connection to acquisitions.

Significant events in and after the fourth quarter reporting period of 2022

- In November, the Chairman of the Board, Sören Mellstig, informed that he will not be available for re-election at the 2023 Annual General Meeting
- In December 2022, Fredrik Larsson was recruited as the new CFO. He took office on 1 February, 2023.
- On 31 January 2023, the Swedish Health and Social Care Inspectorate (IVO) revoked Humana Assistans AB's permit to conduct operations. According to IVO's decision, Humana Assistans AB must cease its operations 10 February 2023 at the latest. The company has appealed IVO's decision to the Administrative Court and received suspension. Humana will continue to provide personal assistance operations while the issue is decided in court. IVO may appeal the received suspension to the Court of Appeal on 28 February at the latest. The circumstances surrounding IVO's decision and thereafter give rise to increased legal costs. On February 7, the Swedish Social Insurance Board announced that payments of assistance compensation will be made directly to the customer, which increases administration and delays payments. The situation that has arisen may, in the event of a negative development from this situation, such as major customer losses or a revoked permit, affect the terms and conditions and/or the structure of the company's financing.
- Humana Assistans AB's contribution to the Groups operating income and operating profit for the full year 2022 amounted to SEK 3,200m (35%) and SEK 184m (42%), respectively. Humana Assistans AB's operating income and operating profit constituted 94 percent and 93 percent, respectively, of the business area Personal Assistance.
- In February 2023, the MAT (medication-assisted treatment) company Solstenen i Skåne AB was acquired. Full year revenues amount to approximately SEK 46m.
- Humana's Board proposes to the 2023 AGM that no dividend be paid for the 2021 financial year.

Significant events in the second quarter of 2022

- In June, the operations of Assistans för dig were acquired. The company's full-year revenues are approximately SEK 600m and it has around 2,000 employees.
- The care company Vintergatan AB based in Alingsås was acquired in June. Vintergatan AB runs residential care homes including 11 flats for young adults aged 18–25 and two assisted living flats for adolescents aged 16–20. The company's full-year revenues total around SEK 14m.
- In June, the Finnish open care company Debora Lapsiperhepalvelut Oy was acquired. The company provides care to families and children. The company's full-year revenues total approximately EUR 2.9m, corresponding to SEK 30m.
- Humana has signed an agreement for a new elderly care home containing 100 flats in Strängnäs. The assignment will involve both building and managing the home on behalf of the municipality. The home is scheduled to open in spring 2025.
- In accordance with the decision at the 2022 annual general meeting, Humana has reduced share capital by redemption of 5,314,006 shares and restoring the share capital by way of bonus issue.
- In June, Humana's CFO, Noora Jayasekara, left the company after four years and was replaced by acting CFO Andreas Westlund.

Significant events in the first quarter of 2022

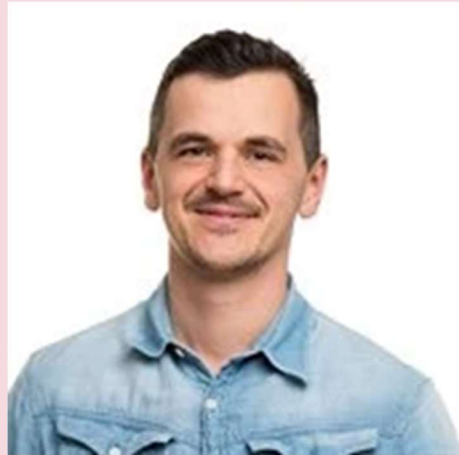
- In January, the Finnish individual and family care company Kalliola Oy was acquired, which provides individual and family care for children and young people and residential and outpatient care in southern Finland. The company's full-year revenues are approximately EUR 9m, corresponding to SEK 93m, and it has around 190 employees.

- During the first quarter, Humana repurchased 1,066,147 own shares. Subsequently, the company's total own shareholding, at the end of the quarter, amounts to 5,314,006, which corresponds 10 percent of the total number of shares outstanding and 10 percent of the total number of votes, which were redeemed during the second quarter.

Quality at Humana

Measuring results is a key aspect of quality management.

For several years now, Humana has been collecting and reporting quality metrics in its index (HQI). But we want to do more than this. In 2022, we also began reporting actual outcomes within four areas. This is an important step towards setting a new and higher standard for Nordic care.



Damir Bandic, Assistant Director of Quality Assurance



Our aim for 2023 is to develop documentation for TFCO and IHF, our treatment methods in outpatient care, that will lead to a social impact bond.

Outcomes measurement is the pathway to social sustainability

We need to promote evidence-based models and methods that have been tried and tested internationally and in Sweden, and that we know produce positive results in social care work. Using results and outcomes as a driver for activity and remuneration is the way forward. A more results-based approach to care will help us solve some of our social problems, and enable us to work more preventively in tackling society's challenges. This is the core in our pathway towards a more sustainable society.

In the fourth quarter of 2022, Humana continued to pursue and develop work on reporting social outcome measurements. We will extend our reporting over the coming year to cover all our business areas. We post our social outcome measurements on our web page and update regularly.

In the fourth quarter we initiated work on creating a social impact bond. Our aim in 2023 is to develop documentation within outpatient care – for our TFCO and IHF treatment methods – that will lead to a social impact bond with one or more contractors.

HQI

In the fourth quarter 2022, the HQI result was 76 (1-100), which is the highest outcome for the year. The areas that are showing the biggest improvements are: safe work environment, healthy employees, delivery according to legislation, high-quality training and satisfied customers and clients. The quarter saw an overall improvement in HQI in Finland and Elderly Care, while Individual & Family and Personal Assistance had slightly lower outcomes. The integration of acquisitions during the year was the primary reason for lower results in these business areas.

Eleven serious deviations were reported to the authorities during the quarter, which is one more than in the previous quarter. However, the number of repeated deviations was lowest in the fourth quarter compared with other quarters in the year. We are continuing to strengthen our quality management by means of in-house training, which is made available to all our employees through Humana Academy's learning portal.

Other information

Employees

The number of full-time employees at 31 December 2022 was 12,426 (10,945).

Shares, share capital and shareholders

The number of shares in Humana AB at 31 December 2022 amounted to 47,826,058 with a quotient value of SEK 0.025 corresponding to share capital of SEK 1,180,890. The number of shareholders was 4,552. The five largest shareholders were Impilo Care AB, Incentive AS (via funds and mandate), Alcur Fonder, SEB Investment Management and Nordea Investment Funds.

Share buybacks

At the 2020 AGM, the Board was authorised to acquire shares as long as the company's total holdings of own shares does not exceed one-tenth of all shares in the company and to transfer own shares in the company. In February 2022, Humana repurchased 1,066,147 shares at a cost of SEK 55m, corresponding to an average price of SEK 51.42 per share. Subsequently, the company's total own shareholding amounts to 5,314,006 shares, which is 10.0 percent of the total number of outstanding shares and votes. The annual general meeting 2022 decided that the holdings of treasury shares be redeemed and the share capital to be restored by way of bonus issue, which was executed on 19 May 2022. On 31 December, the total number of shares in the company was 47,826,058 and the company's holdings of own shares was 0.

Marketplace

Humana's shares trade on the Nasdaq Stockholm Main Market. The company's ticker symbol is HUM and the ISIN code is SE0008040653.

Share-based incentive programmes

Humana has no ongoing long-term share-related incentive programme for senior executives or other employees.

In June 2020, Impilo Care AB, Humana's principal owner, made an offer to Board members and senior executives of Humana to acquire synthetic options in Humana issued by Impilo Care AB. Humana did not participate in the offer and it will not give rise to any costs for Humana. A total of 461,000 synthetic options were acquired. The total market value of the options on the transaction date is estimated at approximately SEK 1.4m. The synthetic options are related to Humana's share and expire after three years. The options can be exercised from 1 April 2023 to 30 June 2023. The exercise price is SEK 77.90 per option.

Related-party transactions

The Group's related parties consist of the Board of Directors, Group management and the CEO, through ownership of the company and through their roles as senior executives. Related-party transactions are carried out on an arm's length basis and on market conditions.

Risks and uncertainties

In the course of its operations, Humana is exposed to different types of financial risks, which can be divided into liquidity and funding risk, interest rate risk, credit risk and currency risk. Risks are described in more detail in the section in Humana's 2021 annual and sustainability report entitled 'Risks and risk management' on pages 62–69, as well as in Note G20.

The main risks related to operations and uncertainties that can affect the company's performance are linked to political decisions that may affect private

care companies, as well as risks when implementing completed acquisitions. Humana conducts operations that are financed by state, municipalities and Regions and, as such, operations can be affected by political decisions. As a result, Humana's opportunities for growth are affected by public opinion and political views on the company's areas of operation. Political decisions and decisions from authorities can also have impact on the company, for example through regulatory requirements, investigations, reclaims and permit trials.

External factors that affect the global or national economy can have a direct impact on Humana through inflation and higher costs in the supply chain, as well as an indirect impact through financial constraints that may affect our contractors.

Humana continuously monitors the external operating environment and pursues an active dialogue with relevant authorities. The purpose is to quickly perceive external changes in order to assess risks and opportunities, as well as adapt operations to external changes. Humana's operationally-related agreements are mainly index-linked over time, although there is a risk that price adjustments do not occur at favourable times to compensate for cost adjustments and salary negotiations during certain periods. The political situation and our operating environment are evaluated continuously.

Humana's main risks connected to compliance, responsibility and sustainability are related to quality deficiencies that impact the customer/client. Humana has over 20,000 employees, the majority of whom work directly with the company's customers and clients. There is a risk of staff not following Humana's procedures, but instead developing their own approach to clients and customers. This may arise as a result of high staff turnover, staff recruitment difficulties or lack of leadership. A possible consequence is that customers and clients do not receive the treatment or intervention that has been decided.

Communicable diseases exist in society. These infections can affect anyone in society but the situation is most difficult for vulnerable persons. Humana's operations include customers and clients in vulnerable groups and there are guidelines and procedures in the company's management system on how to prevent and manage various communicable diseases. Communicable diseases may also lead to several employees getting sick at the same time, which entails a risk of not having enough qualified staff to meet needs. A pandemic also entails a risk of a negative impact on Humana's revenues and costs, for example, as a result of lower occupancy or costs for sickness absences and PPE.

This year-end report was not subject to a review by the company's auditors as per ISRE 2410 .

The Board of Directors and the CEO certify that this year-end report for 2022 gives a true and fair presentation of the Parent Company's and the Group's operations, financial position and earnings, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, 9 February 2023

Johanna Rastad,
President and CEO

Consolidated income statement

SEK millions	Note	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net revenue		2,438	2,101	9,199	8,176
Other operating revenue		42	9	42	12
Operating revenue	3.4	2,480	2,110	9,241	8,188
Other external expenses		-299	-268	-1,082	-941
Personnel costs		-1,934	-1,633	-7,253	-6,333
Depreciation, amortisation and impairment		-118	-126	-457	-420
Other operating expenses		-1	0	-10	-1
Operating expenses		-2,353	-2,028	-8,802	-7,695
Operating profit		127	82	439	493
Financial income		14	0	24	4
Financial expenses		-66	-37	-189	-143
Profit before tax		75	46	274	354
Income tax		-16	-12	-64	-78
Net profit for the period		59	33	210	276
Attributable to:					
Parent Company shareholders		60	33	210	276
Non-controlling interests		-0	-0	-0	-0
Net profit for the period		59	33	210	276
Earnings per share, SEK, before dilution		1.24	0.68	4.36	5.67
Earnings per share, SEK, after dilution		1.24	0.68	4.36	5.67
Average number of shares, thousands		47,826	48,892	48,101	48,699

Consolidated statement of other comprehensive income

SEK millions	Note	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net profit for the period		59	33	210	276
Other comprehensive income					
Items that have been/may be reclassified to profit or loss					
Hedges of net investments in foreign operations	6	-10	-7	-37	-24
Exchange rate difference on translation of foreign operations		19	14	66	51
Net profit and other comprehensive income for the period		68	40	239	303
Attributable to:					
Parent Company shareholders		69	40	240	303
Non-controlling interests		-0	-0	-0	-0

Condensed consolidated balance sheet

SEK millions	Note	31 Dec 2022	31 Dec 2021
Assets			
Non-current assets			
Goodwill	5	4,409	4,148
Other intangible assets		40	11
Property, plant and equipment		464	360
Right-of-use assets		2,930	2,669
Financial assets		57	55
Total non-current assets		7,899	7,243
Current assets			
Trade receivables and other receivables		1,026	923
Other current receivables		191	140
Cash and cash equivalents		690	695
Total current assets		1,907	1,759
TOTAL ASSETS		9,806	9,002
Equity and liabilities			
Equity			
Share capital		1	1
Other paid-in equity		1,096	1,096
Reserves		50	21
Retained earnings		1,592	1,436
Equity attributable to Parent Company shareholders		2,739	2,553
Equity attributable to non-controlling interests		-0	-0
Total equity		2,739	2,553
Non-current liabilities			
Non-current lease liability		2,733	2,557
Other interest-bearing liabilities	6	2,263	2,146
Deferred tax liabilities		58	74
Provisions		3	4
Total non-current liabilities		5,056	4,780
Current liabilities			
Lease liability, current		318	216
Other interest-bearing liabilities	6	88	3
Trade payables		187	165
Other current liabilities		1,418	1,285
Total current liabilities		2,011	1,669
TOTAL EQUITY AND LIABILITIES		9,806	9,002

Condensed consolidated statement of changes in equity

SEK millions	Share capital	Other paid-in capital	Translation reserve	Retained earnings	Equity attributable to Parent company owners	Non-controlling interests	Total equity
Opening balance, 1 Jan 2021	1	1,096	-6	1,264	2,354	-0	2,354
Comprehensive income for the period							
Net profit for the period	-	-	-	276	276	-0	276
Other comprehensive income for the period	-	-	27	-	27	-	27
Total comprehensive income for the period	-	-	27	276	303	-	303
Owner transactions							
Share buybacks	-	-	-	-159	-159	-	-159
Payment of shares for business combinations	-	-	-	55	55	-	55
Total owner transactions	-	-	-	-104	-104	-	-104
Closing balance, 31 Dec 2021	1	1,096	21	1,436	2,553	-0	2,553
Opening balance, 1 Jan 2022	1	1,096	21	1,436	2,553	-0	2,533
Comprehensive income for the period							
Net profit for the period	-	-	-	210	210	-0	210
Other comprehensive income for the period	-	-	30	-	30	-	30
Total comprehensive income for the period			30	210	240	-0	240
Bonus issue	0	-	-	-0	-	-	-
Owner transactions							
Redemption of own shares	-0	-	-	0	-	-	-
Share buybacks	-	-	-	-55	-55	-	-55
Total owner transactions	0	-	-	-55	-55	-	-55
Closing balance, 31 Dec 2022	1	1,096	50	1,592	2,739	-0	2,739

Condensed consolidated statement of cash flows

SEK millions	Note	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit before tax		75	46	274	354
Adjustments for:					
Depreciation, amortisation and impairment		118	126	457	420
Financial items, net		51	37	164	139
Capital gain/losses on sale of property, plant and equipment		-2	-	1	2
Reassessment of earn-out payments		-38	-	-38	-
Other non-cash items		-5	-8	-3	-4
Profit before tax adjusted for non-cash items		201	201	857	912
Change in working capital		84	-21	14	-12
Financial items paid, net		-50	-36	-162	-139
Income tax paid		25	1	-76	-72
Cash flow from operating activities		259	145	633	689
Acquisition of operations, net cash impact	5	0	-18	-71	-153
Disposal of subsidiaries, net cash impact		-	-	-1	-
Disposal of properties		0	-	8	5
Disposal of property, plant and equipment		5	-	9	5
Investments in other non-current assets		-80	-30	-192	-117
Cash flow from investing activities		-75	-48	-246	-260
Change in liabilities to credit institutions, net		-	-	-2	-50
Repayment of lease liabilities		-94	-83	-368	-312
Own share buybacks		-	-	-55	-159
Cash flow from financing activities		-94	-82	-424	-521
Cash flow for the period		90	15	-38	-92
Cash and cash equivalents, opening balance		593	672	695	759
Exchange differences		7	9	32	28
Cash and cash equivalents, closing balance		690	695	690	695

Key ratios

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating revenue	2,480	2,110	9,241	8,188
Operating margin, %	5.1%	3.9%	4.7%	6.0%
Interest-bearing net debt, SEK million	4,712	4,226	4,712	4,226
Return on capital employed, %	1.6%	1.1%	5.5%	6.6%
Equity/assets ratio, %	27.9%	28.4%	27.9%	28.4%
Operating cash flow, SEKm	215	157	697	795
Interest-bearing net debt/adjusted EBITDA 12 months, times	5.5x	4.6x	5.5x	4.6x
Average full-time employees, Individual & Family	2,254	2,099	2,321	2,169
Average full-time employees, Personal Assistance	5,932	5,159	5,687	5,209
Average full-time employees, Elderly Care	1,093	991	1,132	955
Average full-time employees, Finland	1,946	1,554	1,984	1,605
Average full-time employees, Norway	1,140	939	1,103	994
Average full-time employees, central functions including Denmark	65	61	64	65
Total average full-time employees	12,403	10,804	12,284	10,996
Full-time employees at end of period	12,426	10,945	12,426	10,945
Average number of customers, Individual & Family	1,807	1,823	1,860	1,789
Average number of customers, Personal Assistance	2,123	1,876	2,013	1,874
Average number of customers, Elderly Care	1,077	998	1,051	894
Average number of customers, Finland	4,563	4,213	4,307	4,079
Average number of customers, Norway	523	430	489	406
Average number of customers, Denmark	77	44	67	61
Total average number of customers	10,169	9,384	9,786	9,102
Average number of shares, thousands	47,826	48,892	48,008	48,699
Equity per share, SEK	57	52	57	52
Earnings per share, SEK, after dilution	1.24	0.68	4.36	5.67

Parent Company

Condensed income statement

SEK millions	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating revenue	0	-	0	-
Operating expenses	-1	-3	-15	-16
Operating profit	-1	-3	-15	-16
Interest income	30	17	67	40
Interest expenses	-59	-34	-157	-103
Profit after financial items	-30	-19	-105	-79
Group contributions	188	132	188	132
Change in untaxed reserves	-22	-1	-22	-1
Profit before tax	136	112	61	52
Income tax	-29	-25	-14	-13
Net profit for the period	106	87	47	39

Condensed balance sheet

SEK millions	31 Dec 2022	31 Dec 2021
Non-current assets	1,684	1,684
Current assets	1,545	1,488
TOTAL ASSETS	3,229	3,173
Restricted equity	1	1
Unrestricted equity	1,499	1,507
TOTAL EQUITY	1,500	1,508
Untaxed reserves	171	149
Non-current liabilities	1,552	1,508
Current liabilities	6	9
TOTAL LIABILITIES	1,558	1,517
TOTAL EQUITY AND LIABILITIES	3,229	3,173

Notes

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting along with applicable stipulations in the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act – Interim Reports. In general, the same accounting policies and bases of calculation have been used as in the annual report for 2021, which was prepared in accordance with the International Financial Reporting Standards as ratified by the EU and interpretations of these.

Disclosures in accordance with IAS 34.16A appear in the financial statements and their associated notes as well as in the interim information on pages 1–16, which form an integral part of this financial report.

Figures may be rounded up or down in tables and statements.

New accounting standards applied from 1 January 2023

Humana has determined that new or amended standards and interpretations will not have any significant effect on the consolidated financial statements.

Note 2 Estimations and assessments

Preparation of interim financial statements in compliance with IFRS requires management to make accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may differ from these accounting estimates and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the most recent annual report.

Note 3 Operating segments

SEK millions	Individual & Family		Personal Assistance		Elderly Care	
	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net revenue – external income	2,426	2,255	3,387	3,042	815	669
Other operating revenue	0	2	32	0	0	0
Operating revenue	2,426	2,257	3,419	3,042	815	669
Profit before depreciation, amortisation and other operating expenses	223	206	201	209	24	14
Depreciation, amortisation and impairment	-39	-37	-3	-1	-19	-16
Other operating expenses	-7	-1	0	0	0	0
Operating profit	178	168	198	208	5	-3

SEK millions	Finland		Norway		Other		Total	
	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net revenue – external income	1,519	1,276	1,034	915	19	19	9,199	8,176
Other operating revenue	9	8	0	2	0	1	42	12
Operating revenue	1,528	1,284	1,034	916	19	20	9,241	8,188
Profit before depreciation, amortisation and other operating expenses	56	74	85	116	315	295	904	914
Depreciation, amortisation and impairment	-19	-19	-8	-12	-369	-335	-457	-420
Other operating expenses	0	0	0	0	-2	0	-10	-1
Operating profit	37	56	76	103	-56	-40	439	493
Finance income							24	4
Finance expenses							-189	-143
Profit before tax							274	354

Note 4 Revenue by country and service

SEK millions	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sweden	1,786	1,537	6,660	5,970
Finland	421	328	1,528	1,284
Norway	268	241	1,034	916
Denmark	5	4	19	18
Total operating revenue	2,480	2,110	9,241	8,188

SEK millions	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Individual & Family	1,085	930	4,075	3,631
Personal Assistance	1,036	855	3,781	3,349
Elderly Care	355	321	1,366	1,189
Other	4	5	19	20
Total operating revenue	2,480	2,110	9,241	8,188

Note 5 Business combinations

Net assets in acquired companies at date of acquisition

SEK millions	Humanan Kallio Oy	Vinter- gatan AB ¹⁾	Debora Lapsiperhe palvelut Oy ¹⁾	Assistans för dig ¹⁾	Total
Non-current assets	3	-	0	32	35
Current assets	19	2	7	24	52
Non-current liabilities	-	-	-	-	-
Current liabilities	-25	-2	-6	-11	-43
Net identifiable assets and liabilities	-3	1	1	44	43
Goodwill	27	11	15	92	145
Total consideration	24	12	17	136	189
Cash and cash equivalents in acquired entities	-4	-1	-4	-	-9
Contingent consideration	-5	-	-	-125	-130
Effect on cash and cash equivalents	15	11	13	10	49

	Other
Settlement of considerations attributable to prior acquisitions	11
Minor acquisitions	11
Total effect on cash and cash equivalents	71

1) The acquisition analysis is preliminary as the final settlement has not been determined.

Humanan Kallio Oy

In January 2022, Humana acquired 100% of the shares in the Finnish individual and family care company Humanan Kallio Oy. The acquisition strengthens Humana's position in the capital region of Finland and increases the company's capacity to provide care services for children, young people and adults in line with growing needs in society. The total purchase price for Humanan Kallio Oy was financed with cash. At acquisition date, Humana estimated an earn-out payment to maximum SEK 5.2m based on the performance of Humanan Kallio Oy in 2022. During the fourth quarter 2022 a new assessment was made due to new external conditions, resulting in a write-down of the earn-out payment to SEK 0m. Goodwill of SEK 27,3m, included in the acquisition of Humanan Kallio Oy, will partly complement the Finnish operation becoming more comprehensive and effective in terms of care services and expertise. In addition to the synergies that occur, the acquisition will also complement Humana's care services for children, young and adults geographically. Operating revenue from the acquired company, included in the consolidated income statement since 3 January, amounts to SEK 29.2m for the fourth quarter and SEK 110.0m for the full year. The acquired company contributed SEK -0.5m to profit for the quarter and SEK -4.4m for the full year. Transaction costs of SEK 0.2m have been reported as administrative costs in the Group.

Vintergatan AB

In June 2022, Humana acquired 100% of the shares in the care company Vintergatan AB based in Alingsås. The acquisition complements Humana's residential care home and assisted living home operations through its unique concept, whereby young adults live in their own apartments. Vintergatan's full-year revenues are approximately SEK 14m and it has around 20 employees. The total purchase price for Vintergatan AB was financed with cash. Goodwill of SEK 11.1m, included in the acquisition of Vintergatan AB, corresponds to a widening of unique working procedures within residential care homes, a field within which Vintergatan AB has successfully operated with high quality. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 2.6m for the fourth quarter and SEK 6.2m for the full year. The acquired company contributed SEK -0.3m to profit for the fourth quarter and SEK 0.9m for the full year. No transaction costs are reported for the acquisition.

Debora Lapsiperhepalvelut Oy

In June 2022, Humana acquired 100% of the shares in the open care company Debora Lapsiperhepalvelut Oy. This acquisition will strengthen Humana's nationwide offering of outpatient care in Finland. The company's full-year revenues are approximately EUR 2.9m, corresponding to SEK 30m. The total purchase price for Debora Lapsiperhepalvelut Oy was financed with cash. Goodwill of SEK 15,4m, included in the acquisition, will complement Humana's offer of open care services and preventive open care services for families and children, in which the demand is growing. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 8.3m for the fourth quarter and SEK 17.6m for the full year. The acquired company contributed SEK 0.3m to profit for the fourth quarter and SEK 1.7m for the full year. No transaction costs are reported for the acquisition.

Assistans för dig

In June 2022, Humana completed the acquisition of 100% of the operations in Assistans för dig. This acquisition will strengthen Humana's position as the leading assistance coordinator in Sweden. The total consideration is estimated at SEK 136m. The payment is distributed over a consideration of SEK 20m on a cash and debt-free basis, as well as two earn-out payments based on the operating profit for each of the years 2022 and 2023. The majority of the consideration will be paid on the next payment date. The acquisition was financed using existing cash. The increased volume will mean improved opportunities to deliver good care and high quality. Goodwill of SEK 92m, included in the acquisition, corresponds to the strengthened market position which the acquisition of the operations of Assistans för dig provides. In the fourth quarter 2022, a new assessment was made due to new external conditions, resulting in an adjustment of the earn-out payment of SEK -32m. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 145.2m for the fourth quarter and SEK 336.2m for the full year. The acquired company contributed SEK 7.8m to profit for the fourth quarter and SEK 14.5m for the full year. Transaction costs of SEK 0.3m have been reported as administrative costs in the Group.

If the acquisitions above had been made as at 1 January 2022, consolidated operating revenue for the full year would total SEK 9,488.4m (SEK 283.5m higher) and operating profit for the full year would total SEK 288.8m (SEK 6.7m higher).

Business combinations after the reporting period

Solstenen i Skåne AB

On 10 January 2023, Humana announced the acquisition of 100% of the shares in Solstener i Skåne AB. The acquisition strengthens Humana's service offering relating to medication-assisted treatment of opioid dependence (MAT) for patients that meet the criteria for such treatment. Full year revenues amount to approximately SEK 46m. The total consideration is estimated at SEK 30m. The payment consist of an initial consideration of SEK 18m on a cash- and debt-free basis, and an earn-out payment of maximum SEK 18m based on operating profit for a 12-month period starting no later than 1 July 2023. The acquisition is being financed using existing cash. The transaction was approved by Region Skåne and completed 1 February 2023.

Note 6 Fair value of financial instruments and level in valuation hierarchy

31 Dec 2022 SEK millions	Financial liabilities at fair value through profit or loss	Total carrying amounts	Fair values	Level 1	Level 2	Level 3
Financial liabilities						
Earn-out payment	171	171	171	-	-	171

31 Dec 2021 SEK millions	Financial liabilities at fair value through profit or loss	Total carrying amounts	Fair values	Level 1	Level 2	Level 3
Financial liabilities						
Earn-out payment	80	80	80	-	-	80

The carrying amount of other financial assets and liabilities constitutes a reasonable approximation of fair value.

Fair value measurement

When determining the fair value of an asset or liability, the Group uses observable data as far as possible. Fair value is categorised in various levels in a fair value hierarchy based on input data that is used in the valuation method as follows:

Level 1: according to prices quoted in an active market for the same instruments

Level 2: based on directly or indirectly observable market data that is not included in level 1

Level 3: inputs that are not observable in the market

Presentation of the reconciliation of the opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK millions	31 Dec 2022	31 Dec 2021
Opening balance, 1 January	80	6
Acquisitions	130	81
Settled during the period	-7	-19
Interest expense	5	
Reversed to income statement	-38	12
Closing balance, end of period	171	80

Measurement methods and inputs

The tables below show the methods used for fair value measurement in Levels 2 and 3, and significant non-observable inputs.

Financial instruments at fair value through profit or loss

	Earn-out payment
Measurement method	EBITDA multiples: The measurement model calculates the value of the earn-out payment based on likely scenarios of future EBITDA outcomes using agreed multiples.
Significant non-observable inputs	Forecast EBITDA
Connection between significant non-observable inputs and fair value calculation	The estimated fair value would increase (decrease) if: EBITDA was higher (lower)

Sensitivity analysis

The maximum outstanding amount for earn-out payments is SEK 228 (80).

Financial instruments not measured at fair value

Type	Measurement method	Significant non-observable inputs	Measurement level
Other financial liabilities ¹⁾	Discounted cash flows	NA	2

1) Other financial liabilities refers to bank loans and finance lease liabilities.

Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As at 31 December 2022, the Group had exposure to EUR, NOK and DKK. DKK makes up a small amount and is not hedged. NOK and EUR are hedged using loans in foreign currency. Hedge accounting entails recognising the effective part of the translation differences in the consolidated statement of other comprehensive income. As at 31 December 2022, the Group had loans of EUR 40m and loans of NOK 328m for which hedge accounting is applied. The related exchange rate changes of SEK -46m (-31) before tax is consequently recognised in the consolidated statement of other comprehensive income.

Reconciliation of financial statements with IFRS

In the financial reports that Humana issues, there are alternative performance measures specified that complement the measurements defined or specified in the applicable financial reporting rules. Alternative performance measures are indicated when, in their context, they provide clearer or more detailed information than the measurements defined in the applicable financial reporting rules. Alternative performance measures derive from the company's consolidated accounts and are not measured in accordance with IFRS.

SEK millions	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Adjusted operating revenue				
Operating revenue	2,480	2,110	9,241	8,188
Remeasurement of earn-out payment	-38	-	-38	-
Adjusted operating revenue	2,442	2,110	9,203	8,188
Adjusted operating profit				
Operating profit	127	82	439	493
Retroactive repayment of previously paid-in pension premiums	-	-11	-	-11
Final settlement dispute	-	13	-	13
Costs for adaptation of central functions	-	-	4	-
Remeasurement of earn-out payment	-38	-	-38	-
Adjusted operating profit	89	85	405	495
Adjusted EBITDA				
Operating profit	127	82	439	493
Depreciation, amortisation and impairment	118	126	457	420
EBITDA	245	209	896	913
Retroactive repayment of previously paid-in pension premiums	-	-11	-	-11
Final settlement dispute	-	13	-	13
Costs for adaptation of central functions	-	-	4	-
Remeasurement of earn-out payment	-38	-	-38	-
Adjusted EBITDA	207	211	862	916
Organic revenue growth				
Revenue, base	2,101	1,937	8,176	7,761
Revenue, organic growth	115	67	265	238
Total organic growth	5.5%	3.4%	3.2%	3.1%
Operating cash flow				
Operating profit	127	82	439	493
Non-cash effect from remeasurement of earn-out payment	-38	-	-38	-
Depreciation, amortisation and impairment	118	126	457	420
Change in working capital	84	-21	14	-12
Investments in other non-current assets, net	-75	-30	-174	-107
Operating cash flow	215	157	697	795

	31 Dec 2022	31 Dec 2021
Interest-bearing net debt		
Non-current interest-bearing liabilities	4,996	4,702
Current interest-bearing liabilities	406	218
Cash and cash equivalents	-690	-695
Interest-bearing net debt	4,712	4,226
Adjusted EBITDA, 12 months	862	916
Interest-bearing net debt/Adjusted EBITDA, 12 months, times	5.5x	4.6x
Return on capital employed, %		
Total assets	9,806	9,002
Deferred tax liabilities	-58	-74
Trade payables	-187	-165
Other current liabilities	-1,504	-1,285
Capital employed	8,058	7,478
Operating profit	439	493
Interest income	7	1
Total	446	494
Return on capital employed, %	5.4%	6.6%
Equity/assets ratio, %		
Total equity	2,739	2,553
Total assets	9,806	9,002
Equity/assets ratio, %	27.9%	28.4%

Financial definitions and intent

Financial performance measures

	Definition	Intent
Return on capital employed (%)	Operating profit and interest income divided by total capital employed multiplied by 100.	Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the financing.
EBITDA	Operating profit before depreciation, amortisation and impairment.	The measure is used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries.
Adjusted, revenue operating profit and adjusted EBITDA	Operating revenue, operating profit and EBITDA adjusted for items affecting comparability.	Adjustment for non-recurring items is made to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items.
Operating cash flow	Operating profit adjusted for changes in depreciation/amortisation/impairment, including working capital and investments in other non-current assets (net).	The exclusion of cash flow from acquisitions and financing facilitates an analysis of cash conversion in operating activities.
Organic growth	Growth in local currency for comparable companies in each segment that Humana owned during the previous comparative period.	The measure shows the underlying sales growth in comparable companies between the different periods.
Interest-bearing net debt	Borrowing excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.	Net debt is used as a simple way to illustrate and assess the Group's ability to meet financial commitments.
Interest-bearing net debt excl. lease liabilities	Borrowing excluding interest rate derivatives and lease liabilities less cash and cash equivalents and interest-bearing assets.	Net debt is used as a simple way to illustrate and assess the Group's ability to meet financial commitments.
Interest-bearing net debt/adjusted EBITDA	Interest-bearing net debt divided by adjusted EBITDA.	The measure indicates consolidated debt in relation to adjusted EBITDA. This is used to illustrate the Group's ability to meet financial commitments.
Equity/assets ratio (%)	Equity including non-controlling interests divided by total assets multiplied by 100.	Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.
Capital employed	Total assets less non-interest-bearing liabilities.	The measure indicates the portion of the company's assets financed by interest-bearing capital.

Other performance measures

	Definition
Equity per share	Equity attributable to Parent Company shareholders divided by number of shares at end of period after redemption, repurchase and new share issue.
Average number of shares	Calculated as the average daily number of shares outstanding after redemption and buybacks.
Items affecting comparability	Non-recurring items that complicate the comparability between two given periods.
Average number of full-time employees	Average number of full-time employees during the reporting period.
Average customers	Average number of customers during the period.
Earnings per share for the period	Profit for the period attributable to Parent Company shareholders less the period's share of the adopted dividend divided by average number of shares.
Operating profit	Profit before financial items and tax.
EBIT margin (%)	Operating profit divided by operating revenue multiplied by 100.

This information is information that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, on 9 February 2023 at 08:00 CET.

Conference call

A web-based teleconference will be held on 9 February 2023 at 09:00 CET at which President and CEO Johanna Rastad will present the report and answer questions. If you wish to take part via the webcast, use the following [link](#).

Financial calendar

Interim report Jan–Dec, Q4 2022	9 Feb 2023
Interim report Jan–Mar, Q1 2023	4 May 2023
2023 Annual General Meeting	9 May 2023
Interim report Jan–Jun, Q2 2023	21 July 2023

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