



Humana

Interim report, Jan–Jun, Q2 2022

Acquisition growth and room to improve margins

Second quarter, April–June 2022

- Operating revenue amounted to SEK 2,241 million (2,058), an increase of 8.9 percent, which was mainly due to acquisitions, previously opened units within Elderly Care and continued good growth in Norway.
- Organic growth was 2.2 percent (4.2). Organic growth was driven by Elderly Care, Norway and Finland, while fewer assistance hours within Personal Assistance and closed units in Individual & Family inhibited growth.
- Operating profit amounted to SEK 65m (107), a decline of 39.4 percent. The decrease is mainly due to continuous shortage of staff in all business areas, inflation and ramp-up costs for newly started units.
- Net profit after tax for the period amounted to SEK 18m (57).
- Basic and diluted earnings per share for the period amounted to SEK 0.37 (1.18).
- Operating cash flow amounted to SEK 237m (251). The decrease is related to lower profit.

Six-month period, January–June 2022

- Operating revenue was SEK 4,388m (4,044), an increase of 8.5 percent. Organic growth was 2.2 percent.
- Operating profit amounted to SEK 141m (219), a decrease of 35.6 percent.
- Net profit after tax for the period amounted to SEK 47m (120).
- Basic and diluted earnings per share for the period amounted to SEK 0.97 (2.45).
- Operating cash flow amounted to SEK 351m (448).

Key ratios

SEK millions	Apr–Jun 2022	Apr–Jun 2021	%	Jan–Jun 2022	Jan–Jun 2021	%	Jul–Jun 2021/22	Jan–Dec 2021	%
Net revenue	2,241	2,058	8.9%	4,388	4,042	8.6%	8,522	8,176	4.2%
Other operating revenue	0	0	n/a	0	2	-96.1%	10	12	-17.5%
Operating revenue	2,241	2,058	8.9%	4,388	4,044	8.5%	8,532	8,188	4.2%
Operating profit	65	107	-39.4%	141	219	-35.6%	415	493	-15.8%
Adjusted operating profit	65	107	-39.4%	141	219	-35.6%	417	495	-15.7%
Net profit for the period	18	57	-68.7%	47	120	-60.9%	203	276	-26.4%
Operating cash flow	237	251	-5.8%	351	448	-21.8%	687	785	-12.4%

Comments from the CEO

In the second quarter of the year, we see a cautious recovery following the pandemic, inhibited by continued staffing challenges. Significant time and effort is placed into ensuring that we have the competence and capacity to provide a safe and good service to the individuals in our care.

During the quarter, we welcomed three important acquisitions that complement our operations. Integration of these, together with systematic improvements in our underlying operations, give us an even better foundation to build upon.

Consolidated revenue increased by 9 percent in the second quarter, amounting to SEK 2,241m. Acquisitions, the newly opened units within Elderly Care and an increased number of clients in Norway contributed to the increase in revenue. A cautious recovery in occupancy within Individual & Family provides positive signs for the future. Consolidated operating profit reaches SEK 65m, where challenges in staffing continues to drive high costs of temporary resources and overtime compensation, even after the pandemic.

Over the past year, we have acquired operations with an estimated annual revenue of close to SEK 1 billion. These acquisitions do not yet provide profit contribution, but eventually we expect them to deliver in line with our long-term financial targets. Moving forward, we will focus on our underlying business as well as integration of acquisitions.

Inflation is affecting costs for fuel, electricity, food, etc. However, our major cost items such as rent and personnel costs are mainly covered over time by index-regulated agreements and negotiations. We also continuously work to increase efficiency in all our business areas.

The pandemic has strengthened the challenges with shortage of staff in the care sector

The pandemic has created an intense workload for our employees over a long period of time. I am extremely proud, and grateful for, our employees' efforts. It is pleasing to see that short-term sick leave



across the Group has decreased from 6.7 percent to 4.3 percent during the quarter.

Demand for employees in health and social care in Sweden expect to increase. Due to demographical changes and retirements, SKR expects an increase by approximately 16,000 individuals per year until 2029, corresponding to about 20 percent of the total work force. It is obvious that there is a shortage of staff within our industry. However, our employee survey shows increased satisfaction among our employees which is important in the competitive labor market.

There remains a strong underlying demand for our services, and we are taking active steps to ensure we have the competence to provide safe and secure care for our customers. For a long time, we have focused on being an attractive employer, and this is one of our strategic target areas. An industry-leading eNPS (willingness to recommend one's employer), gives us a head start in dealing with the staff shortages in the market. We have now intensified our initiatives for our work environment, leadership and training. We are pleased to see an increased number of employees completing training courses through Humana Academy.

Recovery and integration of acquisitions in the business areas

In terms of our business areas, **Personal Assistance** has once again delivered a good quarter. Operating profit is in line with the same period last year, despite challenges related to the recruitment of personal

assistants. During the spring, we worked on improving, digitalising and automating the recruitment process, which has been an important tool for managing staffing. Through the acquisition of the operations of Assistans för dig, we are welcoming approximately 2,000 new employees to Humana.

Individual & Family is continuing its efforts to recover from the previous year's closures of units and the effects from the pandemic on occupancy and costs. We see an increase in occupancy, which contributes to a positive trend in organic growth, and testifies that our targeted activities in the business area are starting to have an effect. Two new units opened in the quarter, of which one focused on drug-assisted treatments for opioid addiction. This marks a further shift towards clients with more complex care needs. At the same time, costs for staff remain high due to challenges in finding competence. The business area is continuing to direct efforts towards raising occupancy, ensuring competence and efficiency.

Elderly Care has a negative impact on operating profit, mainly due to the slow ramp-up of the new units under own management that opened last year. Occupancy levels are improving slightly but this is taking longer than expected, partly due to difficulties in securing staff but also due to lower demands from some municipalities. To ensure profitability going forward, we are taking further measures to ensure cost control, increasing sales capacity and strengthening leadership. During the quarter, we won a procurement in Strängnäs with guaranteed occupancy of 100 placings from 2025.

Operations in **Finland** continued to be characterised by major difficulties with staffing, relatively high sick leave and thus low occupancy, which negatively affected the margin. Regulatory requirements are straining the supply of staff. New recruitment processes and systems are expected to facilitate staffing. We are also negotiating prices and adjusting costs to improve margins, as well as improving profitability in Kalliola. During the quarter, we opened three new units in child and welfare services and acquired the open care company Debora Lapsiperhepalvelut Oy, which will strengthen our offer and give us better coverage geographically.

Norway continued to develop positively. Following a period of strong organic growth, we see a return to more normal levels. Staffing challenges, as a result of increased educational requirements within Child and Youth impacted both occupancy and operating profit,



We welcomed three important acquisitions that complement our operations and give us an even better foundation to build upon.

as well as costs to ensure growth and development going forward.

Increased inspections of our operations

Over the past year, we have perceived a significant increase in inspections from authorities of care operations, especially within Personal Assistance and Individual & Family. Regulatory uncertainty linked to reclaims within Personal Assistance is now an imprint of the industry and Humana. We welcome inspections to ensure higher quality and work to safeguard care provision for our clients in the most effective way. We maintain an active dialogue with the authorities in order to gain a better insight into their processes to better anticipate any demands that may be placed on us.

Systematic improvements paving the way to the future

Although profit in the quarter is not in line with our expectations we have created good conditions for strengthening the result in the future through systematic improvement work. The companies we have acquired are immediately contributing to increased revenue and will give us room to improve margins over time. We expect to see increased margins as we tackle the staff-supply issue, the effects of closed units subside and the acquisitions are integrated. We can see that our initiated measures in the business areas are starting to have an effect and we continue to build on changes that increase efficiency and ensure quality.

We are also pleased to be able to provide housing at our elderly care home in Vallentuna to refugees from Ukraine.

In the long-term, we are well equipped to offer the best possible care for our clients with help from our fantastic employees.

Stockholm, 18 August 2022

Johanna Rastad
President and CEO, Humana AB



This is Humana

We drive the future of welfare

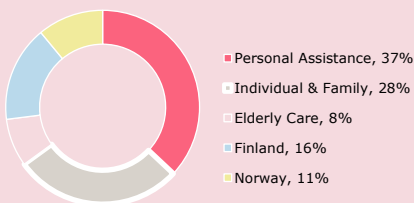
Humana is there for people with functional impairment, psychosocial disorders and mental health problems, as well as for the elderly. Our vision is *Everyone is entitled to a good life*.

With assignments in hundreds of municipalities, 9,000 customers and clients, 18,000 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.

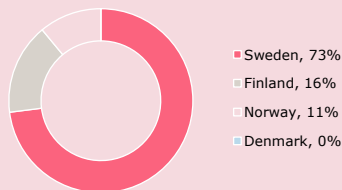
But we won't stop there. Continuous development to maintain the highest quality is an essential aspect for us. We intend to set a new, higher standard of care. This is how we drive the future of Nordic care and welfare.

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. We are growing in elderly care and are building new care homes under our own management.

18,329
employees

9,384
customers

8,188
revenue, SEK millions

The financial data on this page refers to the full year 2021.

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	Apr-Jun 2022	Apr-Jun 2021	%	Jan-Jun 2022	Jan-Jun 2021	%	Jul-Jun 2021/22	Jan-Dec 2021	%
Individual & Family	599	578	3.7%	1,176	1,130	4.1%	2,303	2,257	2.0%
Personal Assistance	805	756	6.5%	1,566	1,507	3.9%	3,101	3,042	1.9%
Elderly Care	201	155	29.2%	397	306	29.6%	760	669	13.6%
Finland	372	325	14.6%	733	641	14.3%	1,376	1,284	7.1%
Norway	259	240	7.9%	506	450	12.5%	972	916	6.1%
Other	5	4	10.2%	10	9	9.9%	19	20	-0.5%
Total operating revenue	2,241	2,058	8.9%	4,388	4,044	8.5%	8,532	8,188	4.2%

Organic growth by business area

Percent	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Individual & Family	-0.3%	4.2%	-2.5%	3.9%	-5.4%	0.9%
Personal Assistance	-1.9%	3.2%	-1.2%	3.9%	-3.3%	1.9%
Elderly Care	29.2%	0.4%	29.6%	1.7%	38.0%	10.1%
Finland	2.2%	1.0%	2.0%	-1.9%	3.4%	-0.5%
Norway	3.6%	15.7%	7.0%	13.6%	7.3%	13.8%
Total organic growth	2.2%	4.2%	2.2%	3.7%	2.3%	3.1%

Operating profit by business area

SEK millions	Apr-Jun 2022	Apr-Jun 2021	%	Jan-Jun 2022	Jan-Jun 2021	%	Jul-Jun 2021/22	Jan-Dec 2021	%
Individual & Family	36	50	-27.9%	59	91	-35.0%	136	168	-19.1%
Personal Assistance ¹⁾	34	35	-4.3%	84	85	-1.1%	207	208	-0.5%
Elderly Care	-6	-4	n/a	-10	2	n/a	-14	-3	n/a
Finland ²⁾	0	16	-98.7%	3	27	-89.9%	32	56	-43.4%
Norway	18	22	-21.2%	36	39	-8.5%	100	103	-3.2%
Other	-17	-13	n/a	-31	-25	n/a	-45	-40	n/a
Total operating profit	65	107	-39.4%	141	219	-35.6%	415	493	-15.8%

Operating margins by business area

Percent	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Individual & Family	6.0%	8.7%	5.1%	8.1%	5.9%	7.5%
Personal Assistance	4.2%	4.7%	5.4%	5.6%	6.7%	6.8%
Elderly Care	-3.1%	-2.4%	-2.5%	0.5%	-1.9%	-0.4%
Finland	0.1%	4.8%	0.4%	4.2%	2.3%	4.3%
Norway	6.8%	9.3%	7.0%	8.6%	10.3%	11.3%
Total operating margin	2.9%	5.2%	3.2%	5.4%	4.9%	6.0%

1) Operating profit in the fourth quarter 2021 includes retroactive repayment of previously paid-in pension premiums totalling SEK 11m.

2) Operating profit in the fourth quarter 2021 includes a final settlement of a dispute of SEK -13m.

Group development

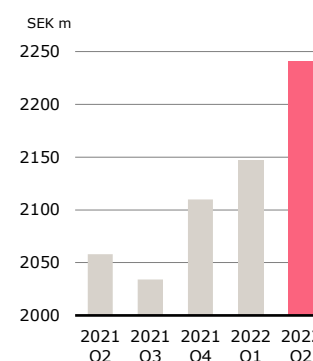
Revenue

Operating revenue amounted to SEK 2,241m (2,058) in the second quarter, an increase of 8.9 percent. Revenue increased organically by 2.2 percent (4.2) for the quarter. The decrease in organic growth is mainly related to fewer assistance hours within Personal Assistance, as well as closed units within Individual & Family. Acquired operations contributed SEK 140m to revenue in the second quarter. Operations under own management accounted for 95.2 percent of total revenue in the quarter, and contracted operations accounted for 4.8 percent.

Operating revenue for the six-month period amounted to SEK 4,388m (4,044), an increase of 8.5 percent. Organic growth was 2.2 percent (3.7). Acquired operations accounted for SEK 266m of revenues. Operations under own management accounted for 95.1 percent of total revenue and contracted operations accounted for 4.9 percent.

Occupancy within elderly care, open care and other operations was negatively affected by the pandemic during the six-month period; however, the effects have subsided during the second quarter.

Revenue

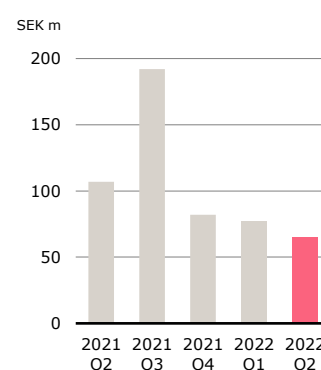


Profit

Operating profit for the second quarter totalled SEK 65m (107), a decrease of 39.4 percent. The operating margin fell to 2.9 percent (5.2). Operating profit for the Group during the second quarter was negatively impacted by challenges in staffing which drives higher personnel costs and costs for temporary resources. Operating profit in the quarter was also affected by inflation and costs related to new units.

Operating profit for the six-month period totalled SEK 141m (219), a decrease of 35.6 percent, and the operating margin amounted to 3.2 percent (5.4). Adjusted operating profit amounted to SEK 141m (219), a decrease of 35.6 percent. The decrease in operating profit for the six-month period was primarily due to the negative impact of personnel costs including costs for temporary resources. Ramp-up costs also had a negative impact. The pandemic had a direct negative impact of SEK -15m on the first quarter of operations, while the impact in the second quarter was significantly 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	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Rental charges	112	94	219	182
Depreciation/amortisation	-93	-78	-184	-151
Operating profit	19	16	35	31
Net financial effect	-25	-22	-51	-42
Profit before tax	-7	-6	-16	-11

Operating cash flow and interest-bearing net debt

Operating cash flow in the second quarter amounted to SEK 237m (251). The difference is explained by lower profit before tax partly offset by changes in working capital and investments in new units.

Humana's interest-bearing net debt increased by SEK 475m to SEK 4,384m. (3,909). Net debt increased due to increased lease liabilities attributable to investments, acquisitions, share buybacks. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, is 5.1x (4.5).

During the first quarter of 2022, Humana repurchased shares of SEK 55m. As of 31 March 2022, the holdings of treasury 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. On 30 June, 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 second quarter amounted to SEK 599m (578), an increase of 3.7 percent compared to the corresponding period last year. The increase in revenue for the quarter was driven by acquisitions made in 2021 and 2022. Organic growth was -0.3 percent (4.2). Revenue for the six-month period increased 4.1 percent to SEK 1,176m (1,130), while organic growth was -2.5 percent (3.9). Organic growth in the quarter recovered and is unchanged year-on-year. Organic growth was negative for the first half of 2022, largely due to closed units within the Child and Youth segment and lower occupancy in parts of the underlying operations at the beginning of the period.

Operating profit in the second quarter totalled SEK 36m (50), a decrease of 27.9 percent year-on-year. Operating profit for the six-month period totalled SEK 59m (91), a decrease of 35 percent. The operating margin for the quarter was 6.0 percent (8.7) and for the six-month period 5.1 percent (8.1). The decrease in operating profit in the quarter is due to higher personnel costs as a result of staffing challenges and expansion in family care, as well as costs related to new units. The first half of 2022 was also negatively impacted by closed units and pandemic-related effects.

Personal Assistance



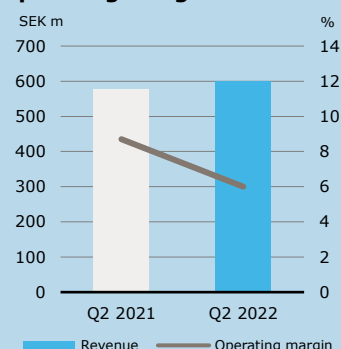
Revenue increased by 6.5 percent to SEK 805m (756) in the second quarter. Organic growth was -1.9 percent (3.2). Revenue for the six-month period was SEK 1,566m (1,507), an increase of 3.9 percent, of which -1.2 percent (3.9) organic. The increase in revenue during the quarter and six-month period was due to acquisitions and a higher attendance allowance, partly offset by fewer assistance hours, mainly due to difficulties with recruitment and staffing.

Operating profit for the quarter totalled SEK 34m (35), a decrease of 4.3 percent. Operating profit for the six-month period totalled SEK 84m (85), a decrease of 1.1 percent. The operating margin was 4.2 percent (4.7) for the

Percentage of consolidated revenue Q2 2022

27%

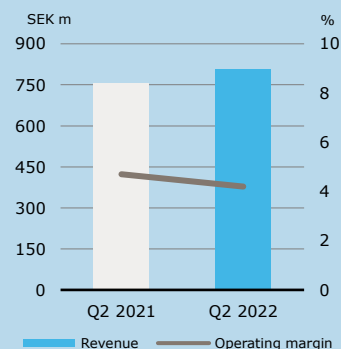
Operating revenue and operating margin



Percentage of consolidated revenue Q2 2022

36%

Operating revenue and operating margin



second quarter and 5.4 percent (5.6) for the six-month period. Continued effective cost management partly offset increased personnel costs, increased overhead costs for assistants and administrative costs partly as a result of acquisitions.

Elderly Care



Revenue amounted to SEK 201m (155) in the second quarter. Organic growth was 29.2 percent (0.4). Revenue for the six-month period was SEK 397m (306), an increase of 29.6 percent. Organic growth for the six-month period was 29.6 percent (1.7). The revenue increase and organic growth in the quarter and six-month period are entirely due to the five new elderly care homes under own management opened in 2021.

Operating profit in the quarter amounted to SEK -6m (-4). Operating profit for the six-month period amounted to SEK -10m (2). The operating margin for the quarter was -3.1 percent (-2.4) and for the six-month period was -2.5 percent (0.5). The negative development in the quarter and six-month period was largely due to a slow occupancy improvement, mainly within the new units, though increased personnel costs also had a negative impact. In addition, ramp-up costs for new units have a negative impact in the quarter. Mature units under own management contribute positively to operating profit year-on-year. For the six-month period, contracts have a positive contribution but did not compensate for the negative impact from low occupancy in new elderly care homes under own management.

Finland



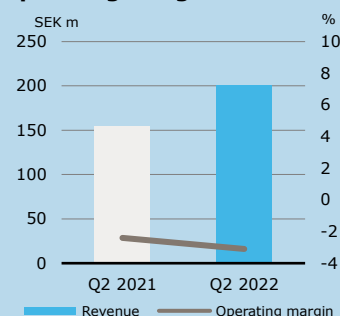
Revenue amounted to SEK 372m (325) in the second quarter, an increase of 14.6 percent. Organic growth was 2.2 percent (1.0). Revenue for the six-month period amounted to SEK 733m (641), an increase of 14.3 percent, and organic growth was 2.0 percent (-1.9). Organic growth was mainly driven by new units in the Child and Youth segment.

Operating profit for the second quarter amounted to SEK 0m (16), a year-on-year decrease of 98.7 percent. Operating profit for the six-month period amounted to SEK 3m (27). The operating margin was 0.1 percent (4.8) for the

Percentage of consolidated revenue Q2 2022

9%

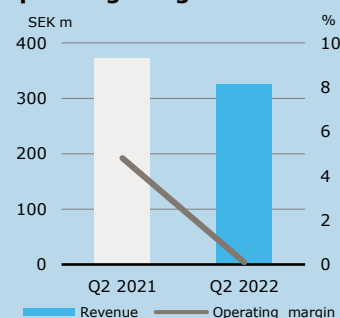
Operating revenue and operating margin



Percentage of consolidated revenue Q2 2022

17%

Operating revenue and operating margin



quarter and 0.4 percent (4.2) for the six-month period. The decrease in operating profit was driven by continuous difficulties with staffing and high levels of sick leave as a result of the pandemic. Operating profit was also negatively affected in the quarter and six-month period by start-up costs for new units and acquisitions undergoing efficiency improvements. Negative effects from the pandemic is mainly affecting the first part of the six-month period.

Norway



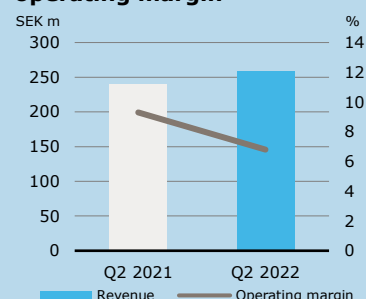
Revenue increased by 7.9 percent to SEK 259m (240) in the second quarter. Revenue for the six-month period was SEK 506m (450), an increase of 12.5 percent. Organically, revenues increased by 3.6 percent (15.7) in the quarter and 7.0 percent (13.6) in the six-month period, mainly attributable to an increased number of clients in all segments except Child and Youth.

Operating profit for the quarter amounted to SEK 18m (22), a year-on-year decrease of 21.2 percent. Operating profit for the six-month period totalled SEK 36m (39), a decrease of 8.5 percent. The operating margin was 6.8 percent (9.3) for the quarter and 7.0 percent (8.6) for the six-month period. The lower operating profit is mainly attributable to reduced operations in the Child and Youth segment, driven by staffing challenges, as well as increased costs for administrative personnel, systems and tools to balance a period of rapid growth and to lay the foundations for sustained growth.

Percentage of consolidated revenue Q2 2022

12%

Operating revenue and operating margin



Financial position

Financing

Consolidated equity amounted to SEK 2,558m (2,327) on 30 June 2022. The equity/assets ratio was 27.1 percent (27.3). Interest-bearing net debt amounted to SEK 4,384m (3,909), a year-on-year increase of SEK 475m. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, increased to 5.1x (4.5). Leverage ratio increased due to increased lease liabilities attributable to investments, acquisitions, share buybacks and lower adjusted EBITDA.

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
Non-current interest-bearing liabilities	4,753	2,325	4,702
Current interest-bearing liabilities	291	2,293	218
Cash and cash equivalents	-660	-709	-695
Interest-bearing net debt	4,384	3,909	4,226
<i>of which interest-bearing lease liabilities</i>	<i>2,849</i>	<i>2,567</i>	<i>2,773</i>
Interest-bearing net debt excl. lease liabilities	1,535	1,342	1,453
Equity/assets ratio	27.1%	27.3%	28.4%
Interest-bearing net debt/adjusted EBITDA 12 months, times	5.1x	4.5x	4.6x

Cash flow

Cash flow for the quarter amounted to SEK 73m (133), where net cash flow from operating activities was SEK 232m (249). The lower cash flow from operating activities was mainly due to lower profit before tax partly offset by changes in working capital.

Cash flow from investing activities amounted to SEK -66m (-40) in the quarter, which was due to acquisitions and investments in new units.

Cash flow from financing activities amounted to SEK -93m (-77) in the quarter, consisting entirely of repayment of lease liabilities.

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 during acquisitions.

Significant events in and after the second quarter 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 Humana after four years and was replaced by interim CFO, Andreas Westlund.

Significant events in the first quarter 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 earnings are approximately EUR 9m, corresponding to SEK 93m, and it has around 190 employees.
- During the 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.

Sustainability

Quality report, second quarter, April–June 2022

Humana Quality Index and quality at Humana

Defining quality and quality metrics can be a challenge, not least in the field of health and social care. Since 2019, Humana has reported its own quality index, which in 2022 underwent an update, expanding from 7 to 12 metrics and generating a new quality index, the Humana Quality Index (HQI). You can read more about the new HQI here:

<https://www.humanagroup.com/quality/humana-quality-index/>

Quality measurement is used as a starting point for setting targets, making evaluations and implementing systematic improvement efforts within Humana. The results of the HQI are reviewed by management groups in every level of the company.

As we primarily measure conditions that are indirectly assumed to have an effect on care, Humana's quality index primarily include these indicators.

Going forward, we will therefore continue to work to establish social outcome indicators for care, that is, those indicators that measure the actual effect of the efforts made for our customers and clients. Humana's objective is to be a leader in terms of quality measurement and evaluation. Our intention is to present social outcome indicators during the third quarter which show the direct effect of Humana's care. The long-term ambition is to present outcome indicators for all business areas.

Results of the Humana Quality Index, second quarter 2022

The results of the HQI in the second quarter of 2022 was to 71 (on a scale of 1–100). The HQI result for the second quarter was marginally lower in all of our business areas, except for Elderly Care. The result was also affected by the fact that several of our business areas have completed acquisitions that are not yet in line with Humana's working practices according to the new HQI. Of the 12 indicators in the new HQI, 7 saw a positive trend.

During the second quarter, efforts has been directed to create time for an increased number of employees to complete training through the Humana Academy's learning portal. An increased number of employees has completed at least one training during the quarter. This is a positive development in line with the Group's ambitions to strengthen quality through training. Short-term sick leave improved, falling from 6.7 percent in last quarter to 4.3 percent in the second quarter.

As part of our improvement efforts, we have succeeded in reducing the proportion of deviations being repeated. The proportion of deviations not repeated during the quarter was 61.9 percent, up from 59.5 percent last quarter. The number of serious deviations reported to authorities during the quarter was 7, up from 6 last quarter.

Read more about sustainability at Humana

Quality is one of the four target areas that form the basis for Humana's sustainable care strategy. Other target areas are attractive employer, profitable growth and socially responsible provider. Read more about Humana's sustainable strategy on our website at [humanagroup.com/sustainability/](https://www.humanagroup.com/sustainability/).

Other information

Employees

The number of full-time employees at 30 June 2022 was 12,443 (11,106).

Shares, share capital and shareholders

The number of shares in Humana AB at 30 June 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 4,523. 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 30 June, 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 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 opportunities for growth are affected by public opinion and political views on the company's areas of operation. Political decisions and other external factors may also have an indirect impact on the company, for example, through regulatory requirements, investigations, reclaims and permit trials, or inflation. Humana continuously monitors the operating environment and maintains 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 operational agreements are mainly index-regulated 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 is evaluated continuously.

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.

The war in Ukraine that broke out at the end of February has had a limited impact on Humana's operations. In the longer term, the development may have an impact on the global economy and lead to strained public finances in the Nordics, which could indirectly affect the company. We are following developments through continuous monitoring and analysis.

This interim 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 interim report for the first six-month period 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, 18 August 2022

Sören Mellstig, Chairman of the Board

Karita Bekkemellem, Board member

Kirsi Komi, Board member

Monica Lingegård, Board member

Anders Nyberg, Board member

Fredrik Strömholm, Board member

Johanna Rastad, President and CEO

Consolidated income statement

SEK millions	Note	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Net revenue		2,241	2,058	4,388	4,042	8,522	8,176
Other operating revenue		0	0	0	2	10	12
Operating revenue	3, 4	2,241	2,058	4,388	4,044	8,532	8,188
Other external expenses		-263	-238	-529	-467	-989	-926
Personnel costs		-1,797	-1,612	-3,489	-3,166	-6,656	-6,333
Depreciation, amortisation and impairment		-112	-102	-222	-193	-449	-420
Other operating expenses		-6	0	-7	0	-22	-16
Operating expenses		-2,177	-1,952	-4,247	-3,825	-8,117	-7,695
Operating profit		65	107	141	219	415	493
Financial income		2	0	4	2	6	4
Financial expenses		-40	-34	-80	-69	-154	-143
Profit before tax		27	72	65	151	267	354
Income tax		-9	-15	-18	-32	-64	-78
Net profit for the period		18	57	47	120	203	276
Attributable to:							
Parent Company shareholders		18	57	47	120	203	276
Earnings per share, SEK, before dilution		0.37	1.18	0.97	2.45	4.22	5.67
Earnings per share, SEK, after dilution		0.37	1.18	0.97	2.45	4.22	5.67
Average number of shares, thousands		47,826	48,123	48,101	48,767	48,369	48,699

Consolidated statement of other comprehensive income

SEK millions	Note	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Net profit for the period		18	57	47	120	203	276
Other comprehensive income							
items that have been/may be reclassified to profit or loss							
Hedges of net investments in foreign operations	6	1	11	-16	-13	-27	-24
Exchange rate difference on translation of foreign operation		-8	-23	29	26	54	51
Net profit and other comprehensive income for the period		10	45	59	132	231	303
Attributable to:							
Parent Company shareholders		10	45	59	132	231	303

Condensed consolidated balance sheet

SEK millions	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
Assets				
Non-current assets				
Goodwill	5	4,412	3,904	4,148
Other intangible assets		11	13	11
Property, plant and equipment		385	338	360
Right-of-use assets		2,739	2,492	2,669
Financial assets		61	44	55
Total non-current assets		7,609	6,791	7,243
Current assets				
Trade receivables and other receivables		978	853	923
Other current receivables		198	176	140
Cash and cash equivalents		660	709	695
Total current assets		1,836	1,738	1,759
TOTAL ASSETS		9,445	8,528	9,002
Equity and liabilities				
Equity				
Share capital		1	1	1
Other paid-in equity		1,096	1,096	1,096
Reserves		33	7	21
Retained earnings		1,428	1,224	1,436
Total equity		2,558	2,327	2,553
Equity attributable to Parent Company shareholders		2,558	2,327	2,553
Non-current liabilities				
Non-current lease liability		2,560	2,324	2,557
Other interest-bearing liabilities	6	2,193	0	2,146
Deferred tax liabilities		73	87	74
Provisions		5	-	4
Total non-current liabilities		4,832	2,411	4,780
Current liabilities				
Lease liability, current		289	243	216
Other interest-bearing liabilities		2	2,050	3
Trade payables		158	133	165
Other current liabilities	6	1,606	1,363	1,285
Total current liabilities		2,055	3,790	1,669
TOTAL EQUITY AND LIABILITIES		9,445	8,528	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 shareholders	Total equity
Opening balance, 1 Jan 2021	1	1,096	-6	1,264	2,354	2,354
Comprehensive income for the period						
Net profit for the period	-	-	-	120	120	120
Other comprehensive income for the period	-	-	13	-	13	13
Total comprehensive income for the period	-	-	13	120	132	132
Owner transactions						
Share buybacks	-	-	-	-159	-159	-159
Total owner transactions	-	-	-	-159	-159	-159
Closing balance, 30 Jun 2021	1	1,096	7	1,224	2,327	2,327
Opening balance, 1 Jan 2022	1	1,096	21	1,436	2,553	2,553
Comprehensive income for the period						
Net profit for the period	-	-	-	47	47	47
Other comprehensive income for the period	-	-	13	-	13	13
Total comprehensive income for the period	-	-	13	47	59	59
Owner transactions						
Redemption of own shares	-0	-	-	0	-	-
Bonus issue	0	-	-	-0	-	-
Share buybacks	-	-	-	-55	-55	-55
Total owner transactions	-	-	-	-55	-55	-55
Closing balance, 30 Jun 2022	1	1,096	33	1,428	2,558	2,558

Condensed consolidated statement of cash flows

SEK millions	Note	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Profit before tax		27	72	65	151	267	354
Adjustments for:							
Depreciation, amortisation and impairment		112	102	222	193	449	420
Financial items, net		38	34	77	68	149	139
Capital gain on sale of property, plant and equipment		5	0	4	-2	7	2
Other non-cash items		3	14	4	14	-13	-4
Cash flow from operating activities before change in working capital		184	223	372	425	860	912
Change in working capital		92	80	60	103	-55	-12
Cash flow from operating activities		275	303	432	528	804	900
Financial items paid, net		-37	-36	-74	-66	-147	-139
Income tax paid		-6	-18	-47	-44	-75	-72
Net cash flow from operating activities		232	249	311	418	582	689
Acquisition of operations, net cash impact	5	-42	-3	-59	-62	-151	-153
Disposal of subsidiaries, net cash impact		-	-	-1	-	-1	-
Disposal of properties		7	-	7	8	-1	-
Disposal of property, plant and equipment		1	2	4	-	10	-
Investments in other non-current assets, net		-32	-38	-76	-67	-121	-107
Cash flow from investing activities		-66	-40	-126	122	-264	-260
Net change in borrowings		-	-	-	-50	-	-50
Repayment of lease liabilities		-93	-77	-180	-150	-342	-312
Share buybacks		-	-	-55	-159	-55	-159
Cash flow from financing activities		-93	-77	-235	-360	-397	-521
Cash flow for the period		73	133	-50	-63	-79	-92
Cash and cash equivalents, opening balance		594	589	695	759	709	759
Exchange differences in cash and cash equivalents		-6	-13	15	13	30	28
Cash and cash equivalents, closing balance		660	709	660	709	660	695

Key ratios

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Operating revenue	2,241	2,058	4,388	4,044	8,532	8,188
Operating margin, %	2.9%	5.2%	3.2%	5.4%	4.9%	6.0%
Interest-bearing net debt, SEK million	4,384	3,909	4,384	3,909	4,384	4,226
Return on capital employed, %	0.9%	1.5%	1.9%	3.2%	5.5%	6.6%
Equity/assets ratio, %	27.1%	27.3%	27.1%	27.3%	27.1%	28.4%
Operating cash flow, SEK million	237	251	351	448	687	785
Interest-bearing net debt/adjusted EBITDA, 12 months, times	5.1x	4.5x	5.1x	4.5x	5.1x	4.6x
Average full-time employees, Individual & Family	2,273	2,197	2,295	2,151	2,241	2,169
Average full-time employees, Personal Assistance	5,328	5,105	5,222	5,067	5,286	5,209
Average full-time employees, Elderly Care	1,092	860	1,116	907	1,060	955
Average full-time employees, Finland	2,003	1,613	2,028	1,616	1,811	1,605
Average full-time employees, Norway	1,080	1,025	1,072	992	1,033	994
Average full-time employees, central functions including Denmark	55	66	58	65	61	65
Total average full-time employees	11,831	10,865	11,790	10,798	11,492	10,996
Full-time employees at end of period	12,443	11,106	12,443	11,106	12,443	10,945
Average number of customers, Individual & Family	1,879	1,806	1,871	1,805	1,822	1,789
Average number of customers, Personal Assistance	1,933	1,877	1,888	1,878	1,879	1,874
Average number of customers, Elderly Care	1,035	827	1,036	832	996	894
Average number of customers, Finland	4,219	4,151	4,155	4,038	4,137	4,079
Average number of customers, Norway	483	412	465	385	446	406
Average number of customers, Denmark	72	70	71	69	63	61
Total average customers	9,620	9,143	9,486	9,005	9,342	9,102
Average number of shares, thousands	47,826	48,123	48,101	48,767	48,369	48,699
Equity per share, SEK	53	48	53	48	53	52
Earnings per share, SEK, after dilution	0.37	1.18	0.97	2.45	4.22	5.67

Parent Company

Condensed income statement

SEK millions	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Operating revenue	0	-	0	-	0	-
Operating expenses	-5	-4	-9	-9	-16	-16
Operating profit	-5	-4	-9	-9	-16	-16
Interest income	10	14	10	16	34	40
Interest expenses	-18	-9	-47	-50	-100	-103
Profit after financial items	-13	1	-46	-44	-81	-79
Group contributions	-	-	-	-	132	132
Change in untaxed reserves	-	-	-	-	-1	-1
Profit before tax	-13	1	-46	-44	50	52
Income tax	3	-	9	9	-13	-13
Net profit for the period	-10	1	-36	-35	38	39

Condensed balance sheet

SEK millions	30 Jun 2022	30 Jun 2021	31 Dec 2021
Non-current assets	1,694	1,629	1,684
Current assets	1,788	1,390	1,897
TOTAL ASSETS	3,472	3,018	3,582
Equity	1,416	1,378	1,508
Untaxed reserves	149	148	149
Non-current interest-bearing liabilities	1,530	0	1,508
Other current liabilities	377	1,492	417
TOTAL EQUITY AND LIABILITIES	3,472	3,018	3,582

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 1–14, which form an integral part of this financial report.

Rounding differences may occur in tables and statements.

New accounting standards applied from 1 January 2022

Humana has determined that new or amended standards and interpretations will not have any significant effect on the Group's 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-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Net revenue – external income	1,176	1,130	1,566	1,507	397	306
Other operating revenue	0	0	-	-	-	0
Operating revenue	1,176	1,130	1,566	1,507	397	306
Profit before depreciation, amortisation and other operating expenses	83	109	85	86	0	8
Depreciation, amortisation and impairment	-20	-18	-1	-1	-10	-7
Other operating expenses	-5	0	-	-	-	-
Operating profit	59	91	84	85	-10	2

SEK millions	Finland		Norway		Other		Total	
	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Net revenue – external income	733	641	506	449	10	9	4,388	4,042
Other operating revenue	-	0	0	2	-0	0	0	2
Operating revenue	733	641	506	450	10	9	4,388	4,044
Profit before depreciation, amortisation and other operating expenses	11	35	39	48	151	127	370	412
Depreciation, amortisation and impairment	-9	-8	-4	-9	-180	-151	-222	-193
Other operating expenses	-	-	-0	0	-2	-	-7	0
Operating profit	3	27	36	39	-31	-25	141	219

Note 4 Revenue by country

SEK millions	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Sweden	1,605	1,488	3,139	2,944
Finland	372	325	733	641
Norway	259	240	506	450
Denmark	5	5	10	9
Total operating revenue	2,241	2,058	4,388	4,044

Note 5 Acquisitions

Net assets in acquired companies at date of acquisition

SEK millions	Humanan Kallio Oy ¹⁾	Vintergatan AB ¹⁾	Debora Lapsi perhe- palvelut Oy ¹⁾	Assistans för dig ¹⁾	Total
Non-current assets	6	-	12	-	18
Current assets	19	2	7	-	28
Non-current liabilities	-	-	-	-	-
Current liabilities	-25	-2	-6	-10	-42
Net identifiable assets and liabilities	0	1	13	-10	4
Goodwill	23	11	4	161	199
Total consideration	23	12	17	151	203
Cash and cash equivalents in acquired entities	-4	-1	-4	-	-9
Contingent consideration	-5	-	-	-141	-146
Effect on cash and cash equivalents	14	11	13	10	48

	Other
Settlement of considerations attributable to prior acquisitions	11
Minor acquisitions	-
Total effect on cash and cash equivalents	59

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

Humanan Kallio Oy

In January 2022, Humana acquired the Finnish individual and family care company Humanan Kallio Oy. The acquisition strengthens Humana's position in the capital region of Finland and increases Humana's capacity to provide care services for children, young people and adults in line with growing needs in society. Operating revenue from the acquired company included in the consolidated income statement since 3 January amounts to SEK 27m for the second quarter and SEK 54m for the six-month period. The acquired company contributed to profit SEK -2m for the second quarter and SEK -5m for the six-month period. Transaction costs of SEK 0.2m have been reported as administrative costs in the Group.

Vintergatan AB

In June 2022, Humana acquired 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 flats. Vintergatan's full-year revenue amounts to approximately SEK 14m and it has around 20 employees. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 0.8m for the second quarter and the six-month period. The acquired company contributed SEK -0.3m to profit for the quarter and the six-month period.

Debora Lapsiperhepalvelut Oy

In June 2022, Humana acquired the open care company Debora Lapsiperhepalvelut Oy. This acquisition strengthens Humana's nationwide offering of open care in Finland. The company's full-year revenue amounts to approximately EUR 2.9m, corresponding to SEK 30m. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 2.3m for the second quarter and the six-month period. The acquired company contributed SEK -0.4m to profit for the second quarter and the six-month period.

Assistans för dig

In June 2022, Humana completed the acquisition of the operations in Assistans för dig. This acquisition strengthens Humana's position as the leading assistance coordinator in Sweden. The total consideration is estimated at SEK 151m. The payment is divided to an initial consideration of SEK 20m on a cash and debt free basis, and two earn-out payments based on the financial performance for each of the years 2022 and 2023. The majority of the consideration will be paid on the last due date. The transaction was financed using existing cash. Operating revenue from the acquired company included in the consolidated income statement since 1 June amounts to SEK 49m for the second quarter and the six-month period. The acquired company contributed SEK 0.6m to profit for the second quarter and the six-month period. 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 six-month period would total SEK 4,667m (SEK 278m higher) and profit for the period would total SEK 53m (SEK 7.0m higher).

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

30 Jun 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	220	220	220	-	-	220

30 Jun 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	6	6	6	-	-	6

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 opening/closing balances for financial instruments measured at level 3, earn-out payments

SEK millions	30 Jun 2022	31 Dec 2021
Opening balance, 1 January	80	6
Total recognised gains and losses:		
Acquisitions	147	81
Settled during the period	-8	-19
Reversed to income statement	-	12
Closing balance, end of period	220	80

Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As at 30 June 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 30 June 2022, the Group had loans of EUR 40m and loans of NOK 328m for which hedge accounting is applied. The related translation difference of SEK -20m (-30) 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	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jul-Jun 2021/22	Jan-Dec 2021
Adjusted operating profit						
Operating profit	65	107	141	219	415	493
Retroactive repayment of previously paid-in pension premiums	-	-	-	-	-11	-11
Final settlement dispute	-	-	-	-	-13	13
Adjusted operating profit	65	107	141	219	417	495
Adjusted EBITDA						
Operating profit	65	107	141	219	415	493
Depreciation, amortisation and impairment	112	102	222	193	449	420
EBITDA	176	209	363	412	864	913
Retroactive repayment of previously paid-in pension premiums	-	-	-	-	-11	-11
Final settlement dispute	-	-	-	-	13	13
Adjusted EBITDA	176	209	363	412	866	916
Organic revenue growth						
Revenue, base	2,035	1,935	4,028	3,863	7,895	7,761
Revenue, organic growth	45	81	88	144	213	238
Total organic growth	2.2%	4.2%	2.2%	3.7%	2.3%	3.1%
Operating cash flow						
Operating profit	65	107	141	219	415	493
Depreciation, amortisation and impairment	112	102	222	193	449	420
Change in working capital	92	80	60	103	-55	-12
Investments in other non-current assets, net	-31	-38	-72	-67	-121	-117
Operating cash flow	237	251	351	448	687	785

	30 Jun 2022	30 Jun 2021	31 Dec 2021
Interest-bearing net debt			
Non-current interest-bearing liabilities	4,753	2,325	4,702
Current interest-bearing liabilities	291	2,293	218
Cash and cash equivalents	-660	-709	-695
Interest-bearing net debt	4,384	3,909	4,226
Adjusted EBITDA, 12 months	866	874	916
Interest-bearing net debt/Adjusted EBITDA, 12 months, times	5.1x	4.5x	4.6x
Return on capital employed, %			
Total assets	9,445	8,528	9,002
Deferred tax liabilities	-73	-87	-74
Trade payables	-158	-133	-165
Other current liabilities	-1,606	-1,363	-1,285
Capital employed	7,607	6,945	7,478
Operating profit	141	219	493
Financial income	3	0	1
Total	145	219	494
Return on capital employed, %	1.9%	3.2%	6.6%
Equity/assets ratio, %			
Total equity	2,558	2,327	2,553
Total assets	9,445	8,528	9,002
Equity/assets ratio, %	27.1%	27.3%	28.4%

Financial definitions and intent

Financial performance measures

	Definition	Intent
Return on capital employed (%)	Operating profit and financial 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 operating profit and adjusted EBITDA	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 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.
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, buyback and new share issue.
Average number of shares	Calculated as the average daily number of shares outstanding after redemption and buyback.
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, at 08.00 CET on 18 August 2022.

Conference call

A web-based teleconference will be held on 18 August 2022 at 09.00 CET at which President and CEO Johanna Rastad and Interim CFO Andreas Westlund will present the report and answer questions. To participate, call:

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Financial calendar

Interim report Jan-Sep, Q3 10 Nov 2022
2022

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