

# Q1



## INTERIM REPORT JANUARY-MARCH 2023

### Summary of the first quarter

- Net sales amounted to SEK 4,044m (3,482). Organic growth was 8.9 percent.
- Lease adjusted EBITA (EBITA according to the previous accounting standard) was SEK 116m (31), corresponding to a lease adjusted operating margin of 2.9 percent (0.9).
- Operating profit (EBITA) amounted to SEK 241m (142), corresponding to an operating margin of 6.0 percent (4.1).
- The profit for the period amounted to SEK 28m (-32). Diluted earnings per share were SEK 0.17 (-0.20). Adjusted earnings per share after dilution were SEK 0.43 (0.09).
- Free cash flow amounted to SEK 8m (57).
- There were 20,923 (21,155) beds in Attendo's homes at the end of the period. Occupancy in the homes was 86 percent (84).

### Group key figures

SEKm	Q1			Jan-Dec
	2023	2022	Δ%	2022
Net sales	4,044	3,482	16%	14,496
Lease adjusted operating profit (EBITA) <sup>1</sup>	116	31	274%	199
Lease adjusted operating margin (EBITA) <sup>1</sup> , %	2.9	0.9	-	1.4
Operating profit (EBITA) <sup>1</sup>	241	142	70%	674
Operating margin (EBITA) <sup>1</sup> , %	6.0	4.1	-	4.6
Profit for the period	28	-32	-	-44
Earning per share diluted, SEK	0.17	-0.20	-	-0.28
Adjusted earnings per share diluted <sup>1</sup> <sup>2</sup> , SEK	0.43	0.09	383%	0.68
Free cash flow	8	57	-86%	24

1) See also definitions of key data and alternative performance measures on pages 29-30.

2) Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets, IFRS 16 and items affecting comparability and related tax effects divided with the average number of shares outstanding, after dilution.

# Clear progress in Finland leads to improved result

The first quarter of the year was characterised by preparations for the new staffing standard in Finland, related to access to competence, quality improvement and renegotiations of contracts in care for older people. The new contracts provide the conditions going forward to provide good care at lower cost than publicly operated alternatives while once again turning to surplus after several years in the red. The outcome of the new contracts from April are in line with expectations and previous communications. We see a clear improvement in earnings already in the first quarter as an effect of positive price effects already from the turn of the year in combination with well-executed preparations ahead of the new staffing standard.

Financial performance in the Scandinavian business was flat, where improvements generated by higher occupancy were offset by annual price adjustments that did not fully compensate for cost increases.

With price and cost conditions clarified, we can assess our capacity to achieve the financial targets we set in early 2021 with greater certainty. Overall, we see good potential to achieve SEK 4 per share in 2024, thus a quarter or two later than originally planned.

**Group:** High growth and improved performance  
We are reporting growth of 16 percent in the first quarter, driven primarily by price adjustments in Finland, acquisitions and higher occupancy in Scandinavia. Costs have increased in both business areas, however, and sick-leave rates remain elevated. Lease-adjusted EBITA for the first quarter of 2023 increased by SEK 85 million compared to the preceding year to SEK 116 million, corresponding to an operating margin of 2.9 percent.

**Finland:** Clear turn-around already in Q1  
Sales in Attendo Finland increased by around 17 per cent in the quarter in local currency, mainly due to higher prices and acquisitions, but also good growth in other segments. Price increases of about 12 percent of sales starting at the beginning of the year combined with operational improvements have clearly improved adjusted EBITA, which amounted to SEK 73m for Q1, an increase of SEK 91m compared to Q1 2022. Operating result is still being held back by high personnel costs related primarily to preparing for higher staffing requirements, overtime costs and high sick leave,



Martin Tivéus, CEO

*– Attendo's long-term goal is to have the most satisfied customers in every location where we operate. That ambition motivates every local operation to do their utmost to deliver good care.*

although these costs were somewhat lower than expected. Rents increased by about 10 percent during the quarter.

Staffing requirements and other regulatory requirements have successively increased in Finland since 2019. As of 1 April 2023, the staffing requirement will increase from 0.60 to 0.65 care workers per resident. The costs of providing Finnish care for older people have thus increased dramatically, exceeding 50 percent across a period of five years.

The renegotiations of contracts for our nursing homes in Finland completed in Q1 were thus aimed at securing reasonable compensation for previous and upcoming cost increases due to higher regulatory requirements and the high rate of inflation in the past year.

The contract negotiations resulted in an average price adjustment of about 12 percent of total sales in Attendo Finland in Q1. Additional price effects in Q2 are estimated at 6-7 percent of total sales. Cost increases are estimated to be 1-2 percentage points lower.

On the whole, the new contractual situation provides a basis for recovery after several years of unsustainable conditions in the Finnish nursing home business.

**Scandinavia:** Improvements in occupancy offset by costs inflation

Sales in Attendo Scandinavia increased by about 5 percent compared to the corresponding quarter last year, primarily as a consequence of higher occupancy in nursing homes in own operations and price adjustments. Lease-adjusted EBITA was slightly lower at SEK 61m (66).

Operating result in nursing homes in own operations increased as a result of higher occupancy compared to the same period in 2022. Staffing costs remain high and no compensation has been paid for higher sick-leave, compared to the preceding year. Inflation has also had significant impact, primarily in terms of higher costs for rent, food and consumable supplies that had not been fully compensated for by Swedish local authorities ahead of 2023.

Consequently, the company and the industry as a whole need to work actively with contracting local authorities to create better understanding for sustainable terms and conditions.

### **Favourable conditions for reaching SEK 4 per share in 2024**

Ahead of 2021, Attendo set a target to achieve adjusted EPS of at least SEK 4 for the full year 2023. The turnaround programme was based mainly on renegotiation of contracts in Finland to secure compensation for increased requirements, combined with post-pandemic recovery of occupancy levels. As we have noted previously, the challenging situation in the labour market for care workers in Finland, as well as high inflation, have affected our estimate of when the profit target will be reached.

Now that the renegotiations of contracts in care for older people in Finland are by and large complete, we see good potential to achieve SEK 4 per share in 2024, one or a few quarters later than originally planned. Financial performance improved in Q1 and we expect further improvements in Q2.

### **Quarterly sustainability reporting from 2023**

According to the UN's Agenda 2030, a sustainable society

is based on people with needs having good and equal access to high-quality health and care services. As a large care company, our focus areas for sustainability lie primarily within the social dimension, with a focus on our customers, quality and care solutions and employees. In the past, we have reported sustainability data annually, but starting in 2023, we will gradually increase reporting quarterly as well.

This quarter we can see that customer satisfaction increased in both Sweden and Finland. We are also starting to report the measurements we make in the area of quality of life starting in Finland, where the RAI methodology gives us the opportunity to measure perceived quality of life. Continuously measuring quality of life is key to meeting the individual's needs in order to provide person-centred care. It also supports the ambition our company has had since the beginning in 1985 and which we have been expressing for over 20 years as "empowering the individual".

### **Commitment is the key to good care**

We know that empowered and committed employees are the single-most important factor in realising our ambition to achieve high-quality care and the highest customer satisfaction in every location of operation. We also know that structural demand for care workers is increasing in pace with an ageing population and higher staffing requirements. There has been imbalance in the Finnish labour market for several years.

We are working intensively to address this situation and to attract and retain the best employees. We have made major strides in the past year in Finland, where the situation has been the most critical. Among other actions, we have implemented and improved our induction programme for all employees, expanded our internal training academy and implemented an updated leadership programme for all managers. We have also expanded leadership training for all new managers in Sweden and launched several initiatives to create clearer career paths for our employees and position Attendo as a preferred employer. We strongly believe that satisfied employees are the key to delivering good care and ensuring that more people choose Attendo in the future.

Martin Tivéus, President and CEO

# Group

## January - March 2023

### Net sales and operating profit

Net sales increased by 16.1 percent to SEK 4,044m (3,482) during the quarter. Adjusted for currency effects, net sales increased by 11.7 percent. Organic growth accounted for 8.9 percent and the net change due to acquisitions and divestments was 2.9 percent. Organic growth increased significantly and it was attributable mainly to increased net sales in Attendo Finland arising primarily from price increases.

Lease adjusted operating profit (EBITA) amounted to SEK 116m (31). The lease adjusted operating margin (EBITA) was 2.9 percent (0.9). Profits increased sharply in Attendo Finland, but decreased slightly in Attendo Scandinavia. Profit growth in Attendo Finland is explained mainly by price increases that exceeded cost increases in care for older people nursing homes, as well as generally lower sick leave. The profit decline in Scandinavia was explained mainly by weaker financial performance in home care, as well as received public compensation in the comparison quarter related to increased sick leave costs. Sick leave in the business areas was significantly lower than in the comparison quarter and also decreased compared to Q4 2022, but remains at a high level.

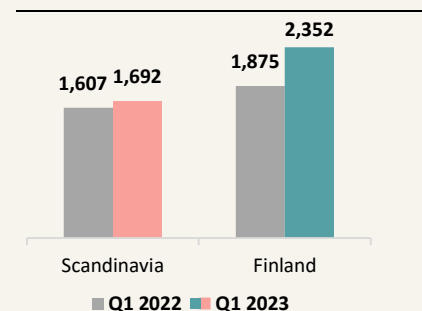
Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 125m (111).

Operating profit (EBITA) amounted to SEK 241m (142) and the operating margin was 6.0 percent (4.1). Currency effects amounted to SEK 9m.

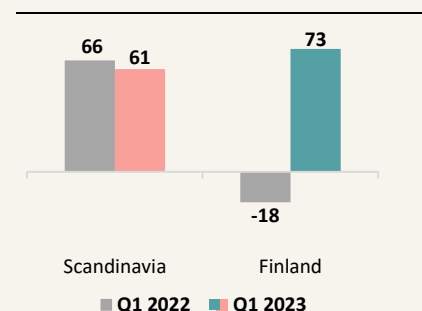
Operating profit (EBIT) amounted to SEK 226m (127), corresponding to an operating margin (EBIT) of 5.6 percent (3.6). The change is attributable to the same factors described above.

The total number of beds in operation in all homes was 20,923 (21,155) at the end of the quarter. The reason for the lower number of beds is related to ended outsourcing units in Sweden and to closed down nursing homes in Finland. Occupancy in all homes was 86 percent (84) at the end of the quarter. The number of beds under construction in own operations was 325 across 6 homes.

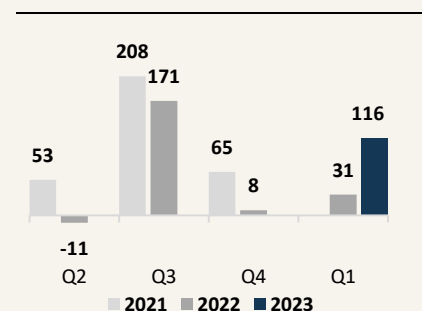
Net sales per business area,  
Q1 2023 (SEKm)



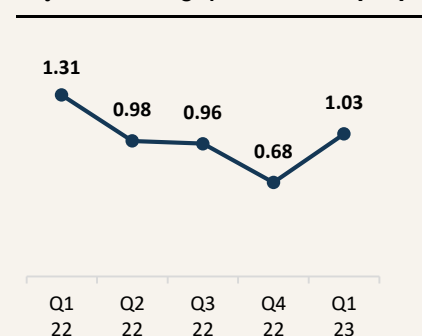
Lease adjusted operating profit (EBITA)  
per business area, Q1 2023 (SEKm)



Lease adjusted operating profit (EBITA)  
per quarter (SEKm)



Adjusted earnings per share, r12 (SEK)



**Net financial items**

Net financial items amounted to SEK -190m (-169) for the quarter, including net interest expense of SEK -30m (-9). Interest expense related to the lease liability real estate in accordance with IFRS 16 amounted to SEK -163m (-153).

**Tax**

Income tax for the period amounted to SEK -8m (10), corresponding to a tax rate of 22.3 percent (23.1).

**Profit and earnings per share for the period**

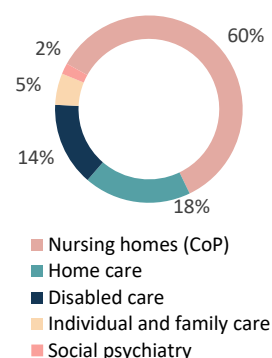
Profit for the period was SEK 28m (-32), corresponding to basic and diluted earnings per share for shareholders in the parent company of SEK 0.17 (-0.20). Adjusted earnings per share after dilution were SEK 0.43 (0.09).

# ATTENDO SCANDINAVIA

## More sold own nursing home beds

SEKm	Q1		Jan-Dec
	2023	2022	2022
Net sales	1,692	1,607	6,599
Lease adjusted EBITA	61	66	380
Lease adjusted EBITA margin, %	3.6	4.1	5.8
Operating profit (EBITA)	109	113	577
Operating margin (EBITA), %	6.4	7.0	8.7

Net sales by service offering,  
Q1 2023



## January–March 2023

Net sales in Attendo Scandinavia amounted to SEK 1,692m (1,607), corresponding to growth of 5.3 percent including currency effects and 5.1 percent excluding currency effects. The increase is attributable primarily to higher net sales in nursing homes, mainly a result of more sold beds. Net sales in home care and outsourced nursing homes decreased.

The number of sold beds and occupancy in homes increased sharply in relation to the comparison quarter and occupancy also increased compared to Q4 2022.

Lease adjusted EBITA amounted to SEK 61m (66), corresponding to a lease-adjusted operating margin of 3.6 percent (4.1). Profits in home care decreased due to fewer performed hours and lower efficiency. Price increases in 2023 do not fully compensate for the historically high cost increases. Attendo Scandinavia received public compensation for costs related to sick leave in the comparison quarter. Sick leave was lower than in the comparison quarter and Q4 2022, but remains at a high level. Profits were positively affected by the significant increase of sold beds in own nursing homes (CoP). Calendar effects had minor positive effect on profits.

Effects on operating profit related to IFRS 16 amounted to SEK 48m (47).

Operating profit (EBITA) amounted to SEK 109m (113), corresponding to an operating margin (EBITA) of 6.4 percent (7.0).

### Beds and contracts

Attendo Scandinavia opened one nursing home with 58 beds in Denmark and closed one nursing home in Sweden. At the end of the quarter, there were 83 beds under construction in own operations. Attendo Scandinavia lost a large outsourcing contract during the quarter and annual sales for outsourcing contracts won but not yet started and outsourcing contracts lost but not yet ended are thus estimated to SEK -250m.

Business area:

# ATTENDO SCANDINAVIA

## Beds and customers

Attendo Scandinavia	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Number of beds in homes in operation <sup>1</sup>	7,078	7,129	7,070	6,986	6,961
Occupancy in homes <sup>1</sup> , %	81	82	85	85	86
Number of opened beds <sup>2</sup>	60	84	-	-	58
Number of beds, construction start in the quarter <sup>2</sup>	60	5	-	-	-
Number of beds under construction <sup>2</sup>	220	141	141	141	83
Number of home care customers	n.i.	n.i.	8,235	8,230	8,180

1) All homes.

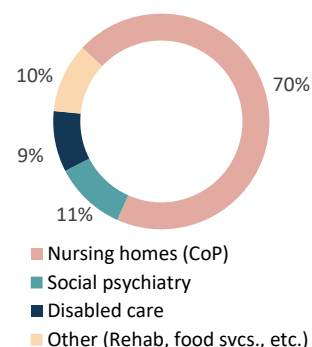
2) Own homes.

*Attendo's definition of home care customers was changed 2023. Historical periods with available data have been adjusted.*

## Significant progress during the quarter

SEKm	Q1		Jan-Dec
	2023	2022	2022
Net sales	2,352	1,875	7,897
Lease adjusted EBITA	73	-18	-111
<i>Lease adjusted EBITA margin, %</i>	3.1	-1.0	-1.4
Operating profit (EBITA)	150	46	167
<i>Operating margin (EBITA), %</i>	6.4	2.5	2.1

Net sales by service offering,  
Q1 2023



### January - March 2023

Net sales in Attendo Finland amounted to SEK 2,352m (1,875) corresponding to growth of 25.5 percent. Adjusted for currency effects, net sales increased by 17.5 percent. The growth is attributable to higher net sales, primarily in nursing homes due to price increases, and acquisitions. Total price increases amounted to about 12 percent. Subsequent to the comparison quarter, Attendo has closed a number of homes due to staff shortages or problems related to occupancy.

Occupancy in homes increased in relation to the comparison quarter and to Q4 2022, in spite of the challenging staffing situation.

Lease adjusted EBITA amounted to SEK 73m (-18) and lease adjusted EBITA margin was 3.1 percent (-1.0). The profit increase is explained primarily by higher price increases than cost increases, but also by lower sick leave costs, as well as positive profit contribution from acquisitions. Sick leave was significantly lower than in the

comparison quarter and also lower than in Q4 2022. Price increases in care for people with disabilities and

social psychiatry did not fully compensate for the high cost increases. Calendar effects had minor positive effect on profits.

Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 77m (64).

Operating profit (EBITA) amounted to SEK 150m (46) and the operating margin (EBITA) was 6.4 percent (2.5). Currency effects amounted to SEK 10m.

#### Beds and contracts

Construction of one nursing home started during the quarter and the total number of beds under construction in own operations at the end of the quarter was 242.



Business area:

# ATTENDO FINLAND

## Beds and customers

Attendo Finland	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Number of beds in homes in operation <sup>1</sup>	14,077	13,933	14,012	13,946	13,962
Occupancy in homes <sup>1</sup> , %	85	85	85	85	86
Number of opened beds <sup>2</sup>	-	-	130	-	-
Number of beds, construction start in the quarter <sup>2</sup>	-	-	-	101	58
Number of beds under construction <sup>2</sup>	213	213	83	184	242
Number of home care customers	550	607	590	586	493

1) All homes.

2) Own homes.

# Cash flow

## January - March 2023

Free cash flow was SEK 8m (57) during the quarter, whereof changes in working capital amounted to SEK -103m (67). The negative effect in working capital is due partly to an increase in trade receivables following new administrative procedures in the new welfare regions in Finland.

Cash flow from operations was SEK 361m (384). Cash used for net investments in non-current assets was SEK -28m (-59). Cash flow from investing activities thus amounted to SEK -32m (-65).

Cash flow from financing activities was SEK -263m (-318). Bank loans of SEK 112m (-) were raised during the quarter and bank loans of SEK 50m (50) were repaid. Total cash flow amounted to SEK 66m (1).

## Financial position

Equity attributable to shareholders in the parent company amounted to SEK 5,037m (4,925) as of 31 March 2023, representing diluted equity per share attributable to shareholders in the parent of SEK 31.30 (30.77). Net debt amounted to SEK 15,249m (13,752). Lease adjusted net debt, excluding lease liability real estate, amounted to SEK 1,878m (1,536).

Interest-bearing liabilities amounted to SEK 15,827m (14,278) on 31 March 2023. Cash and cash equivalents as of 31 March 2023 amounted to SEK 575m (517) and Attendo had SEK 1,488m (1,750) in unutilised credit facilities.

Net debt/EBITDA was 6.5 (6.3). Lease adjusted net debt/lease adjusted EBITDA was 3.6 (2.7).

SEKm	31 Mar		31 Dec
	2023	2022	2022
Interest-bearing liabilities	15,827	14,278	14,805
Provision for post-employment benefits	-3	-9	0
Cash and cash equivalents	-575	-517	-507
<b>Net debt</b>	<b>15,249</b>	<b>13,752</b>	<b>14,298</b>
Lease liability real estate	-13,371	-12,216	-12,440
<b>Lease adjusted net debt</b>	<b>1,878</b>	<b>1,536</b>	<b>1,858</b>

SEKm	31 Mar		31 Dec
	2023	2022	2022
Net debt / EBITDA	6.5	6.3	6.6
Lease adjusted net debt /			
Lease adjusted EBITDA	3.6	2.7	4.4

# SUSTAINABLE CARE

## Sustainability in quarterly reporting

Attendo works systematically and purposefully with sustainability within five focus areas. These focus areas - Quality of life, Value-adding care solutions, Empowered employees, Environment in mind and Responsible operations are based on Attendo's business strategy and guiding objectives. As a large care company, our focus areas for sustainability lie primarily within the social dimension, with customers and employees in particular focus of our work to create better care for more people.

During 2022, Attendo established a number of new KPIs for the focus areas, with the aim to ensure measurable outcomes of our work. These key figures were presented in the annual report for 2022. From the first quarter onwards, the KPIs will also be reported on a quarterly basis, together with important activities and progress in each focus area.

There are still few generally accepted standards for measuring quality and outcomes in social care. Our ambition is to develop and report outcome measures that both put the customer at the center and contribute to standardization within the sector. This is a long-term commitment and the measures we work with today will be continuously developed.

## Value-adding care solutions: New tool for systematic quality development

In the beginning of March, Attendo Scandinavia introduced a new support tool for systematic quality assurance. The new tool will simplify and even better support planning and follow-up of the quality work at local, regional and segment level. It will also provide enhanced analytics capabilities, supporting the development of best practices.

## Quality of life: the RAI method and ASCOT

Attendo Finland started applying the RAI method, which has been statutory since April 2023, on a smaller scale already in 2015. RAI is used to assess customers' health status and has been developed to increase each individual's self-determination and to adapt the care to the individual's needs and wishes, very well in line with Attendo's vision. The work to implement RAI in all relevant units in Attendo Finland is ongoing and will gradually provide both comparability and increased insights into how the care can be developed.

In the spring, another 24 operations in Attendo Scandinavia begin to use the ASCOT method for quality of life interviews, after which the method is introduced in approximately one third of Attendo's nursing homes. In parallel, Attendo's quality index, which measures e.g. process quality in Attendo's operations, is being developed.

## Attendo's focus areas and ambitions

Focus area	Ambition
Quality of life	Attendo should create <b>wellbeing</b> and <b>meaning</b> in day-to-day life and be a leader in <b>customer satisfaction</b> .
Value-adding care solutions	Attendo should make <b>reliable</b> , <b>innovative</b> and <b>cost-effective</b> care available as a <b>preferred partner</b> to local authorities.
Empowered employees	Attendo should be a <b>preferred employer</b> that exhibits <b>outstanding leadership</b> and encourages <b>personal growth</b> and <b>equal opportunities</b> .
Environment in mind	Attendo should be a <b>resource-efficient</b> care provider <b>on a path towards net zero</b> greenhouse gas emissions.
Responsible operations	Attendo should be a <b>reliable</b> care provider that delivers <b>values-driven</b> care that is robust and <b>transparent</b> .

# SUSTAINABLE CARE

## Key sustainability figures for Q1 2023

Focus area	Key figures	Outcome	Comments
Quality of life	Customer satisfaction, cNPS (-100 to +100)	38	Percentage of customers that answered 9 or 10 (0-10) when asked how likely it is that they would recommend Attendo minus the percentage that answered 6 or below. The measurement refers to Q1 2023. The outcome in Q4 2022 was 36.
	Relatives satisfaction, rNPS (-100 till +100)	29	Percentage of relatives of customers that answered 9 or 10 (0-10) when asked how likely it is that they would recommend Attendo minus the percentage that answered 6 or below. The measurement was carried out in Q4 2022.
	AQ quality index (0-100, Scandinavia only)	90	The Attendo Quality Thermometer (AQ23). The outcome refers to reported AQ23 indicators in Q1 2023. The outcome in Q4 2022 was 89. This measure is intended to be replaced with ASCOT (quality of life) outcomes as soon as possible.
	RAI index (0-10, Finland only)	5.5	Measured quality of life based on weighted average of reported RAI indicators in Attendo Finland in Q1 2023.
Value-adding care solutions	Number of customers who receive care from Attendo	27,600	Refers to beds sold in homes, daily activities, rehabilitation, family care home placements and home care services customers in Q1 2023. Note that Attendo updated the definition of home care services customers in 2023. The number of customers in Q4 2022 was 27,500 (according to the new definition).
	Beds opened in own operations (capacity made available), r12	272	Refers to beds in residential homes in own operations opened in the past twelve months.
	Beds under construction in own operations (investment in new capacity), r12	164	Refers to beds in residential homes in own operations for which construction began in the past twelve months.
Empowered employees	Employee satisfaction, eNPS (-100 till +100)	6	Percentage of employees that answered 9 or 10 (0-10) when asked how likely it is that they would recommend Attendo minus the percentage that answered 6 or below. Measurement in Q4 2022 (AF) and Q1 2023 (AS)
	Short-term sick leave, %	6.5	Percentage short-term sick leave. Average in Q1 2023. The outcome in Q4 2022 was 7.6%.
Environment in mind	Emissions of climate gases, g/SEK	1.5	Emissions of climate gases, grams CO2e per SEK in turnover. Refers to the full year 2022.
Responsible operations	N/A	-	Key figures for this focus area are being developed.

# SUSTAINABLE CARE

## Quality audits and deviations

Attendo has strict procedures for managing care deviations. This includes procedures for reporting, managing and following up deviations from internal guidelines or methods, as well as serious incidents that led to or risked leading to health and care injuries to individuals (under the Swedish Lex Sarah and Lex Maria statutes in Sweden).

Attendo's operations are supervised and comprehensively audited by national regulatory authorities, such as the Regional State Administrative Agency (AVI) in Finland and the Health and Social Care Inspectorate (IVO) in Sweden, as well as by contracting local authorities. As a leading care provider, Attendo attaches great importance to both learning from and transparency regarding

reported deviations, various types of inspections and their outcomes.

Procedures for self-reporting to and supervision by regulators and the classification of deviations and supervisory cases differ between Attendo's markets. Attendo reports both cases of a serious nature (Sweden) and the number of official cases in progress (Finland).

### Scandinavia

A total of seven cases were reported in Q1 to IVO in Sweden according to Lex Sarah or Lex Maria.

### Finland

Two cases were opened by AVI in Finland during Q1 and 24 cases were closed. The total number of cases opened was about 50 at the end of Q1.

# Other information

## Acquisitions

There were no acquisitions during the quarter.

## Changes in executive management

Attendo has appointed Mikael Malmgren Chief Financial Officer (CFO) and member of executive management. His most recent role prior to joining Attendo was Senior Vice President at McKinsey. Mikael will assume the role of CFO of Attendo in June. Attendo's current CFO Fredrik Lagercrantz will continue in his role until Mikael takes over.

## Number of shares

The total number of shares is 161,386,592. Attendo holds 453,697 treasury shares and the total number of shares outstanding as of 31 March 2023 was thus 160,932,895.

## Number of employees

The average number of employees in Q1 was 20,699 (19,749).

## Related party transactions

Transactions with related parties are described in the annual report. Related-party transactions take place on market terms. There were no significant transactions with related parties during the period.

## Parent company, Attendo AB (publ)

The business of the parent company is to provide services to the subsidiaries and manage shares in subsidiaries. The company's expenses relate mainly to executive salaries, directors' fees and costs for external consultants.

Net sales for the period of January–March amounted to SEK 5m (4), and were entirely related to services provided to subsidiaries. The loss for the period after net financial items was SEK -8m (-8). At the end of the quarter, cash and cash equivalents amounted to SEK 0 (0), shares in subsidiaries to SEK 6,494m (6,494), and non-restricted equity to SEK 6,658m (6,564).

## Seasonal and calendar effects

Attendo's profitability is affected by factors including seasonal variations, weekends and national public holidays. For Attendo, public holidays and weekends have a negative effect on profitability mainly due to wage compensation for unsocial working hours. For example, profitability is affected by Easter in either the first or second quarter, depending on the quarter in which Easter falls, while the first and fourth quarters are affected by the Christmas and New Year's holidays.

## Roundings

Note that roundings occur in text, charts and tables.

## Significant events after the reporting date

### Annual General Meeting

The annual general meeting of shareholders in Attendo AB will be held 26 April 2023 at 16:30 CEST in Danderyd, Sweden.

# Risks and uncertainties

As a large company with a mission that is essential to society – empowering every individual in our care – and many stakeholders, Attendo is exposed to various types of risks and uncertainties. The work to identify, analyse, assess and manage these risks and uncertainties is a key component of Attendo’s strategy and operations.

All business requires companies to take risks in various forms and to various extents. Risk management, defined as the work involved in identifying, managing and monitoring risks, is a key component of Attendo’s strategy and operations.

Attendo takes a structured approach to managing risks based on a framework that covers industry and market risks, operational risks and financial risks. External risks related to the conditions for private companies to operate care businesses, political risks, regulatory risks and reputational risks. Operational risks refer to risks directly linked to Attendo’s operations, such as occupancy, pricing and access to skilled employees. Financial risks are related to factors including access to capital, exchange rates, interest rates and liquidity. The risks and how Attendo manages them are described in greater detail in Attendo’s annual report (see the “Risks and risk management” section in the 2022 annual report, pages 57-60).

## Current risks

Based on Attendo’s strategic focus areas and financial targets, the reform of Finnish care for older people and its effects, availability of qualified staff and the historically high inflation rate are the most significant risks at present. These risks, however, also entail opportunities for Attendo, in its capacity as a large and leading provider in Nordic care, to have favourable impact on long-term conditions in the sector.

### **The Finnish reform in care for older people**

A comprehensive care reform is ongoing in Finland. One of the aspects of the reform is that staffing requirements have been increased in several steps and are planned to increase further in 2023. Higher staffing requirements entail higher costs for all providers. Private providers must negotiate with each local region on price compensation for staffing changes, which entails uncertainty. Costs also arise before each step (staffing requirements) takes effect and there is consequently a lag before compensation is received. Staff provision in Finnish care for older people is generally strained and has been exacerbated by the reform.

### **A challenging business environment**

The Russian invasion of Ukraine has no direct impact on Attendo, as Attendo does not operate in either country. The company is, however, suffering indirect impact in the form of higher prices for fuel, energy, food and consumable supplies. There is high risk that it will not be possible to cover increased purchasing costs by raising prices during the year that the costs affect Attendo because compensation for inflation and comparable compensation is normally received after a delay according to contracts with Attendo’s payors and is to a certain extent dependent upon political decisions.

### **Continued impact of the Covid pandemic**

The Corona pandemic remains a risk for Attendo, with serious impact on Attendo’s business and financial performance. At present, the primary effects of the pandemic are increased personnel costs due to high absenteeism due to illness among employees and lower occupancy.

# Accounting policies

The group applies International Financial Reporting Standards (IFRS) and interpretations from IFRIC, as adopted by the European Union, the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups and related interpretations and the Swedish Annual Accounts Act.

This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act and should be read together with the annual report for 2022. The most significant accounting policies under IFRS, the reporting norm applied in preparing this interim report, are set forth in Note C1 on pages 72-76 of the annual report for 2022, which were applied to the preparation of this interim report.

The interim information on pages 1-15 is an integrated part of this financial report. The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation, RFR 2 Accounting for Legal Entities.

## Outlook

Attendo does not publish forecasts.

Danderyd, April 26, 2023

Martin Tivéus

President and CEO



# Financial reports

## Consolidated Income Statement

SEKm	Q1		Jan-Dec
	2023	2022	2022
Net sales	4,044	3,482	14,496
Other operating income	11	4	61
<b>Total revenue</b>	<b>4,055</b>	<b>3,486</b>	<b>14,557</b>
Personnel costs	-2,665	-2,381	-9,929
Other external costs	-725	-598	-2,454
<b>Operating profit before amortization and depreciations (EBITDA)</b>	<b>665</b>	<b>507</b>	<b>2,174</b>
Amortization and depreciation of tangible and intangible assets	-424	-365	-1,500
<b>Operating profit after depreciation (EBITA)</b>	<b>241</b>	<b>142</b>	<b>674</b>
<i>Operating margin (EBITA), %</i>	<i>6.0</i>	<i>4.1</i>	<i>4.6</i>
Amortization and write-down of acquisition related intangible assets	-15	-15	-58
<b>Operating profit (EBIT)</b>	<b>226</b>	<b>127</b>	<b>616</b>
<i>Operating margin (EBIT), %</i>	<i>5.6</i>	<i>3.6</i>	<i>4.2</i>
Net financial items	-190	-169	-658
<b>Profit before tax</b>	<b>36</b>	<b>-42</b>	<b>-42</b>
Income tax	-8	10	-2
<b>Profit for the period</b>	<b>28</b>	<b>-32</b>	<b>-44</b>
<i>Profit margin, %</i>	<i>0.7</i>	<i>-0.9</i>	<i>-0.3</i>
<b>Profit for the period attributable to:</b>			
Parent company shareholders	28	-33	-45
Non-controlling interest	-	1	1
Basic earnings per share, SEK	0.17	-0.20	-0.28
Diluted earnings per share, SEK	0.17	-0.20	-0.28
Average number of shares outstanding, basic, thousands	160,933	160,913	160,925
Average number of shares outstanding, diluted, thousands	160,940	160,932	160,938

## Consolidated Statement of Comprehensive Income

SEKm	Q1		Jan-Dec
	2023	2022	2022
<b>Profit for the period</b>	<b>28</b>	<b>-32</b>	<b>-44</b>
<b>Other comprehensive income for the period</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit pension plans, net of tax	1	10	1
<b>Items that may be reclassified to profit or loss</b>			
Exchange rate differences on translating foreign operations attributable to the parent company shareholders	7	16	85
<b>Other comprehensive income for the period</b>	<b>8</b>	<b>26</b>	<b>86</b>
<b>Total comprehensive income for the period</b>	<b>36</b>	<b>-6</b>	<b>42</b>
<b>Total comprehensive income attributable to:</b>			
Parent company shareholders	36	-7	41
Non-controlling interest	-	1	1

# Consolidated Balance Sheet

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	7,238	6,906	7,204
Other intangible assets	496	487	504
Equipment	632	547	642
Right-of-use assets	12,017	10,910	11,118
Financial assets	533	457	512
<b>Total non-current assets</b>	<b>20,916</b>	<b>19,307</b>	<b>19,980</b>
<b>Current assets</b>			
Trade receivables	1,558	1,303	1,400
Other current assets	464	472	437
Cash and cash equivalents	575	517	507
	<b>2,597</b>	<b>2,292</b>	<b>2,344</b>
Assets held for sale	1	6	1
<b>Total current assets</b>	<b>2,598</b>	<b>2,298</b>	<b>2,345</b>
<b>Total assets</b>	<b>23,514</b>	<b>21,605</b>	<b>22,325</b>
<b>EQUITY and LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to the parent company shareholders	5,037	4,925	5,001
Non-controlling interest	-	26	-
<b>Total equity</b>	<b>5,037</b>	<b>4,951</b>	<b>5,001</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	2,414	2,034	2,330
Long-term lease liabilities <sup>1</sup>	12,039	11,102	11,246
Provisions for post-employment benefits	0	0	0
Long term provisions	101	76	88
Other non-current liabilities	166	107	165
<b>Total non-current liabilities</b>	<b>14,720</b>	<b>13,319</b>	<b>13,829</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	-	-	-
Short-term lease liabilities <sup>2</sup>	1,374	1,141	1,229
Trade payables	347	411	462
Short-term provisions	36	39	49
Other current liabilities	2,000	1,740	1,755
	<b>3,757</b>	<b>3,331</b>	<b>3,495</b>
Liabilities held for sale	0	4	0
<b>Total current liabilities</b>	<b>3,757</b>	<b>3,335</b>	<b>3,495</b>
<b>Total equity and liabilities</b>	<b>23,514</b>	<b>21,605</b>	<b>22,325</b>

1) Long-term lease liabilities include car leases amounting to SEK 10m (2m) and full year 2022 15.

2) Short-term lease liabilities include car leases amounting to SEK 32m (25m) and full year 2022 20.

## Consolidated Cash Flow Statement

	Q1		Jan-Dec
	2023	2022	2022
<b>Operational cash flow (alternative performance measure), SEKm</b>			
Operating profit (EBITA) <sup>1</sup>	241	142	674
Depreciation and amortization of tangible and intangible assets	424	365	1,500
Changes in working capital	-103	67	-70
Paid income tax	-19	-27	-60
Other non-cash items	-5	0	-51
<b>Cash flow after changes in working capital</b>	<b>538</b>	<b>547</b>	<b>1,993</b>
Investments on tangible and intangible assets	-34	-61	-204
Divestments of tangible and intangible assets	6	2	17
<b>Operating cash flow</b>	<b>510</b>	<b>488</b>	<b>1,806</b>
Interest received/paid	-14	-10	-55
Interest expense for lease liabilities of real estate	-163	-153	-605
Repayment of lease liabilities	-325	-268	-1,122
<b>Free cash flow</b>	<b>8</b>	<b>57</b>	<b>24</b>
Net change in assets and liabilities held for sale	-	-	1
Acquisition of operations	-4	-6	-204
Divestment of subsidiaries	-	-	-
Warrants	-	-	2
Repayment of loans	-50	-50	-100
New borrowings	112	-	250
<b>Total cash flow</b>	<b>66</b>	<b>1</b>	<b>-27</b>
Cash and cash equivalents at the beginning of the period	507	513	513
Effect of exchange rate changes on cash	2	3	21
<b>Cash and cash equivalents at the end of the period</b>	<b>575</b>	<b>517</b>	<b>507</b>
	Q1		Jan-Dec
	2023	2022	2022
<b>Cash flow according to IFRS, SEKm</b>			
Cash flow from operations	361	384	1,333
Cash flow from investing activities	-32	-65	-390
Cash flow from financing activities	-263	-318	-970
<b>Total cash flow</b>	<b>66</b>	<b>1</b>	<b>-27</b>

## Consolidated Statement of Changes in Equity

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>Opening balance</b>	<b>5,001</b>	<b>4,957</b>	<b>4,957</b>
<b>Total comprehensive income attributable to:</b>			
The parent company shareholders	36	-7	41
Non-controlling interest	-	1	1
<b>Transactions with owners</b>			
Warrants	-	-	2
Share-savings plan	-	-	0
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>2</b>
Transactions with non-controlling interest	-	-	0
<b>Closing balance</b>	<b>5,037</b>	<b>4,951</b>	<b>5,001</b>
<b>Equity attributable to:</b>			
Parent company shareholders	5,037	4,925	5,001
Non-controlling interests	-	26	-

## Segment in Summary

SEKm	Scandinavia			Finland			Other and eliminations			Group		
	Q1	Q1	Helår	Q1	Q1	Helår	Q1	Q1	Helår	Q1	Q1	Helår
	2023	2022	2022	2023	2022	2022	2023	2022	2022	2023	2022	2022
<b>Net sales</b>	<b>1,692</b>	<b>1,607</b>	<b>6,598</b>	<b>2,352</b>	<b>1,875</b>	<b>7,897</b>	-	-	-	<b>4,044</b>	<b>3,482</b>	<b>14,495</b>
- Net sales, own operations	1,280	1,231	5,114	2,290	1,862	7,852	-	-	-	3,570	3,093	12,966
- Net sales, outsourcing	412	376	1,484	62	13	45	-	-	-	474	389	1,529
<b>Lease adjusted EBITA</b>	<b>61</b>	<b>66</b>	<b>380</b>	<b>73</b>	<b>-18</b>	<b>-111</b>	<b>-18</b>	<b>-17</b>	<b>-70</b>	<b>116</b>	<b>31</b>	<b>199</b>
<i>margin (EBITA), %</i>	<i>3.6</i>	<i>4.1</i>	<i>5.8</i>	<i>3.1</i>	<i>-1.0</i>	<i>-1.4</i>	-	-	-	<i>2.9</i>	<i>0.9</i>	<i>1.4</i>
<b>Operating profit (EBITA)</b>	<b>109</b>	<b>113</b>	<b>57</b>	<b>150</b>	<b>46</b>	<b>167</b>	<b>-18</b>	<b>-17</b>	<b>-70</b>	<b>241</b>	<b>142</b>	<b>154</b>
<i>Operating margin (EBITA), %</i>	<i>6.4</i>	<i>7.0</i>	<i>0.9</i>	<i>6.4</i>	<i>2.5</i>	<i>2.1</i>	-	-	-	<i>5.9</i>	<i>4.1</i>	<i>1.1</i>

## Net Financial Items

SEKm	Q1		Jan-Dec
	2023	2022	2022
Net interest expense (excluding lease liabilities for real estate)	-30	-9	-49
Interest expense, lease liabilities for real estate	-163	-153	-605
Other	3	-7	-4
<b>Net financial items</b>	<b>-190</b>	<b>-169</b>	<b>-658</b>

## Investments

SEKm	Q1		Jan-Dec
	2023	2022	2022
<b>Investments</b>			
Investments in intangible assets	3	22	36
Investments in tangible assets	34	39	168
Divestments of tangible and intangible assets	-9	-2	-17
<b>Total net investments</b>	<b>28</b>	<b>59</b>	<b>187</b>
<b>Intangible assets acquired through business combination</b>			
Goodwill	1	6	124
Customer relations	4	0	34
Other	-	-	-
<b>Total intangible assets acquired through business combination</b>	<b>5</b>	<b>6</b>	<b>158</b>

## Financial Assets and Liabilities

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Financial assets measured at fair value</b>			
Trade receivables	1,558	1,303	1,400
Cash and cash equivalents	575	517	507
<b>Total financial assets</b>	<b>2,133</b>	<b>1,820</b>	<b>1,907</b>
<b>LIABILITIES</b>			
<b>Financial liabilities at fair value through profit or loss</b>			
Contingent considerations	56	-	56
Purchase option from non-controlling interests	-	21	-
<b>Financial liabilities measured at amortised cost</b>			
Borrowings	2,414	2,034	2,330
Lease liabilities	13,413	12,243	12,475
Trade payables	347	411	462
<b>Total financial liabilities</b>	<b>16,230</b>	<b>14,709</b>	<b>15,323</b>

The table shows the Group's significant financial assets and liabilities. Assets and liabilities recognized as loans and receivables, and other financial liabilities are valued at amortized cost. Fair value for all financial assets and liabilities are equal to the carrying value. For complete table and further information see Attendo's Annual report 2021, note C26.

### Valuation technique

Level 3: The fair value of contingent considerations is based on estimated outcome from the contractual clauses in the share purchase agreements.

## Pledged Assets and Contingent Liabilities

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
Assets pledged as collateral	72	53	64
Contingent liabilities <sup>1</sup>	2,494	3,013	2,510

1) Leases of assets not yet in use are reported in contingent liabilities. Contingent liabilities also include a potential outflow of resources to complete acquisitions of real estate and operations from a few local authorities in Finland.

## Adjusted Earnings and Adjusted Earnings per Share Q1 2023

	Reported	Acq. <sup>1</sup>	IFRS 16 <sup>2</sup>	Total adj.	Adjusted earnings
<b>SEKm</b>					
Net sales	4,044	-	-	-	4,044
Other operating income	11	-	-	-	11
<b>Operating profit before amortization and depreciation (EBITDA)</b>	<b>665</b>	<b>-</b>	<b>-488</b>	<b>-488</b>	<b>177</b>
Amortization and depreciation of tangible and intangible assets	-424	-	363	363	-61
<b>Operating profit (EBITA)</b>	<b>241</b>	<b>-</b>	<b>-125</b>	<b>-125</b>	<b>116</b>
Amortization and write-down of acquisition related intangible assets	-15	15	-	15	-
<b>Operating profit (EBIT)</b>	<b>226</b>	<b>15</b>	<b>-125</b>	<b>-110</b>	<b>116</b>
Net financial items	-190	-	163	163	-27
<b>Profit before tax (EBT)</b>	<b>36</b>	<b>15</b>	<b>38</b>	<b>53</b>	<b>89</b>
Income tax	-8	-3	-8	-11	-19
<b>Profit for the period</b>	<b>28</b>	<b>12</b>	<b>30</b>	<b>42</b>	<b>70</b>
<b>Profit for the period attributable to:</b>					
The parent company shareholders	28	12	30	42	70
Non-controlling interests	-	-	-	-	-
Average number of shares outstanding, diluted, thousands	160,940	160,940	160,940	160,940	160,940
<b>Earnings per share diluted, SEK</b>	<b>0.17</b>	<b>0.07</b>	<b>0.19</b>	<b>0.26</b>	<b>0.43</b>

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1) and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

## Adjusted Earnings and Adjusted Earnings per Share Q1 2022

	Reported	Acq. <sup>1</sup>	IFRS 16 <sup>2</sup>	Total adj.	Adjusted earnings
<b>SEKm</b>					
Net sales	3,482	-	-	-	3,482
Other operating income	4	-	-	-	4
<b>Operating profit before amortization and depreciation (EBITDA)</b>	<b>507</b>	<b>-</b>	<b>-421</b>	<b>-421</b>	<b>86</b>
Amortization and depreciation of tangible and intangible assets	-365	-	310	310	-55
<b>Operating profit (EBITA)</b>	<b>142</b>	<b>-</b>	<b>-111</b>	<b>-111</b>	<b>31</b>
Amortization and write-down of acquisition related intangible assets	-15	15	-	15	-
<b>Operating profit (EBIT)</b>	<b>127</b>	<b>15</b>	<b>-111</b>	<b>-96</b>	<b>31</b>
Net financial items	-169	-	153	153	-16
<b>Profit before tax (EBT)</b>	<b>-42</b>	<b>15</b>	<b>42</b>	<b>57</b>	<b>15</b>
Income tax	10	-3	-8	-11	-1
<b>Profit for the period</b>	<b>-32</b>	<b>12</b>	<b>34</b>	<b>46</b>	<b>14</b>
<b>Profit for the period attributable to:</b>					
The parent company shareholders	-33	12	34	46	13
Non-controlling interests	1	-	-	-	1
Average number of shares outstanding, diluted, thousands	160,932	160,932	160,932	160,932	160,932
<b>Earnings per share diluted, SEK</b>	<b>-0.20</b>	<b>0.08</b>	<b>0.21</b>	<b>0.29</b>	<b>0.09</b>

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1) and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

## Adjusted Earnings and Adjusted Earnings per Share Jan-Dec 2022

	Reported	Acq. <sup>1</sup>	IFRS 16 <sup>2</sup>	Total adj.	Adjusted earnings
<b>SEKm</b>					
Net sales	14,496	-	-	-	14,496
Other operating income	61	-	-19	-19	42
<b>Operating profit before amortization and depreciation (EBITDA)</b>	<b>2,174</b>	<b>-</b>	<b>-1,748</b>	<b>-1,748</b>	<b>426</b>
Amortization and depreciation of tangible and intangible assets	-1,500	-	1,273	1,273	-227
<b>Operating profit (EBITA)</b>	<b>674</b>		<b>-475</b>	<b>-475</b>	<b>199</b>
Amortization and write-down of acquisition related intangible assets	-58	58	-	58	-
<b>Operating profit (EBIT)</b>	<b>616</b>	<b>58</b>	<b>-475</b>	<b>-417</b>	<b>199</b>
Net financial items	-658	-	605	605	-53
<b>Profit before tax (EBT)</b>	<b>-42</b>	<b>58</b>	<b>130</b>	<b>188</b>	<b>146</b>
Income tax	-2	-12	-23	-35	-37
<b>Profit for the period</b>	<b>-44</b>	<b>46</b>	<b>108</b>	<b>154</b>	<b>110</b>
<b>Profit for the period attributable to:</b>					
The parent company shareholders	-45	46	108	154	109
Non-controlling interests	1	-	-	-	1
Average number of shares outstanding, diluted, thousands	160,938	160,938	160,938	160,938	160,938
<b>Earnings per share diluted, SEK</b>	<b>-0.28</b>	<b>0.29</b>	<b>0.67</b>	<b>0.95</b>	<b>0.68</b>

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1) and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.



## Key Data

		Q1		Jan-Dec
		2023	2022	2022
Organic growth	%	8.9	8.2	6.8
Acquired growth	%	2.9	3.3	3.0
Change in currencies	%	4.4	2.2	2.9
Operating margin (EBITA margin) r12	%	5.1	6.0	4.7
Lease adjusted operating margin (lease adjusted EBITA margin) r12	%	1.9	2.7	1.4
Working capital	SEKm	-360	-414	-429
Return on capital employed	%	3.6	3.9	3.2
Net debt to equity ratio	times	3.0	2.8	2.9
Equity to asset ratio	%	21	23	22
Net debt/EBITDA r12	times	6.5	6.3	6.6
Lease adjusted net debt / Lease adjusted EBITDA	times	3.6	2.7	4.4
Free cash flow	SEKm	8	57	24
Net investments	SEKm	-28	-59	-187
Average number of employees		20,699	19,749	20,821
Key data per share				
Earnings per share, basic	SEK	0.17	-0.20	-0.28
Earnings per share, diluted	SEK	0.17	-0.20	-0.28
Adjusted earnings per share, diluted	SEK	0.43	0.09	0.68
Equity per share, basic	SEK	31.30	30.77	31.07
Equity per share, diluted	SEK	31.30	30.77	31.07
Average number of shares outstanding, basic	thousands	160,933	160,913	160,925
Average number of shares outstanding, diluted	thousands	160,940	160,932	160,938
Number of shares, end of period	thousands	161,387	161,387	161,387
Number of treasury shares, end of period	thousands	454	474	454
Number of shares outstanding, end of period	thousands	160,933	160,913	160,933

## Quarterly Data

SEKm	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Total net sales	3,207	3,260	3,338	3,482	3,546	3,679	3,789	4,044
- Net sales, own operations	2,849	2,897	2,957	3,093	3,163	3,298	3,412	3,570
- Net sales, outsourcing	358	362	381	389	383	381	377	474
Total net sales	3,207	3,260	3,338	3,482	3,546	3,679	3,789	4,044
- Net sales, Scandinavia	1,489	1,516	1,584	1,607	1,631	1,670	1,691	1,692
- Net sales, Finland	1,718	1,744	1,754	1,875	1,915	2,009	2,098	2,352
Lease adjusted operating profit (EBITDA)	104	261	118	86	46	228	66	177
Lease adjusted operating margin (EBITDA margin), %	3.2	8.0	3.5	2.5	1.3	6.2	1.7	4.4
Lease adjusted operating profit (EBITA)	53	208	65	31	-11	171	8	116
Lease adjusted operating margin (EBITA margin), %	1.7	6.4	2.0	0.9	-0.3	4.7	0.2	2.9
Operating profit (EBITDA)	496	657	511	507	481	673	513	665
Operating margin (EBITDA margin), %	15.5	20.2	15.3	14.6	13.6	18.3	13.5	16.4
Operating profit (EBITA)	162	319	172	142	106	295	131	241
Operating margin (EBITA margin), %	5.1	9.8	5.2	4.1	3.0	8.0	3.5	6.0
Profit for the period	-19	95	-8	-32	-63	95	-44	28
Profit margin, %	-0.6	2.9	-0.2	-0.9	-1.8	2.6	-1.2	0.7
Earnings per share basic, SEK	-0.12	0.58	-0.06	-0.20	-0.39	0.59	-0.27	0.17
Earnings per share diluted, SEK	-0.12	0.58	-0.06	-0.20	-0.39	0.59	-0.27	0.17
Adjusted earnings per share diluted, SEK	0.19	0.83	0.21	0.09	-0.14	0.80	-0.07	0.43
Average number of employees	18,518	20,104	19,303	19,749	20,780	21,640	20,403	20,699
<b>Operational data</b>								
Number of units in operation <sup>1</sup>	716	716	710	711	705	707	705	712
Number of beds in homes <sup>2</sup>	20,858	20,935	21,093	21,155	21,062	21,082	20,932	20,923
Occupancy in homes, % <sup>2</sup>	83	83	84	84	84	85	85	86
Number of opened beds <sup>3</sup>	236	243	99	60	84	130	-	58
Number of beds, construction start in the quarter <sup>3</sup>	52	96	83	60	5	-	101	58
Number of beds under construction <sup>3</sup>	608	449	433	433	354	224	325	325

1) All units in all contract models and segments.

2) All homes.

3) Own homes.

## Parent Company Income Statement

SEKm	Q1		Jan-Dec
	2023	2022	2022
Net sales	5	4	17
Personnel costs	-9	-8	-35
Other external costs	-4	-4	-13
<b>Operating profit</b>	<b>-8</b>	<b>-8</b>	<b>-31</b>
Net financial items	-	0	-
<b>Profit after financial items</b>	<b>-8</b>	<b>-8</b>	<b>-31</b>
Group contributions	-	-	-98
<b>Profit before tax</b>	<b>-8</b>	<b>-8</b>	<b>-129</b>
Results of commission	55	46	243
Income tax	-12	-9	-29
<b>Profit for the period</b>	<b>35</b>	<b>29</b>	<b>85</b>

Profit for the period corresponds to total comprehensive income.

## Parent Company Balance Sheet

SEKm	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Shares in subsidiaries	6,494	6,494	6,494
<b>Total non-current assets</b>	<b>6,494</b>	<b>6,494</b>	<b>6,494</b>
<b>Current assets</b>			
Receivables to group companies	174	92	206
Other receivables	18	2	18
Cash and cash equivalents	0	0	0
<b>Total current assets</b>	<b>192</b>	<b>94</b>	<b>224</b>
<b>Total assets</b>	<b>6,686</b>	<b>6,588</b>	<b>6,718</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>6,659</b>	<b>6,565</b>	<b>6,623</b>
<b>Current liabilities</b>			
Liabilities to group companies	14	10	82
Other liabilities	13	13	13
<b>Total current liabilities</b>	<b>27</b>	<b>23</b>	<b>95</b>
<b>Total equity and liabilities</b>	<b>6,686</b>	<b>6,588</b>	<b>6,718</b>

# Attendo's operations

Attendo is the leading private provider of care services in the Nordics. The company has operations in Sweden, Finland and Denmark. Attendo is the largest private care provider in Sweden and Finland. Attendo is a locally based company and has more than 700 units in operation in about 300 municipalities. The company has about 30,000 employees. With the purpose of empowering the individual, Attendo provides services within care for older people, care for people with disabilities, social psychiatry and care for individuals and relatives.

Attendo provides services through two business areas, Attendo Scandinavia and Attendo Finland.

Attendo provides care services through two contract models:

- Own operations, where Attendo provides services in own controlled units/premises or provides home care in customer choice models. Attendo has own units within care for older people, people with

disabilities, social psychiatry and care for individuals and relatives.

- Outsourcing operations, where Attendo provides services in publicly controlled units/premises or provides home care services based on outsourcing contracts. Attendo has outsourced units for care for older people, care for people with disabilities and care for individuals and relatives.

Local authorities (mainly municipalities) are usually the contracting authorities for a large majority of Attendo's service offerings, but contract types and duration of contracts vary depending on the contract model and service offering. Own operations are normally based on framework agreements and outsourcing operations are based on outsourcing contracts, following a tender process. The contract period is typically 2-5 years.

# Definitions of key data and alternative performance measures (APM)

## Explanations of financial performance measures

### **Acquired growth** (APM)

The net between the increase in the company's net sales from businesses and operations acquired during the past 12 months and loss of net sales from businesses and operations divested during the past 12 months in relation to the comparable period's net sales.

### **Adjusted earnings per share** (APM)

Profit or loss for the period attributable to the parent company shareholders excluding effects from amortization and impairment of acquisition related intangible assets, IFRS 16 as well as items affecting comparability and related tax items divided by the number of outstanding shares after dilution. See the tables Adjusted earnings and adjusted earnings per share for more information.

### **Capital employed**

Equity plus interest-bearing liabilities and provisions for post-employment benefits. See Note C34 Reconciliations of alternative performance measures in the 2022 annual report for a reconciliation of the performance measure on a full year basis.

### **Cash and cash equivalents**

Cash and bank balances, short term investments and derivatives with a positive fair value.

### **Earnings per share**

Profit or loss for the period attributable to the parent company shareholders divided by average shares outstanding. Calculated both before (basic) and after dilution.

### **Equity/assets ratio**

Equity divided by total assets.

### **Equity per share**

Equity attributable to the parent company shareholders divided by average shares outstanding. Calculated both before (basic) and after dilution.

### **Free cash flow** (APM)

Free cash flow is a measure of the cash and cash equivalents the group generates in operating activities and investing activities. The performance measure is defined as operating cash flow after changes in working capital, cash flow from investments in and divestments of tangible and intangible assets, received/paid interest as well as

interest expense for lease liabilities of real estate and repayment of lease liabilities according to IFRS 16. See the Consolidated cash flow statement for reconciliation and Note C34 Reconciliations of alternative performance measures in the 2022 annual report for a reconciliation of the performance measure on a full year basis.

### **Items affecting comparability**

Items whose effects on profit are important to pay attention to when profit for the period is compared with earlier periods, such as significant impairment losses and other significant, non-recurring costs or income.

### **Lease adjusted EBITA** (APM)

See the definition of operating profit (EBITA) below. Lease adjusted operating profit (EBITA) is operating profit according to the previous reporting standard IAS 17, i.e. excluding the effects of the implementation of IFRS 16. Car leases were reported as finance leases under the previous standard. Consequently, it is the effects of leases of real estate under IFRS 16 that differentiate operating profit from lease adjusted operating profit. See the tables Adjusted earnings and adjusted earnings per share for more information.

### **Lease adjusted EBITDA** (APM)

See the definition of operating profit (EBITDA) below. Lease adjusted operating profit (EBITDA) is operating profit according to the previous accounting standard IAS 17, i.e. excluding the effects of the implementation of IFRS 16. Car leases were reported as finance leases under the previous standard. Consequently, it is the effects of leases of real estate under IFRS 16 that differentiate operating profit from lease adjusted operating profit. See the tables Adjusted earnings and adjusted earnings per share for more information.

### **Lease adjusted net debt** (APM)

See the definition of net debt below. Lease adjusted net debt is net debt according to the previous reporting standard IAS 17, i.e. excluding the IFRS 16 effect on lease liabilities attributable to right-of-use assets for real estate. See the table showing net debt calculation for more information.

### **Lease adjusted net debt / lease adjusted EBITDA** (APM)

Lease adjusted net debt in relation to lease adjusted EBITDA r12.

### **Lease adjusted operating margin (EBITA)** (APM)

Lease adjusted operating profit (EBITA) divided by net sales.

### **Lease adjusted operating margin (EBITDA)** (APM)

Lease adjusted operating profit (EBITDA) divided by net sales.

### **Net debt** (APM)

Net debt is a way of describing the group's indebtedness and its ability to repay its debt with cash and cash equivalents if all debts were to be due for payment today. Net debt is defined as interest-bearing liabilities plus provisions for post-employment benefits minus cash and cash equivalents. Net debt is presented both including and excluding lease liabilities attributable to right-of-use assets for real estate. See the section Financial position in this report for a reconciliation of net debt.

### **Net debt / EBITDA** (APM)

Net debt divided by operating profit (EBITDA) r12.

### **Net debt to equity ratio** (APM)

Net debt divided by equity.

### **Net investments** (APM)

The net of investments in and divestments of tangible and intangible assets, excluding acquisitions and divestment of operations as well as investments in and divestments of assets held for sale.

### **Operating margin (EBIT margin)**

Operating profit or loss (EBIT) divided by net sales.

### **Operating margin (EBITA margin)**

Operating profit (EBITA) divided by net sales.

### **Operating margin (EBITDA margin)**

Operating profit (EBITDA) divided by net sales.

**Operating profit (EBIT)**

(APM)

Attendo reports operating profit (EBIT) as a performance measure because it shows the development of operating activities independent of financing. Operating profit (EBIT) refers to profit before financial items and tax. See the Consolidated income statement for a reconciliation of EBIT.

**Operating profit (EBITA)**

(APM)

Operating profit (EBITA) is used as a performance measure because it shows the development of operating activities without the effect of amortization and impairments of intangible assets from acquired companies and independently of financing. Operating profit (EBITA) refers to profit before amortization of acquisition related intangible assets, financial items and tax. See the Consolidated income statement for a reconciliation of EBITA.

**Operating profit (EBITDA)**

(APM)

Attendo reports operating profit (EBITDA) as a performance measure because it shows the development of operating activities independent of financing and investments. Operating profit (EBITDA) refers to profit or loss before depreciation, amortization and impairments. See the Consolidated income statement for a reconciliation of EBITDA.

**Organic growth**

(APM)

Attendo reports organic growth as a performance measure to show underlying net sales development excluding acquisitions/divestments and currency effects. The performance measure is calculated as net sales growth excluding acquisitions / divestments and changes in exchange rates.

**Profit (Loss) for the period**

Profit or loss for the period attributable to parent company shareholders and non-controlling interest.

**Profit margin**

Profit or loss for the period divided by net sales.

**r12 "rolling 12 months"**

The sum of the period's past 12 months.

**Return on capital employed**

(APM)

Attendo reports return on capital employed because it shows profits in relation to the capital used in operations. The definition of return on capital employed is operating profit (EBIT) excluding items affecting comparability for the past 12 months divided by average capital employed. See Note C34 Reconciliations of alternative performance measures in the 2022 annual report for a

reconciliation of the performance measure on a full year basis.

**Working capital**

(APM)

Working capital is a key performance measure for optimising cash generation. The performance measure is defined as current assets excluding cash and cash equivalents and current interest-bearing assets minus current non-interest-bearing liabilities and provisions. Assets and liabilities held for sale are not included in working capital. See Note C34 Reconciliations of alternative performance measures in the 2022 annual report for a reconciliation of the performance measure on a full year basis.

## Explanations of operational measures

**CoP**

Care for older people.

**Occupancy**

The number of occupied beds divided by the number of available beds. Occupancy is a weighted average in the last month of each reporting period.



## INFORMATION TO SHAREHOLDERS AND ANALYSTS

### Financial Calendar

Annual General Meeting	26 April 2023
Interim report January-June 2023	20 July 2023
Interim report January-December 2023	24 October 2023
Year-end report January-December 2023	8 February 2024

### Presentation

A webcasted presentation will be held on April 26 at 11:00 (CET). You can follow the presentation at the following web link:

<https://ir.financialhearings.com/attendo-q1-2023>

Analysts and investors have the opportunity to dial into the presentation to ask questions. Contact information is obtained by emailing to: [kommunikation@attendo.se](mailto:kommunikation@attendo.se)

The report and other information material will be made available at:

<https://www.attendo.com/>

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This is information that Attendo AB (publ) 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 above on 16 April 2023 at 08.00 CET.

### Forward-looking information

This report contains forward-looking information that reflects Attendo management's current assessments and expectations on certain future circumstances and possible outcome. This type of forward-looking information involves risks and uncertainties that may significantly impact future outcome. The information is based on certain assumptions, including such attributable to general economic conditions in the company's markets and demand for the company's services.

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