



# Year-end report Jan-Dec 2020

# Q4

*Humana is a Nordic care company. The company is a market leader in individual and family care and personal assistance with expanding operations in elderly care. Humana has 16,000 employees who all work with a shared vision – everyone is entitled to a good life. Humana is a growth company with a focus on quality and customer satisfaction. The company had annual operating revenue of SEK 7,797m in 2020. Humana is listed on Nasdaq Stockholm and is headquartered in Stockholm.*



**Humana**

# Full year and fourth quarter in brief

## Fourth quarter, October–December 2020

- **Operating revenue** was SEK 1,948m (1,912), an increase of 2%. Organic growth was 3.1%.
- **Operating profit** was SEK 101m (71), an increase of 42%.
- **Net profit after tax for the period** amounted to SEK 49m (18).
- **Earnings per share for the period** before and after dilution amounted to SEK 0.94 (0.35).
- **Operating cash flow** amounted to SEK 296m (220).

## Full year, January–December 2020

- **Operating revenue** was SEK 7,797m (7,467), an increase of 4%. Organic growth was 4.1%.
- **Operating profit** was SEK 471m (369), an increase of 27%. This includes a capital gain of SEK 17m (4) from sale of properties. Adjusted operating profit was SEK 453m (365), an increase of 24%.
- **Net profit after tax for the year** amounted to SEK 262m (187).
- **Earnings per share for the year** before and after dilution amounted to SEK 4.94 (3.54).
- **Operating cash flow** amounted to SEK 779m (595).

## Significant events in and after the end of the quarter

- Humana acquires the Swedish assistance company RO Omsorg Assistans AB. The company's annual revenue is approximately SEK 50m and it has around 90 employees.
- In December, Humana decides to repurchase own shares as mandated at the 2020 Annual General Meeting. That same month, 2,656,860 own shares were purchased for SEK 154m at an average price of SEK 57.95 per share. The purpose is to adjust the Group's capital structure and helping to increase shareholder value.
- After the end of the quarter, in February, Humana acquires the Swedish individual and family company Team J-son. Team J-son's annual revenue is approximately SEK 90m and it has around 120 employees.
- Humana's Board proposes to the 2021 AGM that no dividend be paid for the 2020 financial year and that any profits be carried forward.

## Revenue and profit

SEK m	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec	%
	2020	2019		2020	2019	
Net revenue	1,947	1,902	2%	7,771	7,446	4%
Other operating revenue	1	10	-89%	26	21	26%
<b>Operating revenue</b>	<b>1,948</b>	<b>1,912</b>	<b>2%</b>	<b>7,797</b>	<b>7,467</b>	<b>4%</b>
Operating profit	101	71	42%	471	369	27%
Adjusted operating profit	101	71	42%	453	365	24%
Net profit for the period	49	18	172%	262	187	40%
Operating cash flow	296	220	35%	779	595	31%

# A challenging year, marked by the pandemic, in which Humana took important steps forward

**Humana's operations have never been put to the test as much as they were in 2020, the year the whole world was laser-focused on fighting Covid-19. The fourth quarter was no exception. Our efforts continue and it gives both hope and energy that more and more customers, clients and even employees now are being vaccinated. At the same time, 2020 was a year in which Humana also continued to make progress, not least in digitalisation and operational control. These efforts have paid off and we are now closer to reaching our targets.**

The pandemic has impacted all aspects of our lives and unfortunately led to the deaths of more than two million people worldwide. Humana's operations have not been spared but transmission of the virus has been limited. Hard, systematic work over the course of the year is one reason. A comprehensive survey on Humana's handling of the pandemic shows that customers and clients are confident in the measures we have taken. Our employees have reason to be proud of their efforts! They have proved to be impressively professional and persevering this past year. Our customers and clients and their families have also helped enormously in our joint efforts during difficult conditions. Unfortunately, a survey also shows that visitor restrictions and fewer group meals and group activities have had a negative effect on the mental health of our elderly care residents. We are working hard to compensate for this, but people need people, not least when it comes to those in need of care.



The pandemic has topped the agenda for most of 2020, including the fourth quarter. But we have also focused on our original plan for 2020: leveraging the potential in our operations to add more value and increase stability and predictability. We also began the year with new financial targets.

Outcomes for 2020 are: revenue of SEK 7.8 billion, organic growth of 4.1 (2.0) percent, an operating margin of 6.0 (4.9) percent and a leverage of 4.3 (5.4) times adjusted EBITDA. The corresponding figures for the fourth quarter are: revenue of SEK 1.9 billion, organic growth of 3.1 (0.7) percent and an operating margin of 5.2 (3.7) percent. Thus, we took a big step forward, even though the comparative periods were weak. This means that we are also approaching our organic growth target of 5 percent and profitability target of 7 percent, and that our leverage is well in line with the target of 4.5 times EBITDA. The effect of Covid-19 on profit was marginally negative, both for the quarter and the full year. Occupancy was impacted negatively, especially in elderly care and outpatient care in Finland. Costs were higher for personal protective equipment and sickness absences, but they were partially reimbursed through state subsidies. A strong cash flow due partly to better discipline with

investments meant that we could also be financially active in the fourth quarter and repurchase shares in December.

In the quarter we were happy to welcome the Swedish assistance company RO Omsorg Assistans (our only acquisition in 2020) as part of the Humana Group. The operational focus in the quarter, as well as in the full year, was mostly on organic growth and internal improvement work. We accelerated the pace of digitalisation. For example, we invested in a common digital platform in Personal Assistance in the autumn that is used by our 10,000 assistants, and in Finland the new management team has worked hard on digital solutions, also in order to increase flexibility during the pandemic. Individual & Family was reporting organic growth both for the quarter and for the full year, due to stable occupancy and the opening of ten new units, mainly in LSS, during the year. In elderly care, the hard work of building and planning for the opening of five new care homes under own management in 2021 continued during the quarter. The Norwegian operation won an important framework agreement for assistance and continued to have strong organic growth in personal assistance and care homes.

At the start of 2021, the pandemic continues to be our main focus. I am very thankful that most of our elderly care home residents have been vaccinated. We have started the year with good stability in our operations and on a strong financial footing. Our greater focus on value creation will continue. We are also pleased to, at the start of the year, have had the possibility to acquire the Swedish individual and family company Team J-son. Our focus on sustainability will also expand in 2021 with the appointment of a head of sustainability and other measures following. Humana has already come far in this area but there is more work to be done. This increase in sustainability efforts will benefit everyone: customers, clients, employees, shareholders and – naturally – our planet!

Stockholm, 11 February 2021

A blue ink signature of Rasmus Nerman, written in a cursive style.

**Rasmus Nerman**, President and CEO, Humana AB

## Operating revenue by business area

SEK m	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec	%
	2020	2019		2020	2019	
Individual & Family	528	518	2%	2,101	2,095	0%
Personal Assistance	743	707	5%	2,931	2,783	5%
Elderly Care	157	143	10%	608	564	8%
Finland	321	348	-8%	1,327	1,204	10%
Norway	193	196	-2%	788	794	-1%
Other <sup>1)</sup>	5	1	326%	43	26	65%
<b>Total operating revenue</b>	<b>1,948</b>	<b>1,912</b>	<b>2%</b>	<b>7,797</b>	<b>7,467</b>	<b>4%</b>

## Organic growth by business area <sup>2)</sup>

%	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec
	2020	2019		2020	2019
Individual & Family	2.2%	-3.8%		0.4%	-4.0%
Personal Assistance	3.8%	0.3%		4.1%	0.9%
Elderly Care	10.3%	10.6%		7.7%	23.3%
Finland	-4.1%	10.7%		7.4%	9.6%
Norway	9.8%	-0.7%		8.9%	4.2%
<b>Total organic growth</b>	<b>3.1%</b>	<b>0.7%</b>		<b>4.1%</b>	<b>2.0%</b>

## Operating profit by business area

SEK m	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec	%
	2020	2019		2020	2019	
Individual & Family	38	27	41%	190	168	13%
Personal Assistance	34	37	-9%	160	154	4%
Elderly Care	4	0	836%	10	13	-22%
Finland	10	9	5%	62	49	27%
Norway	19	13	45%	69	59	18%
Other <sup>1) 3)</sup>	-4	-16	n/a	-20	-72	n/a
<b>Total operating profit</b>	<b>101</b>	<b>71</b>	<b>42 %</b>	<b>471</b>	<b>369</b>	<b>27%</b>

## Operating margins by business area

%	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec
	2020	2019		2020	2019
Individual & Family	7.1%	5.1%		9.0%	8.0%
Personal Assistance	4.5%	5.2%		5.5%	5.5%
Elderly Care	2.8%	0.3%		1.6%	2.3%
Finland	3.1%	2.7%		4.6%	4.0%
Norway	9.9%	6.8%		8.7%	7.4%
<b>Total operating margin</b>	<b>5.2%</b>	<b>3.7%</b>		<b>6.0%</b>	<b>4.9%</b>

<sup>1)</sup> Operating revenue and operating profit for 2020 include capital gains on properties of SEK 17m in the second quarter. Operating profit for 2019 includes a positive effect on earn-out payments of SEK 12m, of which SEK 7m in the fourth quarter and capital gain on properties of SEK 4m in the third quarter.

<sup>2)</sup> Organic growth is calculated as revenue growth for comparable companies that Humana owned during the corresponding comparative period.

<sup>3)</sup> Operating profit for 2019 includes acquisition costs of SEK 28m, of which SEK 2m in the first quarter and SEK 26m in the second quarter, and integration costs of SEK 14m for the full year 2019.

# Group development

## Revenue

Operating revenue amounted to SEK 1,948m (1,912) in the fourth quarter, an increase of 2%. Organic revenue increased by 3.1% (0.7) in the quarter. The improved organic growth in the quarter compared to the same period in the previous year is largely attributable to improved growth in the Individual & Family and Norway business areas. Acquired operations accounted for SEK 9m of revenue. Operations under own management accounted for 94% of total revenue in the quarter, and contracted operations accounted for 6%.

Operating revenue for the full year amounted to SEK 7,797m (7,467), an increase of 4%. Acquired operations accounted for SEK 600m (478), of which the acquisition of Finnish company Coronaria Hoiva accounted for SEK 530m (443). Organic revenue growth was 4.1% (2.0). The improved organic growth for the full year compared to the previous year is largely attributable to improved growth in the Personal Assistance, Individual & Family and Norway business areas.

The Covid-19 pandemic has had a negative impact on revenue mainly due to lower occupancy in elderly care in Sweden and Finland and outpatient care in Finland.

## Profit

Operating profit in the fourth quarter totalled SEK 101m (71), an increase of 42%. The operating margin was 5.2% (3.7). The profit and margin improvements compared to the same period in the previous year, which was a weak quarter, are due to higher occupancy in the Individual & Family business area and increased efficiency in Norway, along with lower central costs.

Operating profit for the full year totalled SEK 471m (369), an increase of 27%, and the operating margin amounted to 6.0% (4.9). The adjusted operating profit for the full year totalled SEK 453m (365) and the adjusted operating margin amounted to 5.8% (4.9). The profit and margin improvements are due to stabilised occupancy in the Individual & Family business area, increased efficiency in Norway, improvements in Finland and lower central costs.

The Covid-19 pandemic has affected profits from several aspects. Lower occupancy had a negative effect on revenue while increased sick leave and increased use of personal protective equipment, PPE, increased costs. The increased costs were offset by lower social security costs, government support for sick leave and partial compensation for PPE. The pandemic had a marginally negative effect on profit in both the quarter and the full year.

The effect on operating profit of accounting standard IFRS 16, which has been applied since 1 January 2019, amounted to SEK 15m in the quarter (see table).

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>IFRS 16 effects, SEK m</b>				
Rental charges	87	83	342	299
Depreciation	-73	-67	-288	-253
<b>Operating profit</b>	<b>15</b>	<b>16</b>	<b>55</b>	<b>46</b>
Net financial effect	-20	-20	-79	-71
<b>Profit before tax</b>	<b>-5</b>	<b>-3</b>	<b>-24</b>	<b>-25</b>

## Operating cash flow and interest-bearing net debt

Operating cash flow in the fourth quarter amounted to SEK 296m (220). The improvement in operating cash flow is due to higher profits and lower capital expenditures.

Humana's interest-bearing net debt decreased by SEK 201m to SEK 3,511m (3,712), driven by higher profits and lower total capital expenditures. The indebtedness, interest-bearing net debt in relation to adjusted EBITDA, decreased to 4.3x (5.4), which means that Humana achieved the financial target.

# Events during the year

## First quarter 2020

- Through its training operation Humana Academy, Humana initiates a collaboration with Bonnier Academy on digital training. The idea is to give more people access to Humana's knowledge about care.
- Humana's Board takes decision on revising the financial targets. The revised targets apply as from 2020.
- With the support of authorisation from the 2019 annual general meeting, the Board decides to buy back own shares on Nasdaq Stockholm. The purpose is to enable a transfer of shares to participants in the share savings programme for employees that ran from 2017 to 31 January 2020. No more than 60,000 own shares were to be acquired at a maximum price of SEK 3,600,000. The share buyback period was from 31 March 2020 to 14 April 2020. The number of shares bought back is 52,462.
- Humana establishes a crisis management structure to ensure good management and minimal transmission of the Covid-19 virus. Risk analyses are conducted regularly in all operations and precautions are taken. The crisis management structure is in place for the entire year and also at the start of 2021.

## Second quarter 2020

- Humana extends its existing loan facility, with unchanged terms and conditions, for an additional year to 2022.
- The 2020 annual general meeting decides, in accordance with the Board's proposal and because of the prevailing Covid-19 pandemic, that no dividend be paid to shareholders from the profits of 2019.
- Anders Nyberg and Karita Bekkemellem were elected as new Humana Board members at the 2020 annual general meeting.
- Board members and senior executives of Humana acquire synthetic options in Humana issued by Humana's principal owner, Impilo Care AB. A total of 461,000 synthetic options are acquired at a price that corresponds to the market value of the options. Humana does not participate in the offer, which is issued by Impilo Care AB to Board members and senior executives on its own initiative. The offer does not give rise to any costs for Humana.
- Humana signs an agreement for a new elderly care home under own management in Täby. The unit will have 90 flats. Construction will begin this year and the opening is planned for the autumn of 2022.
- Humana divests its part-ownership in the Sommarsol property in Ängelholm, where it had previously leased elderly housing. The proceeds of the sale are SEK 90m, which is a capital gain of SEK 17m.

## Third quarter 2020

- Ulf Bonnevier, CFO since 2012 and vice president since 2016, leaves Humana on 31 August.
- Noora Jayasekara, previously Group finance director, is appointed as the new CFO as of 1 September.
- The Swedish government proposes in its budget proposal that the state reimbursement level for personal assistance be raised 3.5 percent for 2021. For Humana, the financial effects are positive since it means an increase in revenue but the effect on profit depends on several factors.

## Fourth quarter 2020

- Humana acquires the Swedish assistance company RO Omsorg Assistans AB. The company's annual revenue is approximately SEK 50m and it has around 90 employees.
- In December, Humana decides to repurchase own shares as mandated at the 2020 Annual General Meeting. That same month, 2,656,860 own shares were purchased for SEK 154m at an average price of SEK 57.95 per share. The purpose is to adjust the Group's capital structure and helping to increase shareholder value.
- Humana continues to strengthen its image as one of the most gender-balanced companies listed on Nasdaq Stockholm. When the 2020 Allbright Award is presented, Humana is among the three finalists.

## Events after the end of the quarter

- After the end of the quarter, in February, Humana acquires the Swedish individual and family company Team J-son. Team J-son's annual revenue is approximately SEK 90m and it has around 120 employees.
- Humana's Board proposes to the 2021 AGM that no dividend be paid for the 2020 financial year and that any profits be carried forward.

# Performance by business area

## Individual & Family

Revenue for the fourth quarter amounted to SEK 528m (518), an increase of 2% compared to the corresponding period in the previous year. Revenue for the full year amounted to SEK 2,101m (2,095), somewhat higher than the same period in the previous year. Drivers in the fourth quarter increase are stable occupancy in the Children and Adolescents area, increased occupancy in the Adult area and new units. The Covid-19 pandemic had a somewhat negative effect on demand in the business area in Q4.

Operating profit for the fourth quarter totalled SEK 38m (27), an increase of 41% compared to the same period in previous year. Operating profit for the full year was SEK 190m (168), an increase of 13%. The operating margin for the quarter was 7.1% (5.1) and for the full year 9.0% (8.0). The increase in the operating profit for the quarter and the full year is due to improved steering. The increased costs associated with the pandemic in the quarter and the full year were partly compensated for by government grants.

## Personal assistance

Revenue for the fourth quarter amounted to SEK 743m (707), an increase of 5% compared to the corresponding period in the previous year. Acquired operations accounted for SEK 9m. Organic growth was 3.8% (0.3). Revenue for the full year amounted to SEK 2,931m (2,783), an increase of 5%. Acquired operations accounted for an increase of SEK 35m. Organic growth was 4.1% (0.9). Despite some negative effects on the number of assistance hours worked due to the pandemic, the number of total assistance hours worked increased. This, along with a higher attendance allowance, accounts for the revenue increase in the quarter and the full year.

Operating profit for the quarter totalled SEK 34m (37), a decrease of 9%. Operating profit for the full year was SEK 160m (154), an increase of 4%. The operating margin was 4.5% (5.2) for the quarter and 5.5% (5.5) for the full year. The operating margin decreased somewhat in the fourth quarter due to slightly increased costs associated with the introduction of a new operational system and negative impacts of Covid-19.

## Elderly Care

Revenue amounted to SEK 157m (143) in the fourth quarter. The 10% increase is entirely organic. Revenue for the full year amounted to SEK 608m (564), an organic growth of 7.7%. The revenue increase for the quarter is due to increases in both housing under own management and under contract. The revenue increase for the full year is mainly due to the new elderly care home under own management in Kungsängen, which opened in the third quarter in 2019. Lower occupancy due to the Covid-19 pandemic had a negative effect on revenue in both the quarter and the full year.

Operating profit in the fourth quarter amounted to SEK 4m (0). The fourth quarter operating margin was 2.8% (0.3). Operating profit for the full year totalled SEK 10m (13), a decrease of 22%. The operating margin was 1.6% (2.3). The improvement in operating profit in the fourth quarter is partly due to price index increases and retroactive Covid-19 compensation. The lower operating profit for the full year is due mostly to start-up costs of SEK 7m for the care home in Kungsängen. The effects of the Covid-19 pandemic on profit were due to lower occupancy, higher personnel costs, higher sick leave and higher costs for PPE. The higher costs have been partially compensated for by government grants.

## Finland

Revenue amounted to SEK 321m (348) in the fourth quarter, a decrease of 8%. Organic growth was -4.1% (10.7). Revenue for the full year amounted to SEK 1,327m (1,204), an increase of 10%. Organic growth was 7.4% (9.6). The contracts that were terminated during the year partly account for the quarter's decrease in revenue compared to the same quarter in previous year. Negative effects can also be seen from the Covid-19 pandemic. The increase in revenue for the full year is mainly due to the previous year's acquisition of Coronaria Hoiva, which has been part of the Group since the second quarter of 2019. The opening of new units also had a positive effect on revenue growth, partly offset by terminated unprofitable contracts, reducing the revenue.

Operating profit in the fourth quarter amounted to SEK 10m (9), a year-on-year increase of 5%. Operating profit for the full year was SEK 62m (49), an increase of 27%. The operating margin for the quarter was 3.1% (2.7) and for the full year 4.6% (4.0). The somewhat improved operating profit for the quarter was driven by improvements

in elderly care and good performance in individual and family care. The Covid-19 pandemic had a negative effect on profit for both the quarter and the full year.

## **Norway**

Revenue amounted to SEK 193m (196) in the fourth quarter, a decrease of 2%. Revenue for the full year amounted to SEK 788m (794), a decrease of 1%. A weaker Norwegian krona had a negative effect on revenue in both the quarter and the full year. Organically, revenue increased by 9.8% (-0.7) in the quarter and by 8.9% (4.2) for the full year. The increase in organic growth was due to an increase in openings of new units and increased number of customers.

Operating profit for the quarter amounted to SEK 19m (13), a year-on-year increase of 45%. The operating margin for the quarter was 9.9% (6.8). The improved operating margin in the quarter is due to high operational efficiency and a more favourable revenue mix than in the comparative period. Operating profit for the full year totalled SEK 69m (59), an increase of 18%, and the operating margin amounted to 8.7% (7.4). The improved operating margin for the full year is mainly due to higher operational efficiency. The Covid-19 pandemic had a marginal effect on operating profit for the quarter and the full year.

# Financial position

## Financing

Equity amounted to SEK 2,354m (2,305) as per 31 December 2020. The equity/assets ratio was 29.3% (28.0). The interest-bearing net debt amounted to SEK 3,511m (3,712), a year-on-year decrease of SEK 201m. The indebtedness, measured as interest-bearing net debt in relation to adjusted EBITDA, decreased to 4.3x (5.4). The decreased indebtedness is due to higher profit and lower capital expenditures.

## Financial position

SEK m	31 Dec 2020	31 Dec 2019
Non-current interest-bearing liabilities	3,457	3,671
Current interest-bearing liabilities	813	878
Cash and cash equivalents	-759	-836
<b>Interest-bearing net debt</b>	<b>3,511</b>	<b>3,712</b>
Equity/assets ratio	29.3%	28.0%
Interest-bearing net debt/adjusted EBITDA, 12 months, times	4.3x	5.4x

## Cash flow

Operating cash flow for the quarter amounted to SEK 296m (220). The improvement in operating cash flow is due to higher profits and lower capital expenditures.

Cash flow for the period amounted to SEK -199m (144), where net cash flow from operating activities was SEK 266m (220). The higher cash flow from operating activities is due mainly to lower income tax paid and lower interest expenses, partly offset by higher working capital year-on-year. Cash flow from investing activities was SEK -38m (-7). Cash flow from financing activities was SEK -428m (-70). The change is due to amortisation of loans of SEK 200m and a repurchase of own shares of SEK 154m, which took place during the quarter.

## Financial targets

### Profitability

An operating margin of 7% over the medium term.

### Revenue growth

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

### Capital structure

Interest-bearing net debt not exceeding 4.5 times EBITDA, i.e. operating profit before depreciation, amortisation and impairment (see Note 8b, Financial definitions and intent). Debt may temporarily exceed the target level, which may happen during acquisitions.

## Dividend policy

Payment of a dividend equivalent to 30% of net profit for the year. The proposed dividend shall consider Humana's long-term development potential and financial position.

# Other information

## Employees

The number of full-time employees at 31 December 2020 was 10,639 (10,093).

## Shares, share capital and shareholders

The number of shares in Humana AB at 31 December 2020 amounted to 53,140,064 with a quotient value of SEK 0.022, corresponding to share capital of SEK 1,180,879. The number of shareholders was 4,375. The five largest shareholders were Impilo Care AB, Incentive AS (via funds and mandate), Nordea Investment Funds, SEB Investment Management and Alcur Fonder.

## Share buybacks

At the 2019 AGM, the Board was authorised to repurchase 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. On 30 March 2020, the Board decided to exercise this mandate in connection with settlement of LTI (see Note 7). In April, the Company repurchased 52,462 shares at a cost of SEK 2m, which is equivalent to an average price of SEK 39.12 per share. A total of 49,611 shares were distributed in April and May 2020 at an average price of SEK 41.35.

At the 2020 AGM, the Board was authorised to repurchase 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. On 4 December 2020, the Board decided to exercise this mandate. In December, the Company repurchased 2,656,860 shares at a cost of SEK 154m, which is equivalent to an average price of SEK 57.95 per share. Subsequently, Humana's total own shareholding amounts to 2,659,711 shares, which is 5.0 percent of the total number of outstanding shares and 5.0 percent of the total number of votes.

## 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-based 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 at the time of the transaction is estimated to be

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.

## Annual General Meeting

Humana's 2021 Annual General Meeting (AGM) will be held on Tuesday 11 May at 15:00 in Stockholm, Sweden.

## Dividend

The Board proposes to the 2021 AGM that no dividend be paid for the 2020 financial year and that any profits be carried forward.

## Annual Report

The 2020 Annual Report will be published on 1 April on Humana's website at [www.humanagroup.se](http://www.humanagroup.se).

## Related party transactions

The Company's key personnel consists of the Board of Directors, Group Executive management and the CEO, through ownership in the Company and through their roles as senior executives. Related party transactions are based on market conditions.

## Risks and uncertainties

In the course of its operations, the Company is exposed to different types of financial risk, such as financing risk, liquidity risk, credit risk and interest rate risk. Risks are described in more detail in the section in Humana's 2019 annual report entitled Risks and risk management on pages 56-61 as well as in Note G19.

The main risks related to operations and uncertainties that can affect the Company performance are related 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, municipal and regional entities, and as such, operations can be affected by political decisions. As a result, Humana's growth opportunities are affected by public opinion and political views on the Group's areas of operation. Humana is constantly monitoring the external situation. The purpose is to quickly perceive external changes in order to assess risks and opportunities, as well as adapt operations to external changes. The political situation is evaluated continuously.

Infectious diseases exist in society. These infections can affect anyone in society, but the situation is most difficult for vulnerable people. Humana's operations

include customers and clients in vulnerable groups and we have guidelines and procedures in our 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 revenue and costs, for example as a result of lower occupancy or costs for sickness absences and PPE. Humana's operations are affected by the prevailing Covid-19 pandemic. A crisis management

structure has been supporting the work of minimising transmission and impact since February 2020.

### **Parent Company**

Net profit for the Parent Company for the full year amounted to SEK 69m (70). The equity/assets ratio at 31 December was 48.5% (45.8). The Parent Company is indirectly affected by the operations of the subsidiaries, so risks and uncertainties are the same as those for the Group described above.

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

The Board of Directors and the CEO certify that this year-end report of 2020, including the fourth quarter, 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, 11 February 2021

**Rasmus Nerman**  
President and CEO

## Consolidated income statement

SEK m	Note	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
		2020	2019	2020	2019
Net revenue		1,947	1,902	7,771	7,446
Other operating revenue		1	10	26	21
<b>Operating revenue</b>	3	<b>1,948</b>	<b>1,912</b>	<b>7,797</b>	<b>7,467</b>
Other external expenses		-220	-261	-913	-958
Personnel costs		-1,531	-1,495	-6,039	-5,784
Depreciation		-95	-86	-371	-327
Other operating expenses		-1	0	-2	-28
<b>Operating expenses</b>		<b>-1,847</b>	<b>-1,841</b>	<b>-7,326</b>	<b>-7,097</b>
<b>Operating profit</b>		<b>101</b>	<b>71</b>	<b>471</b>	<b>369</b>
Financial income		0	18	6	125
Financial expenses		-35	-59	-145	-246
<b>Profit before tax</b>		<b>66</b>	<b>30</b>	<b>332</b>	<b>249</b>
Income tax		-17	-12	-70	-61
<b>Net profit for the period</b>		<b>49</b>	<b>18</b>	<b>262</b>	<b>187</b>
<b>Attributable to:</b>					
Parent Company shareholders		49	19	262	188
Non-controlling interest		-	0	0	-1
<b>Net profit for the period</b>		<b>49</b>	<b>18</b>	<b>262</b>	<b>187</b>
Earnings per share, SEK, before dilution	5	0.94	0.35	4.94	3.54
Earnings per share, SEK, after dilution	5	0.94	0.35	4.94	3.54
Average number of shares, thousands		52,562	53,140	52,995	53,140

## Consolidated statement of other comprehensive income

SEK m	Note	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
		2020	2019	2020	2019
<b>Net profit for the period</b>		<b>49</b>	<b>18</b>	<b>262</b>	<b>187</b>
<b>Other comprehensive income</b>					
<b>Items that have been/may be reclassified to profit or loss</b>					
Hedges of net investments in foreign operations	6c	15	19	39	-14
Foreign currency translation difference from foreign operations		-35	-31	-74	15
<b>Net profit and other comprehensive income for the period</b>		<b>29</b>	<b>6</b>	<b>227</b>	<b>188</b>
<b>Attributable to:</b>					
Parent Company shareholders		29	6	227	189
Non-controlling interest		-	0	0	-1

## Condensed consolidated balance sheet

SEK m	Note	31 Dec 2020	31 Dec 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	4	3,815	3,897
Other intangible assets		5	5
Property, plant and equipment		314	377
Right-of-use assets		2,119	2,089
Financial assets		42	33
<b>Total non-current assets</b>		<b>6,295</b>	<b>6,401</b>
<b>Current assets</b>			
Trade receivables and other receivables		852	834
Other current receivables		138	160
Cash and cash equivalents		759	836
<b>Total current assets</b>		<b>1,749</b>	<b>1,830</b>
<b>TOTAL ASSETS</b>		<b>8,044</b>	<b>8,231</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital		1	1
Other paid-in equity		1,096	1,096
Reserves		-6	29
Retained earnings		1,264	1,158
<b>Equity attributable to Parent Company shareholders</b>		<b>2,354</b>	<b>2,284</b>
<b>Equity attributable to non-controlling interest</b>		<b>0</b>	<b>22</b>
<b>Total equity</b>		<b>2,354</b>	<b>2,305</b>
<b>Non-current liabilities</b>			
Non-current lease liabilities		1,958	1,902
Other interest-bearing liabilities		1,499	1,769
Deferred tax liabilities		70	71
<b>Total non-current liabilities</b>		<b>3,527</b>	<b>3,741</b>
<b>Current liabilities</b>			
Current lease liability		232	270
Other interest-bearing liabilities		581	607
Trade payables		128	129
Other current liabilities		1,222	1,178
<b>Total current liabilities</b>		<b>2,163</b>	<b>2,185</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,044</b>	<b>8,231</b>

## Condensed consolidated statement of changes in equity

SEK m	Share capital	Other paid-in capital	Translation reserve	Retained earnings	Equity attributable to Parent owners	Non-controlling interest	Total equity
<b>Opening balance, 1 Jan 2019</b>	<b>1</b>	<b>1,094</b>	<b>28</b>	<b>1,007</b>	<b>2,130</b>	<b>17</b>	<b>2,147</b>
<b>Comprehensive income for the period</b>							
Net profit for the period	-	-	-	188	188	-1	187
Other comprehensive income for the period	-	-	1	-	1	-	1
<b>Owner transactions</b>							
Dividend	-	-	-	-37	-37	-	-37
Share savings programme	-	2	-	-	2	-	2
Shareholder contributions	-	-	-	-	-	6	6
<b>Closing balance, 31 Dec 2019</b>	<b>1</b>	<b>1,096</b>	<b>29</b>	<b>1,158</b>	<b>2,284</b>	<b>22</b>	<b>2,305</b>
<b>Opening balance, 1 Jan 2020</b>	<b>1</b>	<b>1,096</b>	<b>29</b>	<b>1,158</b>	<b>2,284</b>	<b>22</b>	<b>2,305</b>
<b>Comprehensive income for the period</b>							
Net profit for the period	-	-	-	262	262	0	262
Other comprehensive income for the period	-	-	-35	-	-35	-	-35
<b>Owner transactions</b>							
Sale of operation	-	-	-	-	-	-22	-22
Share buyback	-	-	-	-156	-156	-	-156
<b>Total owner transactions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-156</b>	<b>-156</b>	<b>-22</b>	<b>-178</b>
<b>Closing balance, 31 Dec 2020</b>	<b>1</b>	<b>1,096</b>	<b>-6</b>	<b>1,264</b>	<b>2,354</b>	<b>0</b>	<b>2,354</b>

## Condensed consolidated statement of cash flows

SEK m	Note	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Profit before tax</b>		<b>66</b>	<b>30</b>	<b>332</b>	<b>249</b>
<b>Adjustment for:</b>					
Depreciation		95	86	371	327
Financial items, net		34	41	139	121
Capital gain on sale of property		-	-	-17	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>196</b>	<b>156</b>	<b>824</b>	<b>697</b>
Changes in working capital		129	133	71	126
<b>Cash flow from operating activities</b>		<b>325</b>	<b>289</b>	<b>895</b>	<b>823</b>
Financial items, net		-41	-44	-143	-120
Income tax paid		-18	-25	-90	-72
<b>Cash flow from operating activities, net</b>		<b>266</b>	<b>220</b>	<b>661</b>	<b>631</b>
Acquisition of subsidiaries, net cash impact		-10	-	-18	-483
Sales of Real estate		2	63	114	388
Investments in other non-current assets, net		-29	-69	-133	-228
<b>Cash flow from investing activities</b>		<b>-38</b>	<b>-7</b>	<b>-37</b>	<b>-323</b>
Proceeds from new borrowings		-	-	24	795
Repayment of borrowings		-200	-1	-251	-494
Amortization of leasing debt		-73	-69	-284	-250
Dividend		-	-	0	-37
Repurchase of shares		-154	-	-156	-
<b>Cash flow from financing activities</b>		<b>-428</b>	<b>-70</b>	<b>-667</b>	<b>14</b>
<b>Cash flow for the period</b>		<b>-199</b>	<b>144</b>	<b>-42</b>	<b>322</b>
<b>Cash and cash equivalents, opening balance</b>		<b>980</b>	<b>703</b>	<b>836</b>	<b>514</b>
Exchange rate difference in cash/cash equivalents		-22	-11	-35	-
<b>Cash and cash equivalents, closing balance</b>		<b>759</b>	<b>836</b>	<b>759</b>	<b>836</b>

## Key ratios

	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Operating revenue	1,948	1,912	7,797	7,467
Operating margin, %	5.2%	3.7%	6.0%	4.9%
Interest-bearing net debt, SEK m	3,511	3,712	3,511	3,712
Return on capital employed, %	1.5%	1.0%	7.1%	5.4%
Equity/assets ratio, %	29.3%	28.0%	29.3%	28.0%
Operating cash flow, SEK m	296	220	779	595
Interest-bearing net debt/adjusted EBITDA, 12 months, times	4.3x	5.4x	4.3x	5.4x
Average number of full-time employees, Individual & Family	2,003	1,894	2,065	2,026
Average number of full-time employees, Personal Assistance	5,085	4,842	5,099	4,909
Average number of full-time employees, Elderly Care	858	784	862	847
Average number of full-time employees, Finland	1,583	1,709	1,669	1,538
Average number of full-time employees, Norway	1,000	799	838	799
Average number of full-time employees, Central functions incl. Denmark	63	59	59	56
Total average number of full-time employees	10,591	10,087	10,592	10,175
Full-time employees at end of period	10,639	10,093	10,639	10,093
Average number of customers, Individual & Family	1,738	1,765	1,746	1,829
Average number of customers, Personal Assistance	1,914	1,890	1,893	1,869
Average number of customers, Elderly Care	871	795	825	794
Average number of customers, Finland	3,841	4,228	3,947	3,628
Average number of customers, Norway	322	295	317	300
Average number of customers, Denmark	65	72	68	83
Total average number of customers	8,750	9,044	8,795	8,503
Average number of shares for the period, thousands	52,562	53,140	52,995	53,140
Equity per share, SEK	45	43	44	43
Earnings per share, SEK, after dilution	0.94	0.35	4.94	3.54

## Parent Company

### Condensed income statement

SEK m	Jan-Dec 2020	Jan-Dec 2019
Operating revenue	2	7
Operating expenses	-17	-23
<b>Operating profit</b>	<b>-15</b>	<b>-15</b>
Interest income	108	48
Interest expenses	-108	-115
<b>Profit after financial items</b>	<b>-15</b>	<b>-83</b>
Group contribution	105	150
Change in untaxed reserves	4	22
<b>Profit before tax</b>	<b>94</b>	<b>89</b>
Income tax	-25	-20
<b>Net profit for the period</b>	<b>69</b>	<b>70</b>

### Condensed balance sheet

SEK m	31 Dec 2020	31 Dec 2019
Non-current assets	1,629	1,629
Current assets	1,616	1,992
<b>TOTAL ASSETS</b>	<b>3,244</b>	<b>3,621</b>
Equity	1,572	1,659
Untaxed reserves	148	152
Non-current interest-bearing liabilities	946	1,190
Other current liabilities	578	621
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,244</b>	<b>3,621</b>

# 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 interim 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 2019, 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 2-8, which form an integrated part of this financial report.

### **New accounting standards applied from 1 January 2020**

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

### **Government grants**

Government grants are recognised at fair value when there is reasonable assurance that the subsidy will be received and that Humana will meet the terms and conditions associated with the subsidy. Government grants applicable to costs are allocated to a particular period and are recognised in the income statement.

## 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 3a Operating segments

SEK m	Individual & Family		Personal Assistance		Elderly Care	
	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue – external income	2,101	2,095	2,931	2,783	608	564
Other operating revenue	-	-	-	-	-	-
<b>Operating revenue</b>	<b>2,101</b>	<b>2,095</b>	<b>2,931</b>	<b>2,783</b>	<b>608</b>	<b>564</b>
<b>Profit before depreciation, amortisation and other operating expenses</b>	<b>225</b>	<b>201</b>	<b>162</b>	<b>156</b>	<b>22</b>	<b>23</b>
Depreciation	-34	-33	-2	-2	-12	-10
Other operating expenses	-2	-	-	-	-	-
<b>Operating profit</b>	<b>190</b>	<b>168</b>	<b>160</b>	<b>154</b>	<b>10</b>	<b>13</b>

SEK m	Finland		Norway		Other <sup>1)</sup>		Total	
	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue – external income	1,326	1,191	788	794	17	19	7,771	7,446
Other operating revenue	1	13	-	-	26	8	26	21
<b>Operating revenue</b>	<b>1,327</b>	<b>1,204</b>	<b>788</b>	<b>794</b>	<b>43</b>	<b>26</b>	<b>7,797</b>	<b>7,467</b>
<b>Profit before depreciation, amortisation and other operating expenses</b>	<b>83</b>	<b>66</b>	<b>81</b>	<b>68</b>	<b>270</b>	<b>211</b>	<b>844</b>	<b>725</b>
Depreciation	-22	-18	-12	-9	-289	-256	-371	-327
Other operating expenses	-	-	-	-	-1	-28	-2	-28
<b>Operating profit</b>	<b>62</b>	<b>49</b>	<b>69</b>	<b>59</b>	<b>-20</b>	<b>-72</b>	<b>471</b>	<b>369</b>

<sup>1)</sup> Operating profit for 2020 includes capital gains on properties of SEK 17m in the second quarter. Operating profit for 2019 includes SEK 28m in acquisition costs, earn-out payments of SEK 12m, of which SEK 7m in the fourth quarter, and capital gains on properties of SEK 4m in the third quarter.

## Note 3b Revenue by country

SEK m	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Sweden	1,429	1,364	5,664	5,449
Finland	321	348	1,327	1,204
Norway	193	196	788	794
Denmark	5	4	18	19
<b>Total operating revenue</b>	<b>1,948</b>	<b>1,912</b>	<b>7,797</b>	<b>7,467</b>

## Note 4 Acquisition of operations, goodwill

SEK m	2020	2019
<b>Opening balance, 1 January</b>	<b>3,897</b>	<b>3,168</b>
Acquisitions	9	702
Adjustment of purchase price allocation	-	8
Sales of subsidiaries	-10	-
Exchange difference	-81	20
<b>Closing balance, 31 Dec</b>	<b>3,815</b>	<b>3,897</b>

## Note 4b Acquisitions

### Net assets in acquired companies at date of acquisition

SEK m	RO Assistans AB <sup>1)</sup>
Non-current assets	0
Current assets	9
Non-current liabilities	-
Current liabilities	-5
<b>Net identifiable assets and liabilities</b>	<b>4</b>
Goodwill	9
<b>Total consideration</b>	<b>13</b>
Contingent earn-out payments	-1
Cash and cash equivalents in acquired companies	-1
<b>Impact on cash and cash equivalents</b>	<b>10</b>
	<b>Other</b>
Settlement of payments attributable to previous acquisitions	8
<b>Total impact on cash and cash equivalents</b>	<b>18</b>

<sup>1)</sup> The purchase price allocation is preliminary since the final settlement has not been determined.

## Note 5 Earnings per share

SEK m	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Profit for the period attributable to Parent Company shareholders</b>	49	19	262	188
Average number of shares, thousands	<b>52,562</b>	<b>53,140</b>	<b>52,995</b>	<b>53,140</b>
Earnings per share, SEK, before dilution	<b>0.94</b>	<b>0.35</b>	<b>4.94</b>	<b>3.54</b>
Earnings per share, SEK, after dilution	<b>0.94</b>	<b>0.35</b>	<b>4.94</b>	<b>3.54</b>

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

31 December 2020 SEK m	Financial liabilities at fair value through profit or loss	Total carrying amounts	Fair values	Level 1	Level 2	Level 3
<b>Financial liabilities</b>						
Earn-out payment	6	6	6	-	-	6

  

31 December 2019 SEK m	Financial liabilities at fair value through profit or loss	Total carrying amounts	Fair values	Level 1	Level 2	Level 3
<b>Financial liabilities</b>						
Earn-out payment	13	13	13	-	-	13

### 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 measurement 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: based on input data that is not observable in the market

## Note 6b Presentation of the reconciliation of the opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK m	2020	2019
Opening balance, 1 January	13	8
Total recognised gains and losses:		
Recognised in adjustment of earn-out payments in net profit	0	-12
Cost of acquisition	1	20
Settled during the period	-8	-3
<b>Closing balance, 31 Dec</b>	<b>6</b>	<b>13</b>

## Note 6c Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As at 31 December 2020, the Group had exposure in EUR and NOK, which is hedged with loans in foreign currencies. Hedge accounting entails recognising the effective part of the translation differences in the consolidated statement of other comprehensive income. As at 31 December 2020, the Group had loans of EUR 40m and loans of NOK 328m for which hedge accounting is applied. The related translation difference of SEK 50m (-17) before tax is consequently recognised in the consolidated statement of other comprehensive income.

## Note 7 Incentive programmes

Humana has had two long-term incentive programmes that were approved by the AGMs in 2016 and 2017. Both ended in the first quarter of 2020. One of the programmes, a share savings programme, was intended for key individuals at Humana and expired on 31 January 2020. The other programme, a warrant programme, was intended for eight senior executives and expired on 31 March 2020. The purpose of the programmes was to encourage a broad ownership among Humana employees, facilitate recruitment, retain competent employees and increase the motivation to achieve or exceed Humana's financial targets.

For the share savings programme, participants could invest in saving shares (at market price) and, based on the terms of the programme, could receive matching shares and potentially even performance-based shares at the end of the programme. The number of registered saving shares at 31 March 2020 amounted to 44,045, which corresponds to a maximum allocation of 52,462 shares. The shares were distributed in April-May 2020.

The warrants were acquired at market price and were issued in three separate series that could be redeemed at different times. The first date for redeeming the warrants was during the period 1-31 March 2018 at the issue price of SEK 74.40. The second date for redeeming the warrants was during the period 1-31 March 2019, at the issue price of SEK 77.50. The third date for redeeming the warrants was during the period 1-31 March 2020 at the issue price of SEK 80.60.

<b>Number of warrants</b>	<b>2020</b>	<b>Number of shares in programme</b>	<b>2020</b>
<b>Outstanding, 1 January</b>	<b>480,140</b>	<b>Outstanding, 1 January</b>	<b>61,667</b>
Acquired	-	Acquired	-
Forfeited	-	Forfeited	-12,056
Exercised	-	Exercised	-49,611
Expired	-480,140	Expired	-
<b>Outstanding, 31 December</b>	<b>-</b>	<b>Outstanding, 31 December</b>	<b>-</b>

## Note 8a Reconciliation with IFRS financial statements

In the financial statements 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. The alternative performance measures are derived from the company's consolidated financial statements and are not IFRS measures.

SEK m	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
<b>Adjusted operating profit</b>				
Operating profit	101	71	471	369
Capital gain on sale of property	-	-	-17	-4
<b>Adjusted operating profit</b>	<b>101</b>	<b>71</b>	<b>453</b>	<b>365</b>
<b>Adjusted EBITDA</b>				
Operating profit	101	71	471	369
Depreciation	95	86	371	327
<b>EBITDA</b>	<b>196</b>	<b>157</b>	<b>842</b>	<b>697</b>
Capital gain on sale of property	-	-	-17	-4
<b>Adjusted EBITDA</b>	<b>196</b>	<b>157</b>	<b>824</b>	<b>692</b>
<b>Organic revenue growth</b>				
Revenue, base	1,902	1,691	6,968	6,660
Revenue, organic growth	59	11	289	134
<b>Total organic growth</b>	<b>3.1%</b>	<b>0.7%</b>	<b>4.1%</b>	<b>2.0%</b>
<b>Operating cash flow</b>				
Operating profit	101	71	471	369
Depreciation	95	86	371	327
Change in working capital	129	133	71	126
Investments in other non-current assets, net	-29	-69	-133	-228
<b>Operating cash flow</b>	<b>296</b>	<b>220</b>	<b>779</b>	<b>595</b>

	31 Dec 2020	31 Dec 2019
<b>Interest-bearing net debt</b>		
Non-current interest-bearing liabilities	3,457	3,671
Current interest-bearing liabilities	813	878
Cash and cash equivalents	-759	-836
<b>Interest-bearing net debt</b>	<b>3,511</b>	<b>3,712</b>
<b>Adjusted EBITDA 12 month</b>	<b>824</b>	<b>692</b>
<b>Interest-bearing net debt/Adjusted EBITDA, 12 months, times</b>	<b>4.3x</b>	<b>5.4x</b>
<b>Return on capital employed, %</b>		
Total Assets	8,044	8,231
Deferred tax liabilities	-70	-71
Trade payables	-128	-129
Other current liabilities	-1,222	-1,178
<b>Capital employed</b>	<b>6,624</b>	<b>6,853</b>
Operating profit	471	369
Finance income	1	1
<b>Total</b>	<b>471</b>	<b>371</b>
<b>Return on capital employed, %</b>	<b>7.1%</b>	<b>5.4%</b>
<b>Equity/assets ratio, %</b>		
Total equity	2,354	2,305
Total assets	8,044	8,231
<b>Equity/assets ratio, %</b>	<b>29.3%</b>	<b>28.0%</b>

## Note 8b Financial definitions and intent

### Financial performance measures

	<b>Definition</b>	<b>Intent</b>
<b>Return on capital employed (%)</b>	Operating profit and finance 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.
<b>EBITDA</b>	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.
<b>Adjusted operating profit and adjusted EBITDA</b>	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.
<b>Operating cash flow</b>	Operating profit including changes in depreciation/amortisation/impairment, 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.
<b>Organic growth</b>	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.
<b>Interest-bearing net debt</b>	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.
<b>Interest-bearing net debt/adjusted EBITDA</b>	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.
<b>Equity/assets ratio (%)</b>	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.
<b>Capital employed</b>	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

	<b>Definition</b>
<b>Equity per share</b>	Equity attributable to Parent Company shareholders divided by number of shares at end of period after redemption, repurchase and new share issue.
<b>Average number of shares</b>	Calculated as the average daily number of shares outstanding after redemption and repurchase.
<b>Items affecting comparability</b>	Non-recurring items that complicate the comparability between two given periods.
<b>Average number of full-time employees</b>	Average number of full-time employees during the reporting period.
<b>Average customers</b>	Average number of customers during the period.
<b>Earnings per share for the period</b>	Profit for the period attributable to Parent Company shareholders less the period's share of the adopted dividend divided by average number of shares.
<b>Operating profit</b>	Profit before financial items and tax.
<b>EBIT margin (%)</b>	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 11 February 2021 at 08:00 CET.

### Conference call

A conference call will be held 11 February 2020 at 09:00 CET, at which President and CEO Rasmus Nerman and CFO Noora Jayasekara will present the report and answer questions.

To participate, call:

SE: +46 8 5664 2704  
UK: +44 33 3300 9034  
USA: +1 833 249 8406

### Financial calendar

Interim report Jan-Mar 2021, Q1 2021	6 May 2021
2021 Annual General Meeting	11 May 2021
Half-year report Jan-Jun and Q2 2021	20 Aug 2021
Interim report Jan-Sep 2021 and Q3 2021	11 Nov 2021

### More information? Contact:

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