



Humana

Interim report January–March 2022

Growth despite challenging conditions

First quarter, January–March 2022

- Operating revenue was SEK 2,147 million (1,986), an increase of 8.1 percent, which is mainly explained by acquisitions, previously opened units within Elderly Care, and strong growth in Norway.
- Organic growth was 1.8 percent (2.4). Organic growth was driven by Elderly Care and Norway, but growth was slowed down by lower occupancy and closed units within Individual and Family.
- Operating profit amounted to SEK 77m (112), a decline of 31.9 percent. The decrease is partly explained by externally related factors of approximately SEK 20m, whereof effects related to the pandemic amounts to approximately SEK 15m. Pandemic related effects decrease substantially towards the end of the quarter. Furthermore, the decrease of operating profit is affected by closed units in Individual & Family and ramp-up costs of new units within Individual & Family and Elderly Care, amounting to SEK 12m. The operating profit is also affected by indirect effects related to the pandemic and lower occupancy levels.
- Net profit after tax for the period amounted to SEK 29m (63).
- Basic and diluted earnings per share for the period amounted to SEK 0.60 (1.27).
- Operating cash flow amounted to SEK 115m (197). The decrease is related to lower profit and delayed payments.

Key ratios

SEK millions	Jan–Mar 2022	Jan–Mar 2021	%	Apr–Mar 2021/22	Jan–Dec 2021	%
Net revenue	2,147	1,984	8.2%	8,339	8,176	2.0%
Other operating revenue	0	2	-96.0%	10	12	-17.1%
Operating revenue	2,147	1,986	8.1%	8,349	8,188	2.0%
Operating profit	77	112	-31.9%	458	493	-7.2%
Adjusted operating profit	77	112	-31.9%	460	495	-7.2%
Net profit for the period	29	63	-53.8%	242	276	-12.2%
Operating cash flow	115	197	-41.6%	703	785	-10.5%

Comments from the CEO

External factors, with the extensive spread of the omicron variant and global uncertainty impact our operations during the first quarter. The beginning of the quarter was mainly affected, while there is a relief in impact by the end of the period. At the end of the quarter we see a recovery, with occupancy returning and a higher workplace attendance across the employee groups, which is much awaited.

We continue to pursue the previously initiated change management within Elderly Care and to start up units within Individual & Family to compensate for the units we have closed. At the same time, Personal Assistance and Norway continue to progress nicely.

Despite challenging conditions, revenue increased by 8.1 percent during the first quarter, amounting to SEK 2,147m. Acquisitions and the newly opened units within Elderly Care were the main contributors to the revenue growth. We continue to grow organically, by 1,8 percent, mainly attributable to business areas Elderly Care and Norway. Growth in Norway is driven by the acquired procurement during previous year. Consistently high sick leave linked to the pandemic, has had an impact on both revenues and profit in most business areas. We see a relief towards the end of the quarter with a recovery in both occupancy levels and higher attendance among employees.

The Group's operating profit came to SEK 77m, with a direct impact of externally related factors, amounting to approximately SEK 20m. The effects of these factors are limited in time and the underlying operations has shown resilience during difficult conditions. Personal Assistance and Norway continue to make a strong contribution, while the pandemic has delayed positive effects from start-ups within Individual & Family and Elderly Care. Finland was also essentially affected by omicron during the quarter. There is a strong underlying demand for our operations, which we will be able to better benefit from as the effects from the pandemic wear off.

Satisfied employees and good quality of care

Our employees have demonstrated enormous perseverance during the last two years of the ongoing pandemic. This year's employee survey shows that



our employees remain very satisfied. We are taking steps forward by increasing the indicator that shows how prone our employees are to recommend us as an employer (eNPS) from 15 to 19, and we have also improved our leadership index. It is satisfying to note that we now have accomplished equal salaries as a result of our equality initiatives. Our ability to retain and recruit good employees is key to providing good quality care, high customer satisfaction and a high level of confidence among our clients.

Starting this quarter, we report in line with our new Humana Quality Index, HQI, which will give us clearer guidance in our quality efforts. According to the new calculation, our score for the first quarter came to 73. Comprising 12 key indicators the new HQI will enable us to monitor the Group's quality efforts more closely moving forward.

Strong operations that handles external factors well

If we take a closer look at our business areas, **Personal Assistance** stands out by contributing with a strong quarter, once again. Operating profit is in line with the same period last year, despite challenges in recruitment of personal assistants during the pandemic. In early March, digital signing was launched by the Swedish Insurance Board, Försäkringskassan. When fully implemented, it will make everyday life easier for our customers.

Despite external factors, the **Individual & Family** business area opened four new units in the quarter, among others, focused on drug assisted treatment for opioid dependence. Occupancy levels and personnel costs in the business area has been a challenge in the quarter. Going forward, we will focus on increasing the occupancy in our units through a range of activities such as improved processes for matching, adaptation and quality assurance. As previously communicated, we have seen a continuous change in demand for placement of clients with increasingly complex needs, and we look forward to better being able to meet market demands when we see recovery in sick leave among our employees.

Elderly Care has made a negative contribution to operating profit, mainly related to high sick leave for large parts of the quarter, and low occupancy levels. Continued high effects from five new elderly care homes that we opened during last year are also affecting the result. Towards the end of the quarter, we see a relief connected to all factors of impact. To ensure profitability going forward, we are continuing to work on our initiated change management process which aims to ensure that the business area achieves its goals.

Operations in **Finland** were affected by record high sick leave and therefore low occupancy, which resulted in large costs related to the pandemic, explaining the the larger part of the weak result. The business area reported weak organic growth, driven by low utilisation, which was partly balanced by contribution from new units, whereof two units in child welfare services opened during the quarter. At the beginning of the year, the previous non-profit company Kalliola, in which we see great potential for improvement.

Performance in **Norway** developed nicely. Operating profit was in line with the same period last year, driven in particular by an increased volume of customers in personal assistance and efficiency enhancements in the Child and Youth segment, though partly offset by costs related to the pandemic. Increased demands on qualified staff when



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taking on new recruits in Norway were implemented at the beginning of 2022, which we handle well.

Continued adaptation to market conditions

Naturally, it would be impossible not to mention the war in Ukraine, which is leading to unimaginable human suffering for many. As a socially responsible provider, we obviously have a responsibility to do what we can for those who have been forced to flee their country. We have adapted and ensured that our available capacity can be used to help out where necessary in each of the Nordic countries. Of course, the war in Ukraine may have consequences on many levels in the future. At the same time, it is precisely in these difficult situations that care providing is most important. We constantly monitor our operating environment to best equip ourselves for macroeconomic factors and social developments.

Although the quarter does not meet our expectations in terms of profit, the operations has proven to be robust under difficult conditions. Towards the end of the quarter we see that conditions have improved for our operations, among other as a result of the relief of impact from the pandemic. In terms of Humanas operations, we are clear about our priorities; we will continue to adapt ourselves to the needs we see in society and set a new, higher standard for care. We will ensure good conditions for our employees with a working environment that enables the best care possible.

Stockholm, 5 May 2022

Johanna Rastad
President and CEO, Humana AB



This is Humana

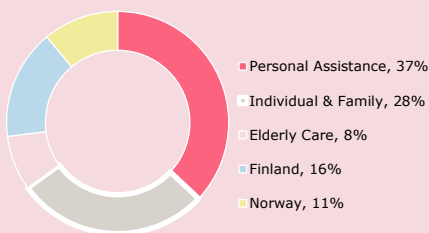
We drive the future of welfare

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.*

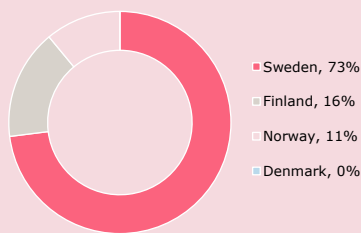
With assignments in hundreds of municipalities, 9,000 customers and clients, 18,000 employees and several hundred units in Sweden, Finland, Norway and Denmark, we are a major provider in Nordic welfare today. Humana shows what quality care is all about. Our work is based on the individual's circumstances 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 objective 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	Jan-Mar 2022	Jan-Mar 2021	%	Apr-Mar 2021/22	Jan-Dec 2021	%
Individual & Family	577	553	4.5%	2,281	2,257	1.1%
Personal Assistance	761	751	1.2%	3,052	3,042	0.3%
Elderly Care	196	151	30.1%	715	669	6.8%
Finland	361	316	13.9%	1,328	1,284	3.4%
Norway	247	210	17.7%	954	916	4.0%
Other	5	5	-3.7%	18	20	-6.0%
Total operating revenue	2,147	1,986	8.1%	8,348	8,188	1.9%

Organic growth by business area

Percent	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Individual & Family	-7.1%	3.6%	-9.7%	0.9%
Personal Assistance	0.1%	2.5%	-0.6%	1.9%
Elderly Care	30.2%	3.1%	37.2%	10.1%
Finland	1.7%	-4.6%	5.9%	-0.5%
Norway	10.8%	11.2%	13.4%	13.8%
Total organic growth	1.8%	2.4%	2.9%	3.1%

Operating profit by business area

SEK millions	Jan-Mar 2022	Jan-Mar 2021	%	Apr-Mar 2021/22	Jan-Dec 2021	%
Individual & Family	23	41	-43.7%	150	168	-10.7%
Personal Assistance ¹⁾	50	50	1.2%	209	208	0.3%
Elderly Care	-4	5	-165.9%	-12	-3	-425.5%
Finland ²⁾	3	11	-77.8%	47	56	-15.8%
Norway	18	17	8.7%	105	103	1.4%
Other	-13	-12	n/a	-41	-40	n/a
Total operating profit	77	112	-31.9%	458	493	-7.2%

Operating margins by business area

Percent	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Individual & Family	4.0%	7.5%	6.6%	7.5%
Personal Assistance	6.6%	6.6%	6.8%	6.8%
Elderly Care	-1.8%	3.6%	-1.6%	-0.4%
Finland	0.7%	3.6%	3.5%	4.3%
Norway	7.3%	7.9%	11.0%	11.3%
Total operating margin	3.6%	5.7%	5.5%	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 2,147m (1,986) in the first quarter, an increase of 8.1 percent. Revenue increased organically by 1.8 percent (2.4) for the quarter. The lower organic growth is mainly related to Individual & Family, where lower utilisation affected by the pandemic is driving negative growth in the business area. Opened units in the Child and Youth segment did not fully compensate for previously closed units. Acquired operations contributed SEK 99m to revenue in the first quarter. Operations under own management accounted for 95 percent of total revenue in the quarter, and contracted operations accounted for 5 percent.

The pandemic continued to have an impact during the first quarter of 2022, even though the effect levelled out towards the end of the quarter. Occupancy within Elderly Care, outpatient care and other operations was affected to a greater extent than earlier during the pandemic.

Profit

Operating profit for the first quarter amounted to SEK 77m (112), a decrease of 31.9 percent. The operating margin decreased to 3.6 percent (5.7).

Operating profit for the Group was affected negatively by the pandemic during the quarter by high sick leave, which resulted in increased personnel costs. Furthermore, sick leave itself affected occupancy negatively. All in all, the direct financial impact on the Group is approximately SEK 15m for the first quarter. In total, the first quarter was impacted by externally related factors of SEK 20m.

The decrease is also attributable to a negative impact from closed units in Individual & Family and new units within Individual & Family and Elderly Care, amounting to SEK 12m. An indirect impact on operating profit also came from high sick leave resulting in lower occupancy..

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 17m in the quarter (see table).

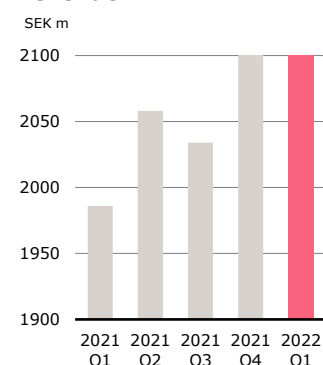
IFRS 16 effects, SEK millions	Jan-Mar 2022	Jan-Mar 2021
Rental charges	107	88
Depreciation/amortisation	-91	-73
Operating profit	17	15
Net financial effect	-26	-20
Profit before tax	-9	-5

Operating cash flow and interest-bearing net debt

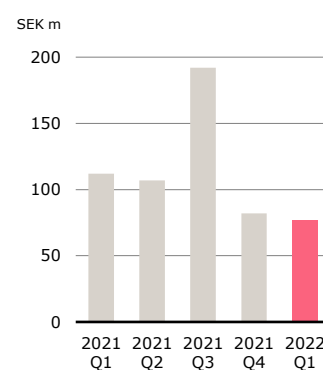
Operating cash flow in the first quarter amounted to SEK 115m (197). The difference is mainly explained by a lower profit before tax and changes in working capital mainly attributable to lower share of timely payments for assistance operations in Sweden.

Humana's interest-bearing net debt increased by SEK 720m to SEK 4,408m (3,688). Net debt increased mainly due to increased lease liabilities attributable

Revenue



Operating profit



to investments in new units and acquisitions, as well as share buybacks. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, is 4.9x (4.4).

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 Board of Directors proposes to the 2022 Annual General Meeting that the holdings of treasury shares be cancelled and the share capital to be restored by way of bonus issue.



Performance by business area

Individual & Family



Revenue for the first quarter amounted to SEK 577m (553), an increase of 4.5 percent compared to the corresponding period last year. The increase in revenue for the quarter was driven by acquisitions made in 2021. Organic growth was -7.1 percent (3.6). The negative organic growth is mostly due to closed units in the Child and Youth segment and lower utilisation driven by the pandemic.

Operating profit for the first quarter totalled SEK 23m (41), a year-on-year decrease of 43.7 percent. The lower operating profit is partly explained by externally related factors, and partly by effects from opened units and higher personnel cost. Furthermore, the operating profit was impacted by indirect effects caused by the pandemic and lower occupancy levels, partly offset by acquired operations.

Personal Assistance



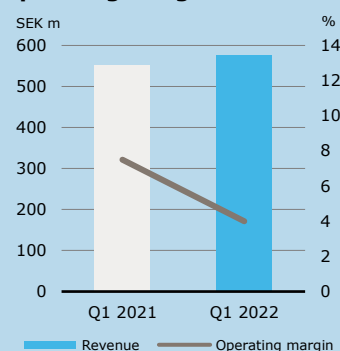
Revenue increased by 1.2 percent to SEK 761m (751) in the first quarter. Organic growth was 0.1 percent (2.5). The increase in revenue during the quarter is explained by higher attendance allowance and contributions from acquisitions, offset by fewer assistance hours.

Operating profit for the quarter totalled SEK 50m (50), an increase of 1.2 percent. The operating margin for the first quarter was 6.6 percent (6.6). The operating profit and the operating margin were maintained in the quarter due to more efficient cost management and positive contributions from acquisitions.

Percentage of Group revenue, Q1 2022

27%

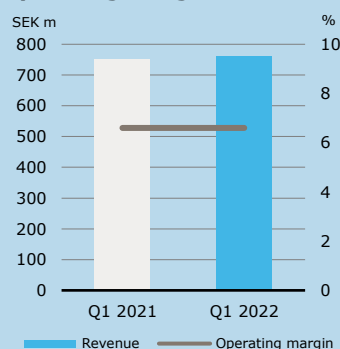
Operating revenue and operating margin



Percentage of Group revenue, Q1 2022

35%

Operating revenue and operating margin



Elderly Care



Revenue amounted to SEK 196m (151) in the first quarter. Organic growth was 30.2 percent (3.1). The revenue increase and organic growth in the quarter are entirely due to new elderly care homes under own management.

Operating profit in the quarter amounted to SEK -4m (5). The operating margin was -1.8 percent (3.6). Operating profit in the quarter was affected by higher costs related to high sick leave caused by the pandemic, which in turn indirectly affects occupancy levels negatively. Furthermore, ramp-up costs for five new elderly care homes under own management opened in 2021 are also affecting the operating profit. The improvements in established units under contract had a positive impact but did not compensate for the negative effects.

Finland



Revenue amounted to SEK 361m (316) in the first quarter, an increase of 13.9 percent. Organic growth was 1.7 percent (-4.6), which was mainly driven by opened units in the Child and Youth segment. The increase in revenue was also due to contributions from acquired operations.

Operating profit for the first quarter amounted to SEK 3m (11), a year-on-year decrease of 77.8 percent. The operating margin for the quarter was 0.7 percent (3.6). The decrease in operating profit in the quarter is mainly due to costs related to the pandemic, partly as reduced occupancy and partly as large increases in sick leave. The operating profit was also negatively impacted in the quarter by the acquisition of Kalliola, which was completed at the beginning of the year, and where integration and restructuring is ongoing.

Percentage of Group revenue, Q1 2022

9%

Operating revenue and operating margin



Percentage of Group revenue, Q1 2022

17%

Operating revenue and operating margin



Norway



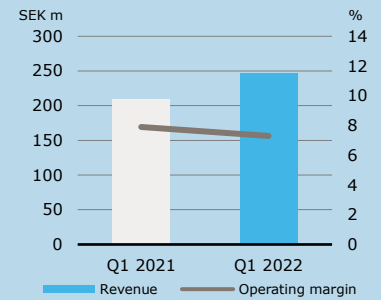
Revenue increased by 17.7 percent to SEK 247m (210) in the first quarter. Revenue increased organically by 10.8 percent (4.6) for the quarter. The increase in revenue and organic growth are mainly explained by an increased number of customers in personal assistance, and also by changes in pricing in the segment for special service accommodation.

Operating profit for the quarter amounted to SEK 18m (17), a year-on-year increase of 8.7 percent. The operating margin for the quarter was 7.3 percent (7.9). Operating profit in the quarter increased mainly due to increased volume of customers within personal assistance. The quarter was impacted negatively to some extent by costs related to the pandemic.

Percentage of Group revenue, Q1 2022

12%

Operating revenue and operating margin



Financial position

Financing

Consolidated equity amounted to SEK 2,548m (2,282) on 31 March 2022. The equity/assets ratio was 28.0 percent (28.3). Interest-bearing net debt amounted to SEK 4,408m (3,688), a year-on-year increase of SEK 720m. The leverage ratio, measured as interest-bearing net debt in relation to adjusted EBITDA, increased to 4.9x (4.4). The leverage ratio increased due to investments in new units, acquisitions, share buybacks and lower adjusted EBITDA.

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current interest-bearing liabilities	4,722	1,970	4,702
Current interest-bearing liabilities	280	2,307	218
Cash and cash equivalents	-594	-589	-695
Interest-bearing net debt	4,408	3,688	4,226
<i>of which interest-bearing lease liabilities</i>	<i>2,825</i>	<i>2,206</i>	<i>2,773</i>
Interest-bearing net debt excl. lease liabilities	1,583	1,482	1,453
Equity/assets ratio	28.0%	28.3%	28.4%
Interest-bearing net debt/adjusted EBITDA 12 months, times	4.9x	4.4x	4.6x

Cash flow

Cash flow for the first quarter amounted to SEK -123m (-196), where net cash flow from operating activities was SEK 78m (169). The lower cash flow from operating activities is mainly due to a lower profit before tax and changes in working capital mainly attributable to lower payments for assistance operations in Sweden.

Cash flow from investing activities amounted to SEK -59m (-82) for the quarter and is explained by acquisitions and investments in new units.

Cash flow from financing activities amounted to SEK -143m (-283) in the quarter, consisting entirely of repayment of lease liabilities and share buybacks.

Financial targets

Profitability

An operating margin of 7 percent over the medium term.

Revenue growth

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

Capital structure

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

Significant events in and after the end of the quarter

- 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 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.
- The Board of Directors proposes to the 2022 Annual General Meeting, to be held on 10 May, that the holdings of treasury shares to be cancelled and the share capital to be restored by way of bonus issue.
- Humana's board proposes to the 2022 AGM, that no dividend be paid for the 2021 financial year.

Sustainability

Quality Report, first quarter, January–March 2022

Humana Quality Index and quality at Humana

Quality is difficult to measure, especially in the area of health and social care. Since 2017, Humana has been measuring and reporting on quality using our index, known as the Humana Quality Index (HQI). In 2021, work was undertaken to revise and develop the index and its underlying indicators. The new index was implemented in January 2022, and the results of the new HQI for the first quarter of 2022 are now ready. Although some of the underlying measurement areas are the same as before, it is not possible to compare the overall results of the old and new index against one another. For this reason, a new benchmark was established for the HQI for the first quarter of 2022. You can read more about the new HQI here:

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

Quality measurement does not lead to any improvements in itself, but 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 at every level of the company.

Humana's quality index largely provides indirect indicators of the quality of our operations' efforts for customers and clients, as we primarily measure conditions that are indirectly assumed to have an effect on care. We will continue to work to establish indicators of direct quality of care, that is, those that show the actual effect of the efforts made for our customers and clients. The entire care industry in the Nordics is facing the same challenge, and Humana wants to be a leader in terms of quality measurement and evaluation.

Results of the Humana Quality Index, first quarter 2022

The results of the HQI in the first quarter of 2022 was 73 (on a scale of 1–100). The quarter was affected by the pandemic, with many of Humana's operations struggling with sick leave, something that applied to all Nordic countries. Short-term sick leave in several business areas was between 7 and 8 percent. The business area with the highest HQI was Norway, at 85.

The number of individual plans followed up according to schedule was 91 percent, the same result as for the previous quarter.

The number of serious deviations reported to authorities during the quarter was 6, down from 9 in the previous quarter.

Humana's customer satisfaction index, CSI, reached 85 percent, which is the same as in the previous quarter. This is in line with our established target, and represents a good result.

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 31 March 2022 was 11,236 (10,231).

Shares, share capital and shareholders

The number of shares in Humana AB at 31 March 2022 amounted to 53,140,064 with a quotient value of SEK 0.022, corresponding to share capital of SEK 1,180,890. The number of shareholders was 4,522. 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 mandated to repurchase shares as long as the company's total holdings of treasury shares does not exceed one-tenth of all shares in the company and to transfer treasury 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. After the transactions, the total number of shares excluding treasury shares is 47,826,058.

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 made at arm's length 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. 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.

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. 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 the pandemic began.

The war in Ukraine that broke out at the end of February may have an impact on Humana's operations, initially through the wave of refugees reaching the Nordic region. In the longer term, the development may lead to an impact on the world economy, and strained social economy in the Nordic region, 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 CEO certifies that this interim report for the first quarter 2022 gives a true and fair presentation of the Parent Company's and Group's operations, financial position and profit, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, 5 May 2022

Johanna Rastad,
President and CEO

Consolidated income statement

SEK millions	Note	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Net revenue		2,147	1,984	8,339	8,176
Other operating revenue		0	2	10	12
Operating revenue	3.4	2,147	1,986	8,349	8,188
Other external expenses		-266	-229	-964	-926
Personnel costs		-1,692	-1,554	-6,471	-6,333
Depreciation, amortisation and impairment		-111	-91	-440	-420
Other operating expenses		-1	-	-17	-16
Operating expenses		-2,070	-1,874	-7,892	-7,695
Operating profit		77	112	458	493
Financial income		2	2	4	4
Financial expenses		-41	-35	-148	-143
Profit before tax		38	79	313	354
Income tax		-9	-16	-71	-78
Net profit for the period		29	63	243	276
Attributable to:					
Parent Company shareholders		29	63	243	276
Earnings per share, SEK, before dilution		0.60	1.27	5.02	5.67
Earnings per share, SEK, after dilution		0.60	1.27	5.02	5.67
Average number of shares, thousands		48,379	49,415	48,443	48,699

Consolidated statement of other comprehensive income

SEK millions	Note	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Net profit for the period		29	63	243	276
Other comprehensive income					
Items that have been/may be reclassified to profit or loss					
Hedges of net investments in foreign operations	6	-16	-24	-17	-24
Exchange rate difference on translation of foreign operations		37	49	40	51
Net profit and other comprehensive income for the period		50	87	266	303
Attributable to:					
Parent Company shareholders		50	87	266	303

Condensed consolidated balance sheet

SEK millions	Note	31 Mar 2022	31 Mar 2021	31 Dec 2021
Assets				
Non-current assets				
Goodwill	5	4,207	3,925	4,148
Other intangible assets		12	13	11
Property, plant and equipment		379	322	360
Right-of-use assets		2,721	2,130	2,669
Financial assets		57	43	55
Total non-current assets		7,376	6,434	7,243
Current assets				
Trade receivables and other receivables		961	865	923
Other current receivables		170	165	140
Cash and cash equivalents		594	589	695
Total current assets		1,725	1,619	1,759
TOTAL ASSETS		9,101	8,052	9,002
Equity and liabilities				
Equity				
Share capital		1	1	1
Other paid-in equity		1,096	1,096	1,096
Reserves		41	19	21
Retained earnings		1,410	1,167	1,436
Equity attributable to Parent Company shareholders		2,548	2,282	2,553
Total equity		2,548	2,282	2,553
Non-current liabilities				
Non-current lease liability		2,547	1,970	2,557
Other interest-bearing liabilities	6	2,174	-	2,146
Deferred tax liabilities		73	72	74
Provisions		6	-	4
Total non-current liabilities		4,801	2,042	4,780
Current liabilities				
Current lease liability		278	236	216
Other interest-bearing liabilities		3	2,071	3
Trade payables		131	111	165
Other current liabilities	6	1,341	1,310	1,285
Total current liabilities		1,752	3,728	1,669
TOTAL EQUITY AND LIABILITIES		9,101	8,052	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	-	-	-	63	63	63
Other comprehensive income for the period	-	-	25	-	25	25
Total comprehensive income for the period	-	-	25	63	88	88
Owner transactions						
Share buybacks	-	-	-	-159	-159	-159
Total owner transactions	-	-	-	-159	-159	-159
Closing balance, 31 Mar 2021	1	1,096	19	1,167	2,282	2,282
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	-	-	-	29	29	29
Other comprehensive income for the period	-	-	21	-	21	21
Total comprehensive income for the period	-	-	21	29	50	50
Owner transactions						
Share buybacks	-	-	-	-55	-55	-55
Total owner transactions	-	-	-	-55	-55	-55
Closing balance, 31 Mar 2022	1	1,096	41	1,410	2,548	2,548

Condensed consolidated statement of cash flows

SEK millions	Note	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Profit before tax		38	79	313	354
Adjustments for:					
Depreciation, amortisation and impairment		111	91	440	420
Financial items, net		39	33	144	139
Capital gain on sale of property, plant and equipment		-	-1	3	2
Other non-cash items		1	-	-2	-4
Cash flow from operating activities before change in working capital		189	202	898	912
Change in working capital		-32	23	-67	-12
Cash flow from operating activities		156	225	831	900
Financial items paid, net		-37	-30	-146	-139
Income tax paid		-41	-26	-87	-72
Net cash flow from operating activities		78	169	598	689
Acquisition of subsidiaries, net cash impact	5	-18	-59	-112	-153
Disposal of subsidiaries, net effect on cash and cash equivalents		-1	-	-1	-
Disposal of properties		-	6	-6	-
Investments in other non-current assets, net		-40	-29	-116	-107
Cash flow from investing activities		-59	-82	-236	-260
Net change in borrowings		-	-50	-	-50
Repayment of lease liabilities		-88	-73	-326	-312
Share buybacks		-55	-159	-55	-159
Cash flow from financing activities		-143	-283	-382	-521
Cash flow for the period		-123	-196	-19	-92
Cash and cash equivalents, opening balance		695	759	-589	759
Exchange differences in cash and cash equivalents		21	-26	24	28
Cash and cash equivalents, closing balance		594	589	594	695

Key ratios

	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Operating revenue	2,147	1,986	8,349	8,188
Operating margin, %	3.6%	5.7%	5.5%	6.0%
Interest-bearing net debt, SEK million	4,408	3,688	4,408	4,226
Return on capital employed, %	1.0%	1.7%	6.1%	6.6%
Equity/assets ratio, %	28.0%	28.3%	28.0%	28.4%
Operating cash flow, SEK million	115	197	698	785
Interest-bearing net debt/adjusted EBITDA, 12 months, times	4.9x	4.4x	4.9x	4.6x
Average full-time employees, Individual & Family	2,317	2,105	2,222	2,169
Average full-time employees, Personal Assistance	5,115	5,029	5,230	5,209
Average full-time employees, Elderly Care	1,140	954	1,002	955
Average full-time employees, Finland	2,052	1,619	1,713	1,605
Average full-time employees, Norway	1,064	960	1,020	994
Average full-time employees, Central Functions, including Denmark	60	63	64	65
Total average full-time employees	11,748	10,731	11,250	10,996
Full-time employees at end of period	11,236	10,231	11,236	10,945
Average number of customers, Individual & Family	1,863	1,804	1,804	1,789
Average number of customers, Personal Assistance	1,842	1,878	1,865	1,874
Average number of customers, Elderly Care	1,037	837	944	894
Average number of customers, Finland	4,091	3,924	4,120	4,079
Average number of customers, Norway	448	358	428	406
Average number of customers, Denmark	70	67	62	61
Total average number of customers	9,352	8,868	9,223	9,102
Average number of shares, thousands	48,379	49,415	48,443	48,699
Equity per share, SEK	53	43	53	52
Earnings per share, SEK, after dilution	0.60	1.27	5.02	5.67

Parent Company

Condensed income statement

SEK millions	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Operating revenue	-	-	-	-
Operating expenses	-4	-5	-15	-16
Operating profit	-4	-5	-15	-16
Interest income	0	1	39	40
Interest expenses	-29	-41	-91	-103
Profit after financial items	-33	-45	-67	-79
Group contributions	-	-	132	132
Change in untaxed reserves	-	-	-1	-1
Profit before tax	-33	-45	64	52
Income tax	7	9	-15	-13
Net profit for the period	-26	-36	49	39

Condensed balance sheet

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current assets	1,684	1,629	1,684
Current assets	1,428	1,401	1,897
TOTAL ASSETS	3,112	3,030	3,582
Equity	1,427	1,377	1,508
Untaxed reserves	149	148	149
Non-current interest-bearing liabilities	1,529	0	1,508
Other current liabilities	7	1,506	417
TOTAL EQUITY AND LIABILITIES	3,112	3,030	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-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021
Net revenue – External income	577	553	761	751	196	151
Other operating revenue	0	-	-	-	-	-
Operating revenue	577	553	761	751	196	151
Profit before depreciation, amortisation and other operating expenses	37	50	51	50	1	8
Depreciation, amortisation and impairment	-14	-9	0	-	-5	-3
Other operating expenses	-	-	-	-	-	-
Operating profit	23	41	50	50	-4	5

SEK millions	Finland		Norway		Other		Total	
	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021
Net revenue – External income	361	316	247	208	5	5	2,147	1,984
Other operating revenue	-	-	0	2	0	-	0	2
Operating revenue	361	316	247	210	5	5	2,147	1,986
Profit before depreciation, amortisation and other operating expenses	6	15	20	18	73	62	188	203
Depreciation, amortisation and impairment	-4	-4	-2	-2	-86	-73	-111	-91
Other operating expenses	-	-	0	-	-1	-	-1	-
Operating profit	3	11	18	17	-13	-12	77	112

Note 4 Revenue by country

SEK millions	Jan-Mar 2022	Jan-Mar 2021
Sweden	1,534	1,455
Finland	361	316
Norway	247	210
Denmark	5	4
Total operating revenue	2,147	1,986

Note 5 Acquisitions

Net assets in acquired companies at date of acquisition

SEK millions	Humanan Kallio Oy ¹
Non-current assets	6
Current assets	19
Non-current liabilities	-
Current liabilities	-25
Net identifiable assets and liabilities	0
Goodwill	23
Total consideration	23
Cash and cash equivalents in acquired entities	-4
Contingent consideration	-5
Effect on cash and cash equivalents	14
	Other
Settlement of considerations attributable to prior acquisitions	3
Minor acquisitions	-
Total effect on cash and cash equivalents	18

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 & Family 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 quarter. The acquired company contributed SEK -3m to profit for the quarter. Transaction costs of SEK 0.2m have been reported as administrative costs in the Group.

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

31 Mar 2022	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	81	81	81	-	-	81

31 Mar 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	31 Mar 2022	31 Dec 2021
Opening balance, 1 January	80	6
Total recognised gains and losses:		
Acquisitions	5	81
Settled during the period	-3	-19
Reversed to income statement	-	12
Closing balance, end of period	81	80

Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As at 31 March 2022, the Group had exposure to EUR, NOK and DKK. DKK makes up a small amount and is not hedged. NOK and EUR are hedged using loans in foreign currency. Hedge accounting entails recognising the effective part of the translation differences in the consolidated statement of other comprehensive income. As at 31 March 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 -21m (-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	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/22	Jan-Dec 2021
Adjusted operating profit				
Operating profit	77	112	458	493
Retroactive repayment of previously paid-in pension premiums	-	-	-11	-11
Final settlement dispute	-	-	13	13
Adjusted operating profit	77	112	460	495
Adjusted EBITDA				
Operating profit	77	112	458	493
Depreciation, amortisation and impairment	111	91	440	420
EBITDA	187	203	897	913
Retroactive repayment of previously paid-in pension premiums	-	-	-11	-11
Final settlement dispute	-	-	13	13
Adjusted EBITDA	187	203	899	916
Organic revenue growth				
Revenue, base	1,983	1,932	7,812	7,761
Revenue, organic growth	35	47	226	238
Total organic growth	1.8%	2.4%	2.9%	3.1%
Operating cash flow				
Operating profit	77	112	458	493
Depreciation, amortisation and impairment	111	91	440	420
Change in working capital	-32	23	-67	-12
Investments in other non-current assets, net	-40	-29	-131	-117
Operating cash flow	115	197	698	785

	31 Mar 2022	31 Mar 2021	31 Dec 2021
Interest-bearing net debt			
Non-current interest-bearing liabilities	4,722	1,970	4,702
Current interest-bearing liabilities	280	2,307	218
Cash and cash equivalents	-594	-589	-695
Interest-bearing net debt	4,408	3,688	4,226
Adjusted EBITDA, 12 months	899	841	916
Interest-bearing net debt/Adjusted EBITDA, 12 months, times	4.9x	4.4x	4.6x
Return on capital employed, %			
Total assets	9,101	8,052	9,002
Deferred tax liabilities	-73	-72	-74
Trade payables	-131	-111	-165
Other current liabilities	-1,341	-1,310	-1,285
Capital employed	7,556	6,559	7,478
Operating profit	77	112	493
Financial income	2	0	1
Total	79	112	494
Return on capital employed, %	1.0%	1.7%	6.6%
Equity/assets ratio, %			
Total equity	2,548	2,282	2,553
Total assets	9,101	8,052	9,002
Equity/assets ratio, %	28.0%	28.3%	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 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, on 5 May 2022 at 08:00 CET.

Conference call

A web-based teleconference will be held on 5 May 2022 at 09:00 CET at which President and CEO Johanna Rastad and CFO Noora Jayasekara will present the report and answer questions. To participate, call:

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Financial calendar

2022 Annual General Meeting	10 May 2022
Interim report Jan–Jun, Q2 2022	18 Aug 2022
Interim report Jan–Sep, Q3 2022	10 Nov 2022

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