



handicare
Making everyday life easier



Interim report
January – June 2020

Second quarter 2020

A quarter characterized by Covid-19. Despite this, adjusted EBITA was positive as a result of the rapid realignment of operations but also through structural improvement measures through the Lift Up Program. Handicare's financial position remains strong.

Second quarter 2020

- Revenue amounted to MEUR 39.0 (62.9).
- Organic growth was -31.6%.
- The gross margin was 40.1% (41.2).
- Adjusted EBITA amounted to MEUR 0.9 (5.3), corresponding to a margin of 2.4% (8.5).
- EBIT was MEUR -8.7 (3.8), including Other specified items of MEUR 8 relating to the Lift Up Program.
- Net profit (including discontinued operations) amounted to MEUR -28.2 (6.4). This includes realized capital loss from the divestment of Patient Handling Europe of MEUR -13.9, including transaction costs.
- Earnings per share (including discontinued operations) before and after dilution amounted to EUR -0.48 (0.11).
- Adjusted operating cash flow of MEUR 2.0 (0.9) and leverage improved to 2.2x.
- The divestment of Patient Handling Europe was completed on May 4.
- Decision to establish a local production facility for stairlifts in the US in 2021.
- Randi Binstock was appointed President, Patient Handling North America effective from 1 July 2020.

Covid-19 effects and financial impact

- At Group level, sales decreased organically by -35% in April - May, improving to -25% in June due to countries previously in lockdown opening up.
- Provided there are no more strict lockdowns during the third quarter, we expect sales to improve gradually.
- In the quarter, Handicare received government grants totaling MEUR 1.6, relating to personnel.
- Handicare's financial position and liquidity remain solid.



Group in Summary MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	39.0	62.9	-38.0 %	92.5	123.2	-24.9 %	214.1	244.9
Gross profit*	15.6	25.9	-39.7 %	37.8	50.2	-24.7 %	86.3	98.7
Gross margin*, %	40.1 %	41.2 %	-	40.9 %	40.8 %	-	40.3 %	40.3 %
Adjusted EBITDA*	2.7	7.4	-63.6 %	6.9	13.3	-48.4 %	18.6	25.1
Adjusted EBITDA margin*, %	6.9 %	11.8 %	-	7.4 %	10.8 %	-	8.7 %	10.2 %
Adjusted EBITA*	0.9	5.3	-82.8 %	3.2	9.2	-65.2 %	10.8	16.8
Adjusted EBITA margin*, %	2.4 %	8.5 %	-	3.5 %	7.5 %	-	5.1 %	6.9 %
Operating profit/loss (EBIT)	-8.7	3.8	n/a	-34.4	6.2	n/a	-40.3	0.3
Operating margin, (EBIT margin)*, %	-22.2 %	6.1 %	-	-37.2 %	5.0 %	-	-18.8 %	0.1 %
Adjusted operating profit/loss (adjusted EBIT)*	-0.7	3.8	n/a	0.0	6.2	-99.4 %	4.8	10.8
Adjusted operating margin (adjusted EBIT margin)*, %	-1.7 %	6.1 %	-	0.0 %	5.0 %	-	2.2 %	4.4 %
Net profit/loss (incl. discontinued operations)	-28.2	6.4	n/a	-49.2	9.9	n/a	-56.8	2.3
Earnings per share (incl. discontinued operat.) before and after dilution, EUR	-0.48	0.11	n/a	-0.83	0.17	n/a	-0.96	0.04
Adjusted Operating Cash Flow*	2.0	0.9	130.3 %	6.8	1.0	582.5 %	20.0	14.2
Net debt / Adjusted EBITDA (LTM)*, times	2.2	3.2	-32.1 %	2.2	3.2	-32.1 %	2.2	2.6

* Alternative performance measures, see pages 23-25 for definitions and calculations.

Handicare Auto A/S (Vehicle Accessibility Denmark) was divested in December and is included in continuing operations up until the date of divestment.

The Puls operations were divested on May 22 2019, and Patient Handling Europe was divested on May 4 2020. Both are reported as discontinued operations for all periods, see Note 4.

This report refers to Handicare's continued operations unless otherwise indicated.

CEO's Comments

Dear Shareholders,

During the quarter, Covid-19 impacted Handicare's operations across all segments with revenues being reduced, particularly in markets that were subject to extensive lockdowns. The Group's swift initiatives to scale down both direct and indirect costs has helped significantly to mitigate the negative impact on profitability. Short-term cost reductions have been achieved through a down-scaling of resources and by implementing cost freeze programs throughout the organisation. In addition, Handicare has successfully launched the Lift Up Program to implement a range of structural cost reduction initiatives which will improve the medium-term performance and efficiency of the Group.



As previously communicated, Group revenues declined 35% during April and May compared to the same period last year. In June, however, we saw that all markets started to slowly recover and we note a significant improvement in markets that have started to open up again. For June revenues dropped 25% versus last year and for the full second quarter, revenues dropped by 32% compared to the same period last year. Notwithstanding this very challenging environment, we report MEUR 0,9 in Adjusted EBITA for the quarter.

The Lift Up Program progressing ahead of plan

In conjunction with the first quarter report, we announced the launch of the Lift Up Program – a three-phased program aiming structurally and sustainably to lift the company to better performance. At the Capital Markets Update on June 12th, we presented cost reduction activities targeting an annual positive impact on Adjusted EBITA of MEUR 8, with an expected full run-rate effect during 2020. As most of the phase I activities are already in progress, we are ahead of the plan with approximately 90% of the full impact taking effect already by July.

In Patient Handling North America, a three-step plan to turn around the performance has been initiated. Several activities aiming to stabilize and improve the profitability have already been put into practise. On June 2nd, we also announced the appointment of Randi Binstock as the new President of the business unit.

Accelerating growth in Accessibility

Going forward, our priority will be to focus on growth initiatives that leverage the strong underlying fundamentals that characterize the Accessibility market, and our new improved structure. In the short term, emphasis will be put on reducing delivery lead times as well as on reinforcing the competitiveness of our supplier base. In addition, we proceed with selected commercial initiatives connected to product pricing and driving dealer growth across our markets.

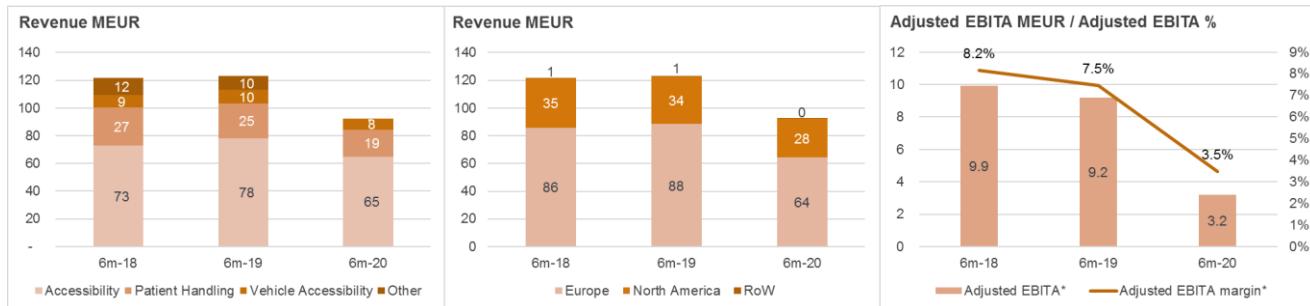
Building on our strong growth trajectory in North America, we have also decided to establish a stairlift production site in the US – a high potential market where Handicare has significant opportunities to gain additional market shares. The new site, which will be in full production during 2021, will allow us to considerably shorten lead times in the region, and thus increase our competitive advantage.

Outlook

In spite of the short-term negative effects of the Covid-19 pandemic, the long-term demand outlook for our products and solutions in Accessibility continues to be supported by global megatrends, and indeed the will for people to stay at home longer could even intensify. With most of the Lift Up program initiatives already implemented, we are confident we have established a more competitive cost base. Added to that, the improving trends seen through the second half of Q2 have continued encouragingly with strong order book momentum into July, so far. Current trading trends give us more confidence that barring any pandemic-related setbacks, further improvements can be expected into H2 2020. As a result of these trends, our strong financial position and cash flow dynamics, the streamlined cost base and a gradual market recovery should enable Handicare to gain positive earnings momentum. This will be a supportive backdrop against which to continue to apply our refreshed strategy beyond the current year, and to deliver on the medium-term objectives we have communicated to shareholders.

Johan Ek
President and CEO

Group performance



Group MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	39.0	62.9	-38.0 %	92.5	123.2	-24.9 %	214.1	244.9
Vehicle Accessibility Denmark	-	-5.0	-	-	-10.1	-	-7.9	-18.0
Currency effects*	-	-0.9	-	-	-0.8	-	-2.3	-3.1
Revenue, organic growth	39.0	57.1	-31.6 %	92.5	112.4	-17.7 %	203.9	223.8

*adjusted for translation effects, not transaction effects

Group MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	39.0	62.9	-38.0 %	92.5	123.2	-24.9 %	214.1	244.9
Cost of goods sold	-23.4	-37.0	n/a	-54.7	-73.0	n/a	-127.8	-146.2
Gross profit*	15.6	25.9	-39.7 %	37.8	50.2	-24.7 %	86.3	98.7
Operating costs	-12.9	-18.5	n/a	-31.0	-36.9	n/a	-67.7	-73.6
Adjusted EBITDA*	2.7	7.4	-63.6 %	6.9	13.3	-48.4 %	18.6	25.1
Depreciation of tangible fixed assets	-1.8	-2.1	n/a	-3.7	-4.1	n/a	-7.8	-8.2
Adjusted EBITA*	0.9	5.3	-82.8 %	3.2	9.2	-65.2 %	10.8	16.8
Other specified items	-8.0	-	n/a	-9.5	-	n/a	-20.0	-10.5
EBITA	-7.1	5.3	n/a	-6.3	9.2	n/a	-9.2	6.3
Adjusted EBITA (excl Veh. Acc. DK)*	0.9	5.3	-82.7 %	3.2	9.0	-64.5 %	10.8	16.6

Key figures, %	2020	2019	2020	2019	2020	2019
<i>Gross margin*</i>	40.1 %	41.2 %	40.9 %	40.8 %	40.3 %	40.3 %
<i>Adjusted EBITDA margin*</i>	6.9 %	11.8 %	7.4 %	10.8 %	8.7 %	10.2 %
<i>Adjusted EBITA margin*</i>	2.4 %	8.5 %	3.5 %	7.5 %	5.1 %	6.9 %
<i>EBITA margin*</i>	-18.1 %	8.5 %	-6.8 %	7.5 %	-4.3 %	2.6 %
<i>Adjusted EBITA margin (excl Vehicle Acc. DK)*</i>	2.4 %	9.2 %	3.5 %	8.0 %	5.2 %	7.3 %

* Alternative performance measures, refer to pages 23-25 for definitions and calculations. Vehicle Accessibility Denmark was divested in December 2019 and is included in the continuing operations up until the date of divestment (revenue is excluded in the organic growth calculation). Puls and Patient Handling Europe are reported as discontinued operations in this report.

April – June 2020

Revenue and earnings

The quarter was characterized by Covid-19 and Handicare's priority was to safeguard the welfare of its employees and customers while rapidly adapting operations and implement measures to protect the company's financial position and liquidity. These measures included short-term adaptations of capacity in the form of furloughs, reduction in temporary resources and non-essential costs, as well as the implementation of the Lift Up Program.

Revenue decreased by -38.0% in the second quarter, mainly due to Covid-19, although it was also impacted by the divested operations Vehicle Accessibility Denmark being included in the comparative period. Revenue decreased organically by -31.6%, mainly due to the negative effects of Covid-19, and driven by countries with strict lockdown policies in the quarter. Broken down over individual months in the quarter, the organic sales decrease was -35% in April - May, improving to -25% in June due to countries coming out of lockdown. Accessibility reported an organic decrease of -33.9%, Patient Handling -30.0% and Vehicle Accessibility -17.1%.

The adjusted EBITA margin decreased to 2.4% (8.5) as a result of the sharp decrease in revenue due to Covid-19. Operating costs were significantly lower in absolute terms, down by MEUR -5.6 or 30%, but were up on the previous year in relation to revenue. The decrease in absolute terms was due to the rapidly implemented short-term capacity adjustments and the long-term effects of the Lift Up Program feeding through in the quarter. Approximately MEUR 0.9 of the decrease in operating costs are attributable to Covid-19-related government grants on several markets, relating to personnel. The fact that Vehicle Accessibility Denmark was not included in costs for 2020 also generated some positive effect. Gross margin decreased by just over 1 percentage point to 40.1% (41.2%), driven by a lower margin in Accessibility, mainly due to increased shipping costs (related to Covid-19) and an unfavorable product mix. Gross profit includes Covid-19-related government grants totaling MEUR 0.8, related to personnel. Other specified items relate to costs associated with the Lift Up Program.

Exchange rate effects (translation effect) on adjusted EBITA were MEUR -0.1.

Net financial items decreased to MEUR -5.1 (-2.3). Interest expenses amounted to MEUR -0.8 (-1.1), of which MEUR -0.1 related to the leasing liability. Exchange rate effects had a negative impact of MEUR -4.3 (-1.2) on net financial items. Profit before tax for continued operations was MEUR -13.7 (1.5).

Tax expense for the quarter amounted to MEUR -0.8 (-0.4). Profit for the period for continuing operations totaled MEUR -14.5 (1.1), corresponding to earnings per share of EUR -0.25 (0.02) before and after dilution.

Profit for the period amounted to MEUR -28.2 (6.4), corresponding to earnings per share of EUR -0.48 (0.11) before and after dilution. Realized losses from the divestment of Patient Handling Europe amounted to MEUR 13.9, including transaction costs.

January – June 2020

Revenue and earnings

Revenue decreased by -24.9% in the first six months, partly due to the divestment of Vehicle Accessibility Denmark. Revenue decreased organically by -17.7% mainly due to the negative effects of Covid-19. At Group level, sales decreased from mid-March due to lower demand and delays to individual projects. For the six-month period, all business units reported decreased organic revenue, of which Accessibility -17.0%, Patient Handling -23.2% and Vehicle Accessibility -8.1%.

The adjusted EBITDA margin decreased to 3.5% (7.5) as a result of the sudden drop in revenue from Covid-19, which increased operating costs in relation to revenue year-on-year. Gross margin increased slightly to 40.9% (40.8), mainly driven by a change in the product mix resulting from the divestment of Vehicle Accessibility Denmark in December 2019. Operating costs were down in absolute terms year-on-year, due to the measures introduced in March to offset the impact of Covid-19, effects from the Lift Up Program and because Vehicle Accessibility Denmark has not been included in costs for 2020. Other specified items relate to costs associated with the Lift Up Program and the strategic review.

Exchange rate effects (translation effect) on adjusted EBITA were MEUR -0.2.

In the first quarter, Handicare recognized a goodwill impairment of MEUR 25 relating to the Patient Handling operations in North America, as a result of updated impairment testing that included a delayed return to positive growth in Patient Handling. The impairment did not affect cash flow. After impairment, goodwill relating to Patient Handling in North America amounts to MEUR 15.

Net financial items improved to MEUR -0.3 (-2.2). Interest expenses amounted to MEUR -1.9 (-2.2), of which MEUR -0.3 related to the leasing liability. Exchange rate effects had a positive impact of MEUR 1.5 (-0.0) on net financial items. Profit before tax for continuing operations was MEUR -34.8 (3.9).

Tax expense amounted to MEUR -2.3 (-0.9) in the period. Profit for the period for continuing operations totaled MEUR -37.0 (3.0), corresponding to earnings per share of EUR -0.63 (0.05) before and after dilution.

Profit for the period amounted to MEUR -49.2 (9.9), corresponding to earnings per share of EUR -0.83 (0.17) before and after dilution. Realized losses from the divestment of Patient Handling Europe amounted to MEUR 13.9, including transaction costs.

Cash flow and financial position

During the quarter, cash flow from operating activities amounted to MEUR -0.1 (2.4). The decrease year-on-year was primarily due to lower results. Payments relating to Other specified items amounted to MEUR -1.9 (-0.5), mainly attributable to the strategic review and the Lift Up Program.

Net investments in tangible/intangible assets amounted to MEUR -1.0 (-1.0) in the quarter. These were distributed over fixed assets MEUR -0.2, capitalized development costs MEUR -0.3 and IT MEUR -0.4.

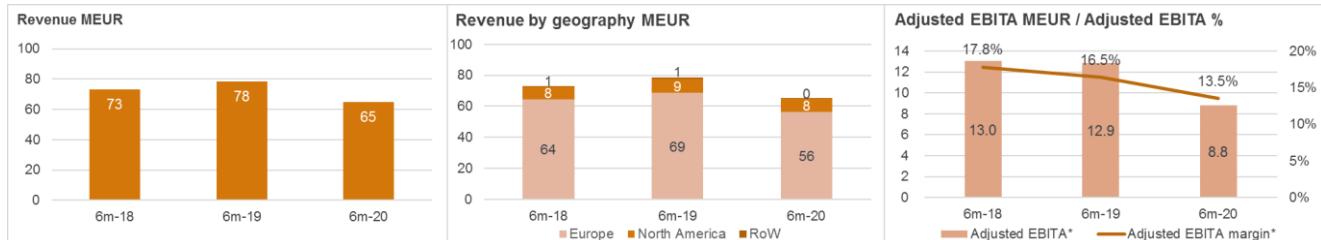
Cash and cash equivalents amounted to MEUR 54.6 (29.1) at the end of the period. Interest-bearing net debt (excluding lease liabilities pursuant to IFRS 16) totaled MEUR 29.0 (76.6) at the end of the period. The decrease in net debt on year-end of MEUR 33.5 was mainly due to the purchase consideration received from the sale of Patient Handling Europe. Lease liabilities pursuant to IFRS 16 amounted to MEUR 17.4 at the end of the period and primarily comprised rental contracts for premises.

For the first six months, cash flow from operating activities amounted to MEUR 8.8 (6.3). The year-on-year increase was primarily due to a decrease in capital tied up in working capital. Payments related to Other specified items amounted to MEUR -2.4 (-1.3), mainly due to the strategic review and the Lift Up Program.

Net investments for the first six months amounted to MEUR -1.8 (-2.0). These were distributed over fixed assets MEUR -0.5, capitalized development costs MEUR -0.8 and IT MEUR -0.6.

Accessibility

In Accessibility, Handicare offers curved and straight stairlifts primarily for the home setting.



Accessibility MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	26.0	39.6	-34.4 %	65.0	78.4	-17.0 %	143.9	157.3
Acquisitions/divestments	-	-	-	-	-	-	-	-
Currency effects*	-0.3	-	-	-0.0	-	-	-1.0	-1.0
Revenue, organic growth	26.0	39.4	-33.9 %	65.0	78.4	-17.0 %	143.0	156.3

*adjusted for translation effects, not transaction effects

Accessibility MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	26.0	39.6	-34.4 %	65.0	78.4	-17.0 %	143.9	157.3
Operating costs	-22.4	-32.0	n/a	-54.4	-63.5	n/a	-119.4	-128.5
Adjusted EBITDA*	3.6	7.6	-52.5 %	10.7	14.9	-28.5 %	24.6	28.8
Depreciation of tangible fixed assets	-0.9	-1.0	n/a	-1.9	-2.0	n/a	-3.8	-4.0
Adjusted EBITA*	2.7	6.6	-59.4 %	8.8	12.9	-31.8 %	20.7	24.8
Other specified items	-1.0	-	n/a	-1.0	-	n/a	-1.0	-
EBITA	1.7	6.6	-74.8 %	7.8	12.9	-39.7 %	19.7	24.8
Key figures, %								
Adjusted EBITDA margin*	13.9 %	19.2 %		16.4 %	19.0 %		17.1 %	18.3 %
Adjusted EBITA margin*	10.3 %	16.7 %		13.5 %	16.5 %		14.4 %	15.8 %
EBITA margin*	6.4 %	16.7 %		12.0 %	16.5 %		13.7 %	15.8 %

* Alternative performance measures, refer to pages 23-25 for definitions and calculations.

April – June 2020

In the first quarter, revenue decreased by -34.4% year-on-year. The organic decrease was -33.9%, of which Europe -32.8% and North America -37.1%. The decrease was attributable to the Covid-19 pandemic in its entirety, with sales falling most in countries with strict lockdown. The situation improves as soon as countries open up again. In general, the Netherlands and Germany have been less affected, while the impact on countries such as France, Italy, the UK and the US has been more pronounced. Broken down over individual months in the quarter, the organic sales decrease was -40% in April - May, improving to -23% in June.

Adjusted EBITA margin decreased by -6.4 ppts in the quarter as a result of a lower gross margin, mainly due to increased shipping costs (related to Covid-19) and an unfavorable product mix, plus increased operating costs (excluding costs of goods sold) in relation to sales. However, operating costs were significantly lower in absolute terms, due to the measures implemented to adapt to lower volumes. During the quarter, we received government grants totaling MEUR 1.1 relating to personnel due to Covid-19. Other specified items refer to the Lift Up Program.

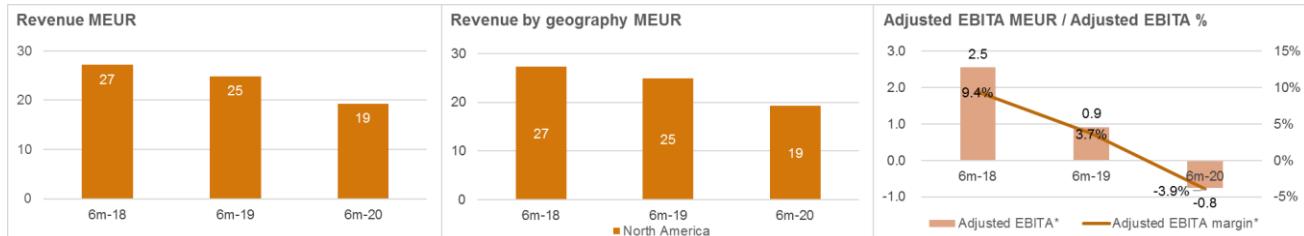
January – June 2020

In the first six months, revenue decreased by -17.0% year-on-year. Organic growth was also -17.0%, of which organic growth for Europe was a negative -17.6% while the decrease in North America was -9.7% due to a strong first quarter. The decrease in the six-month period is related to the market impact of Covid-19 in its entirety.

The adjusted EBITDA margin decreased by -3.0 ppts in the first six months, as a result of the sudden drop in revenue caused by Covid-19, which increased operating costs in relation to revenue in year-on-year terms. Gross margin decreased slightly on the previous year as a result of increased shipping costs (related to Covid-19) and an unfavorable product mix.

Patient Handling

In Patient Handling, Handicare offers a broad product offering for patient transfer and lifting products, primarily for the hospital setting.



Patient Handling MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	8.9	12.8	-30.0 %	19.2	24.9	-22.6 %	44.1	49.7
Currency effects*	-	0.0	-	-	0.2	-	-0.7	-0.5
Revenue, organic growth	8.9	12.8	-30.0 %	19.2	25.1	-23.2 %	43.4	49.2

*adjusted for translation effects, not transaction effects

Patient Handling MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	8.9	12.8	-30.0 %	19.2	24.9	-22.6 %	44.1	49.7
Operating costs	-7.9	-11.2	n/a	-18.8	-22.9	n/a	-42.2	-46.2
Adjusted EBITDA*	1.1	1.6	-30.4 %	0.4	2.0	-78.8 %	1.9	3.5
Depreciation of tangible fixed assets	-0.6	-0.5	n/a	-1.2	-1.1	n/a	-2.3	-2.2
Adjusted EBITA*	0.5	1.0	-47.8 %	-0.8	0.9	n/a	-0.4	1.2
Other specified items	-2.7	-	n/a	-2.9	-	n/a	-3.1	-0.1
EBITA	-2.2	1.0	n/a	-3.7	0.9	n/a	-3.5	1.1

Key figures %

Adjusted EBITDA margin*	12.1 %	12.2 %	2.2 %	8.0 %	4.3 %	7.0 %
Adjusted EBITA margin*	6.0 %	8.0 %	-3.9 %	3.7 %	-1.0 %	2.5 %
EBITA margin*	-24.3 %	8.0 %	-19.2 %	3.7 %	-8.0 %	2.2 %

* Alternative performance measures, refer to pages 23-25 for definitions and calculations.

April – June 2020

Reported and organic revenue decreased by -30.0% in the second quarter. Covid-19 had a negative effect on revenue as a result of restricted access to care institutions and postponed installations of ceiling lifts. The largest decrease was in the US Institutional segment. For individual months in the quarter, the organic sales decrease was -31% in April-May and -30% in June.

Despite the significant decrease in revenue, the adjusted EBITA margin was 6.0% (8.0) in the quarter, driven by short-term measures such as furloughs and general cost cutting, as well as long-term adjustments to the cost base in the Lift Up Program. Government grants received in the quarter totaled MEUR 0.4, relating to furloughs in Canada due to Covid-19. Other specified items were attributable to the Lift Up Program.

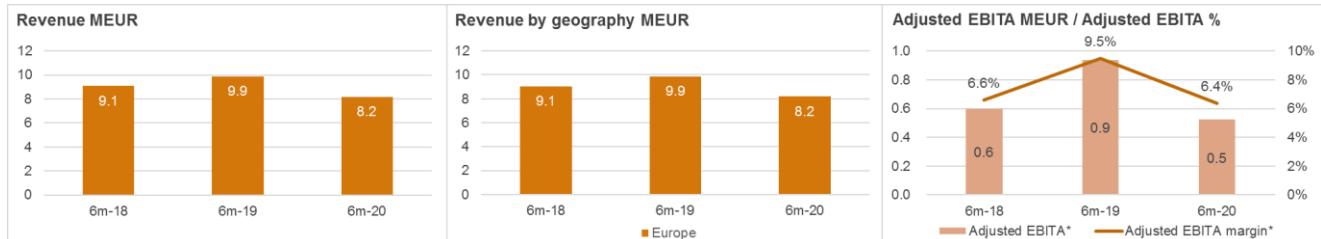
January – June 2020

Revenue decreased by -22.6% in the first six months. Revenue decreased organically by -23.2%, mainly as a result of lower sales in the US Institutional segment, which has suffered from restricted access to care institutions and postponed installations of ceiling lifts during the Covid-19 pandemic.

The adjusted EBITA margin was -3.9% (3.7) in the first six months, driven mainly by decreased operational leverage in the first quarter, both in relation to cost of goods sold and other operating costs as a result of weaker sales. Other specified items mainly related to the Lift Up Program.

Vehicle Accessibility

Vehicle Accessibility mainly offers vehicle conversion products in Norway for individuals with special needs.



Vehicle Accessibility MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	4.1	5.5	-26.5 %	8.2	9.9	-17.1 %	18.2	19.9
Acquisitions/divestments	-	-	-	-	-	-	-	-
Currency effects*	-0.6	-	-	-1.0	-	-	-0.7	-1.7
Revenue, organic growth	4.1	4.9	-17.1 %	8.2	8.9	-8.1 %	17.5	18.2

*adjusted for translations effects, not transaction effects

Vehicle Accessibility MEUR	April - June			January - June			LTM 2019/20	FY 2019
	2020	2019	Δ%	2020	2019	Δ%		
Revenue	4.1	5.5	-26.5 %	8.2	9.9	-17.1 %	18.2	19.9
Operating costs	-3.6	-4.7	n/a	-7.2	-8.4	n/a	-16.0	-17.3
Adjusted EBITDA*	0.5	0.8	-38.0 %	1.0	1.4	-29.0 %	2.2	2.6
Depreciation of tangible fixed assets	-0.2	-0.3	n/a	-0.5	-0.5	n/a	-1.1	-1.1
Adjusted EBITA*	0.3	0.6	-52.2 %	0.5	0.9	-44.2 %	1.1	1.6
Other specified items	-0.0	-	-	-0.0	-	-	-0.0	-
EBITA	0.2	0.6	-57.3 %	0.5	0.9	-47.2 %	1.1	1.6
Key figures %								
<i>Adjusted EBITDA margin*</i>	12.3 %	14.6 %		12.5 %	14.5 %		12.0%	13.1%
<i>Adjusted EBITA margin*</i>	6.5 %	10.0 %		6.4 %	9.5 %		6.3%	7.8%
<i>EBITA margin*</i>	5.8 %	10.0 %		6.0 %	9.5 %		6.1%	7.8%

* Alternative performance measures, refer to pages 23-25 for definitions and calculations.

April – June 2020

Revenue decreased by -26.5% in the second quarter. Revenue decreased organically by -17.1%, partly due to Covid-19 which has led to delayed vehicle deliveries and decreased service revenue, and partly fewer ambulance conversions compared to the previous year. For individual months in the quarter, the organic sales decrease was -8% in April - May, while June was more effected at -30%, due to a time lag built into the business model.

The adjusted EBITA margin decreased to 6.5% (10.0), driven by increased operating costs (excluding costs of goods sold) in relation to revenue, although costs decreased significantly in absolute terms. Gross margin was in line with the previous year, although negatively affected by exchange rate fluctuations (a weaker NOK against the EUR). Government grants totaled MEUR 0.1 in the quarter, relating to furloughs due to Covid-19.

January – June 2020

Revenue decreased by -17.1% in the first six months. Revenue decreased organically by -8.1% as a result of lower revenue in the second quarter, mainly relating to Covid-19 but also to fewer ambulance conversions compared to the previous year.

The adjusted EBITA margin decreased to 6.4% (9.5), largely due to increased operating costs (excluding costs of goods sold) in relation to revenue, and negative exchange rate fluctuations (a weaker NOK against EUR), which had a negative impact on gross margin.

Business Unit Other – Group-wide expenses and Vehicle Accessibility Denmark

Other MEUR	April - June		January - June		LTM	FY
	2020	2019	2020	2019	2019/20	2019
Personnel costs	-1.1	-1.3	-2.5	-2.6	-5.1	-5.2
IT costs	-1.0	-1.0	-1.8	-2.0	-3.7	-3.8
Other operating costs	-0.5	-0.6	-0.9	-1.0	-1.6	-1.8
Depreciation of tangible fixed assets	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2
Group-wide expenses	-2.6	-2.9	-5.4	-5.7	-10.6	-11.0
Vehicle Acc. DK	-	0.0	-	0.2	-0.0	0.2
Adjusted EBITA*	-2.6	-2.8	-5.4	-5.5	-10.6	-10.8
Other specified items	-2.9	-	-4.2	-	-14.6	-10.4
EBITA	-5.5	-2.8	-9.5	-5.5	-25.2	-21.2

As part of the strategic review and to increase transparency between segments, Vehicle Accessibility Denmark (divested in December 2019) has been included in the operating results in the Other business unit up until the date of divestment, which also includes Group-wide expenses. Excluding Vehicle Accessibility, the largest cost items in group-wide expenses are (i) personnel costs, including costs for a majority of the Group management team, the Board and other Group functions, and (ii) IT costs, including 85% of the Group's total IT expenses due to the centralized IT function.

Group-wide expenses excluding Vehicle Accessibility Denmark and Other specified items amounted to MEUR -2.6 (-2.9). The lower costs in the quarter compared with last year is primarily due to lower personnel costs. No government support received related to group-wide expenses. Revenue for Vehicle Accessibility Denmark was MEUR 5.0 with EBITA of MEUR 0.0 in the second quarter 2019.

Other specified items amounted to MEUR -2.9 (0.0) in the second quarter and are attributable to the Lift Up Program. For the first six month period, Other specified items also includes costs for the strategic review.

Employees

At the end of the period, the number of full-time equivalents was 856 (1 108). The average number of full-time equivalents was 895 (1 123) for the quarter. In connection with the divestment of Puls in May 2019 and Vehicle Accessibility Denmark in December 2019, the number of full-time equivalents decreased by 37 and 54, respectively. In connection with the divestment of Patient Handling Europe in May 2020, the number of full-time equivalents decreased by 87.

Parent Company

Revenue for the first six months amounted to MEUR 4.5 (5.2). Profit before tax was MEUR -5.2 (1.9) and profit for the period was MEUR -5.7 (1.9).

Seasonal variations

The Group's revenue is subject to limited impact from seasonal variations. Normally, revenue generation is relatively evenly distributed between the first and second half of the year.

Risks and uncertainties

Handicare is a global Group represented in some 40 countries and, as such, is exposed to a number of business and financial risks. Risk management is therefore an important process for Handicare in order to achieve its set goals. Effective risk management is a natural part of the ongoing monitoring and forward-looking assessment of the Group's operations. Covid-19 is an uncertainty factor that affects the short-term demand. We monitor the situation closely and work actively with employees, customers and other business partners to mitigate the effects as far as possible. Handicare's long-term risk exposure is not expected to deviate from the natural exposure associated with Handicare's ongoing business activities. For a more in-depth risk analysis, refer to Handicare's 2019 Annual Report.

Disputes

Handicare Stairlifts B.V. is currently involved in a legal process with one of the Group's suppliers, Eriks B.V., with regard to a product recall concerning the accumulator supplied by Eriks B.V. to Handicare. The negotiations with the counterparty could not be concluded in the quarter and will continue in 2020.

Shares

The number of shares at the end of the period amounted to 58 939 000. No change versus last year. In accordance with the decision of the May 2020 Annual General Meeting, an incentive program was introduced in which a maximum of 1,198,370 warrants can be issued. In the event of maximum utilization of the program, the dilution effect will correspond to approximately 2% of the share capital and the number of votes. In accordance with the decision of the May 2019 Annual General

Meeting, an incentive program was introduced in which a maximum of 1,211,804 warrants can be issued. In the event of maximum utilization of the program, the dilution effect will correspond to approximately 2% of the share capital and the number of votes. In accordance with the decision of the October 2017 Annual General Meeting, an incentive program was introduced in which a maximum of 556,416 warrants can be issued. Of these, 278 208 warrants remains and in the event of maximum utilization of these, the dilution effect will correspond to approximately 0.5% of the share capital and the number of votes.

Significant events during the reporting period

Covid-19: effects and financial impacts

As a result of the Covid-19 pandemic, Handicare has implemented measures aimed at adapting operations in line with its current assessment of the likely consequences. This includes making necessary capacity adjustments and implementing substantial cost reductions.

At Group level, sales decreased organically by -35% in the period April - May, which improved to -25% in June, as a result of countries starting to open up again after lockdown was eased. Due to the extraordinary situation caused by Covid-19, Handicare has received government grants on several markets, relating to personnel. In the second quarter 2020, government grants totaling MEUR 1.6 were recognized in the Income Statement.

In the third quarter 2020, sales and profit are expected to continue to improve gradually (provided there are no new strict lockdowns).

It is difficult to predict the long-term economic impact of Covid-19. The sudden and sharp economic downturn needs to be weighed against the vast stimulus packages from the world's central banks and governments. However, we expect demographically-driven demand for Handicare's products to remain strong, and that the current crisis will generate a degree of latent demand in the longer term.

Handicare monitors the financial impact of the measures currently being decided closely. The company's financial position and liquidity are strong.

Dividend

Given the current situation in the surrounding world, coupled with uncertainty regarding the future economic effects of Covid-19, the Board of Directors decided to withdraw its previously communicated dividend proposal to the Annual General Meeting 2020 of 0.07 EUR dividend per share. The Board intends to convene an Extraordinary General Meeting in the second half of 2020 to make a decision regarding dividend. The final decision regarding dividend will be made once it is possible to obtain a better overview of the effects of the current Covid-19 pandemic.

Changes to Group Management

On April 20, 2020, Staffan Ternström left his position as President and CEO. Board member Johan Ek was appointed acting CEO and President during an interim period. The recruitment of a new President started in the second quarter.

Randi Binstock was appointed President for Patient Handling North America, effective from July 1.

Mattias Hakeröd left his position as Executive Vice President Human Resources at Handicare on May 15.

Erik Østby, previously Executive Vice President Patient Handling Europe & ROW and Global Commercial Excellence, transferred with the divested unit Patient Handling Europe in May 2020.

Divestments

On April 9, 2020 Handicare announced that it had signed an agreement to divest Patient Handling Europe, including all Patient Handling operations outside North America, to Direct Healthcare Group. The divestment is a result of the strategic review announced in connection with the Q3 report 2019.

The purchase price amounted to approximately MEUR 30 on a cash and debt-free basis (Enterprise Value), corresponding to an EV/Adjusted EBITDA multiple of approximately 8x for the full year 2019. The transaction was completed on May 4 2020. The transaction resulted in a capital loss, including transaction costs, of approximately MEUR 13.9 which has been included in the Q2 report.

From this report onwards, Patient Handling Europe is reported as discontinued operations in the Income Statement. Historical Balance Sheets have not been adjusted for this.

Strategic review finalized

In order to reveal Handicare's underlying values, the Board initiated a strategic review in connection with the Q3 Interim Report 2019. The aim was to reveal Handicare's underlying value and indicate a clear direction going forward.

The strategic review resulted in the divestment of Vehicle Accessibility Denmark in the fourth quarter 2019 and the divestment of Patient Handling Europe in May 2020 (see above). In addition, Puls was divested in May 2019.

The review also concluded that Handicare will focus on the Accessibility business unit (Stairlifts), and complete the ongoing restructuring of Patient Handling North America with the aim of ensuring increased profitability.

The strategic review was concluded in connection with the divestment of Patient Handling Europe.

Decision to establish own stairlift production in the United States

On June 11, Handicare announced the establishment of local stairlift production in the US. The new production site will significantly decrease lead times, which represents a major competitive advantage. The investment amounts to approximately MEUR 2.5 and the site will be in full production within twelve months.

Capital market updates 2020

On June 12, Handicare arranged an online capital markets update, where management presented the company's strategy and the Lift Up Program. The cost saving measures under the program are expected to result in a positive, adjusted EBITA effect of MEUR 8 annually. The cost decrease is based on normalized business volumes and consists exclusively of sustained savings. Because the implementation of the measures is already underway, Handicare anticipates a positive effect on the Group's adjusted EBITA of MEUR 3-4 in 2020. The program is expected to take full effect towards the end of 2020, with an adjusted EBITA effect of MEUR 8 in 2021. Non-recurring costs associated with the program amounted to MEUR 8, of which MEUR 6.5 affect cash flow, and a provision has been made for the full amount in the second quarter 2020.

Long-term incentive program

The Annual General Meeting decided to introduce a long-term incentive program through (A) a targeted new issue of warrants and (B) authorizing the transfer of warrants.

The program entails a maximum of 1,198,370 warrants being issued to Handicare Group AB (publ), and subsequently transferred to participants in the program. Given the current Covid-19 pandemic, the start of the program has been delayed. Transfer of the warrants will take place on market terms at the time of transfer, and allocation will take place according to the principles indicated in the Board's proposal.

Subscription for shares under the warrants program will take place between May 15 and June 17 2023 inclusive. The subscription price will initially correspond to 126.0% of the volume-weighted average of Handicare's closing price 10 trading days after the AGM on May 6 2020, subject to a minimum of the quotient value of the share. Participants are, within the framework of the incentive program, entitled to receive a subsidy from the Group of 50% of the price paid for the warrants. The maximum dilution effect of the program is approximately 2%.

Significant events after the end of the period

No significant events have occurred after the reporting period.

Condensed consolidated income statement

Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	39.0	62.9	92.5	123.2	244.9
Cost of material	-18.3	-28.8	-41.2	-56.5	-112.7
Employee benefits expenses	-10.5	-16.3	-26.8	-32.4	-65.3
Other operating costs	-7.6	-10.5	-17.6	-21.0	-41.8
Depreciation and amortization	-3.4	-3.6	-31.8	-7.2	-14.2
Other specified items*	-8.0	-	-9.5	-	-10.5
Operating profit/loss (EBIT)	-8.7	3.8	-34.4	6.2	0.3
Financial items, net	-5.1	-2.3	-0.3	-2.2	-2.0
Profit/loss before tax	-13.7	1.5	-34.8	3.9	-1.7
Tax	-0.8	-0.4	-2.3	-0.9	-4.9
Profit/loss after tax from continuing operations	-14.5	1.1	-37.0	3.0	-6.6
Profit after tax from discontinued operations**	-13.6	5.3	-12.2	7.0	8.9
Net profit/loss for the period	-28.2	6.4	-49.2	9.9	2.3
Earnings per share (EUR) before and after dilution (continuing operations)	-0.25	0.02	-0.63	0.05	-0.11
Earnings per share (EUR) before and after dilution (including discontinued operations)	-0.48	0.11	-0.83	0.17	0.04
Average number of shares before and after dilution (000's)	58 939	58 939	58 939	58 939	58 939

* See Note 5

** Puls and Patient Handling Europe are reported as discontinued operations during 2019 and 2020. See Note 4.

Condensed consolidated statement of comprehensive income

Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Net profit for the period, continuing operations	-14.5	1.1	-37.0	3.0	-6.6
Net profit for the period, discontinued operations	-13.6	5.3	-12.2	7.0	8.9
Net profit for the period	-28.2	6.4	-49.2	9.9	2.3
Other comprehensive income for the period					
Gains/losses pertaining to defined benefit pension plans (can not be reversed)	-	-	-	-	-0.4
Translation differences (can be reversed)	4.1	-0.6	-9.1	3.4	4.3
Net investment hedges (can be reversed)	-1.6	0.4	6.1	-2.3	-2.0
Income tax attributable to components in other comprehensive income (can be reversed)	0.4	-0.1	-1.4	0.6	0.6
Sum continuing operations	2.8	-0.2	-4.4	1.6	2.5
Sum discontinued operations	2.4	-0.3	1.3	-0.2	0.1
Other comprehensive income for the period, net of tax	5.2	-0.5	-3.1	1.4	2.6
Total comprehensive income for the period, continuing operations	-11.7	0.9	-41.4	4.6	-4.1
Total comprehensive income for the period, discontinued operations	-11.3	5.0	-10.8	6.7	9.0
Total comprehensive income for the period	-23.0	5.9	-52.3	11.3	4.9
Comprehensive income attributable to Parent company's shareholders	-23.0	5.9	-52.3	11.3	4.9
Comprehensive income attributable to non-controlling interests	-	-	-	-	-

Condensed consolidated balance sheet

Group*	30 Jun 2020	30 Jun 2019	31 Dec 2019
MEUR			
Goodwill	101.2	164.4	159.3
Other intangible assets	39.0	47.4	46.3
Property, plant and equipment	4.9	8.4	7.9
Right-of-use assets	16.4	27.6	22.5
Deferred tax assets	1.3	7.3	3.2
Other non-current assets	0.0	0.2	0.1
Total non-current assets	162.9	255.3	239.2
Inventory	22.5	32.8	27.7
Accounts receivable	26.0	42.1	40.4
Tax receivables	0.1	0.2	0.3
Other current assets	2.9	3.6	2.8
Cash and cash equivalents	54.6	29.1	33.8
Total current assets	106.2	107.9	105.0
Total assets	269.1	363.1	344.2
 Total equity	 121.2	 179.9	 173.4
Provisions for pensions	0.5	0.2	0.6
Deferred tax liabilities	6.3	8.0	6.0
Advance payments	2.3	2.4	2.4
Other liabilities	0.9	0.4	0.8
Lease liabilities	13.7	22.6	18.2
Interest-bearing loans	82.6	104.7	95.1
Total long-term liabilities	106.3	138.3	123.1
Interest-bearing loans	-	0.0	-
Lease liabilities	3.7	4.9	4.4
Accounts payable	12.8	23.5	23.1
Other current liabilities and provisions	25.0	16.5	20.2
Total current liabilities	41.6	45.0	47.7
 Total shareholders' equity and liabilities	 269.1	 363.1	 344.2

* Note that the Balance sheets for 2019 are not adjusted for the divestment of Patient Handling Europe.

Condensed consolidated cash flow statement

Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Profit/loss before tax from continuing operations	-13.7	1.5	-34.8	3.9	-1.7
Profit/loss before tax discontinued operations	-13.4	5.3	-11.9	7.0	8.9
Depreciation, amortization and impairment	4.7	3.8	33.4	7.7	15.2
Capital gain/loss	13.9	-4.3	13.9	-4.3	5.0
Reversal of interest expense/ income	0.8	1.1	1.7	2.2	4.2
Other non-cash items	7.4	0.7	4.8	0.5	-0.4
Taxes paid	-0.1	-0.2	-0.2	-0.3	-0.3
Cash flow before changes in working capital	-0.3	8.0	7.0	16.6	30.9
Inventory	4.3	1.7	1.0	-0.4	0.5
Accounts receivable	4.8	-0.4	9.3	-0.0	-0.2
Accounts payable	-9.9	-6.8	-7.6	-6.3	-4.4
Other current receivables/liabilities	1.1	-0.0	-0.9	-3.6	-1.7
Cash flow from operating activities	-0.1	2.4	8.8	6.3	25.1
Acquired / divested operations	26.3	8.2	26.3	8.0	11.9
Acquired / divested tangible/intangible assets	-1.0	-1.0	-1.8	-2.0	-5.0
Cash flow from investing activities	25.4	7.2	24.5	6.1	6.9
Changes in interest-bearing loans	-9.9	-	-7.2	-	-10.0
Changes in lease liabilities	-1.3	-1.4	-2.6	-2.9	-5.9
Interest, net	-0.6	-0.8	-1.2	-1.6	-3.0
Dividend paid/capital contribution	-	-2.7	-	-2.7	-2.7
Cash flow from financing activities	-11.7	-4.9	-11.1	-7.2	-21.7
Cash flow for the period	13.5	4.8	22.2	5.1	10.3
Cash and cash equivalents at the beginning of the period	38.8	23.9	33.8	23.6	23.6
Cash flow for the period	13.5	4.8	22.2	5.1	10.3
Translation differences	2.3	0.4	-1.3	0.4	-0.1
Cash and cash equivalents at end of the period	54.6	29.1	54.6	29.1	33.8

* Note that the Cash flow statements have not been adjusted for the divestment of Patient Handling Europe.

Condensed consolidated statement of changes in shareholders' equity

Group MEUR	Attributable to equity holders of the Parent company		Non-controlling interest	Total equity
Opening balance January 1, 2019	171.3		-	171.3
Capital injection from shareholders	0.2		-	0.2
Dividend	-2.9		-	-2.9
Profit for the year	9.9		-	9.9
Other comprehensive income	1.4		-	1.4
Closing balance June 30, 2019	179.9		-	179.9
Opening balance January 1, 2020	173.4		-	173.4
Profit for the year	-49.2		-	-49.2
Other comprehensive income	-3.1		-	-3.1
Closing balance June 30, 2020	121.2		-	121.2

Condensed Parent Company income statement

Parent Company MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	2.1	2.4	4.5	5.2	10.6
Employee benefits expenses	-1.1	-1.2	-2.5	-2.5	-4.9
Other operating costs	-5.7	-0.5	-7.0	-0.9	-7.4
Depreciation and amortization	-0.0	-0.0	-0.1	-0.1	-0.1
Operating profit/loss (EBIT)	-4.8	0.7	-5.1	1.7	-1.8
Financial items, net	-0.1	-0.2	-0.2	0.2	30.4
Profit/loss before tax	-4.9	0.6	-5.2	1.9	28.5
Appropriations	-	-	-	-	-
Tax	-0.5	-	-0.5	-	-
Net profit/loss for the period	-5.4	0.6	-5.7	1.9	28.5

Condensed Parent Company balance sheet

Parent Company MEUR	30 Jun 2020	30 Jun 2019	31 Dec 2019
Intangible assets	0.3	0.3	0.3
Shares in Group companies	272.1	272.1	272.1
Tangible fixed assets	0.1	0.1	0.1
Long-term receivables	0.1	0.8	0.8
Total non-current assets	272.5	273.3	273.2
Receivables from Group companies	1.9	0.1	0.1
Other receivables	1.0	0.7	0.3
Cash and cash equivalents	33.3	-	19.0
Total current assets	36.2	0.8	19.4
Total assets	308.6	274.1	292.7
 Shareholders' equity	 270.7	 249.8	 276.4
Liabilities from Group companies	30.8	22.6	15.0
Accounts payable	1.1	0.2	0.1
Other liabilities	0.8	0.3	0.2
Accrued expenses and deferred income	5.2	1.2	0.9
Total current liabilities	37.9	24.3	16.3
Total shareholders' equity and liabilities	308.6	274.1	292.7

Notes

Note 1 – Accounting policies

The Interim Report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. The application of the accounting policies is consistent with those contained in the 2019 Annual Report and are to be reviewed alongside said policies. No new interpretations, standards or revised standards have come into effect that could be assessed to have a material impact on the Group. In addition to the financial measures prepared in accordance with IFRS, Handicare presents non-IFRS financial measures, such as Gross profit, EBITA, EBITA before Other specified items and Net debt. These alternative performance measures are considered key earnings and performance indicators for investors and other users of the Interim Report. The alternative performance measures are a complement to, but not a replacement for, the financial information prepared in accordance with IFRS. Definitions and reconciliations of the alternative performance measures are presented on pages 23-25.

Since 1 January 2019, the Group applies the standard IFRS 16 Leases. In 2019, segment reporting of leases was presented in accordance with the earlier standard IAS 17 Leases. From 1 January 2020, segments report leases according to IFRS 16, as segments have transitioned to reporting leases in accordance with the new standard in their internal reporting to management. The comparative year 2019 has been restated to reflect this. As a result of the revised accounting principle applied to segment reporting, alternative performance measures have been adjusted to include IFRS 16 (with the exception of Net debt/Adjusted EBITDA which excludes IFRS 16).

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Due to the extraordinary situation caused by Covid-19, Handicare has received government grants on several markets, relating to personnel. These grants have been reported as a cost reduction under the items the grants relate to. The grants are recognized in the Income Statement and Balance Sheet when it can be ascertained with reasonable certainty that the grants will be received, and any conditions applying to the grants have been met. In the second quarter 2020, government grants totaling MEUR 1.6 were recognized in the Income Statement.

As from 1 January 2020 the Accessibility segment has been divided into two separate business units: Accessibility (which includes the Stairlifts business) and Vehicle Accessibility. This was a result of a strategic review, where management reviewed the internal reporting structure. Patient Handling was not affected. The aim was to increase the transparency between different parts of operations and more accurately reflect the current business structure. The comparative years have been restated to reflect this. In order to facilitate comparability between years, Vehicle Accessibility Denmark, which was divested in 2019, has been reported with Group-wide functions in the Other business unit.

Accessibility is a provider of curved and straight Stairlifts. Vehicle Accessibility offers a range of vehicle conversion products in Norway for individuals with special needs. Patient Handling offers a broad product offering for patient transfer and lifting products, primarily for the hospital setting.

At present, there are no other interpretations or standards that have not yet come into effect expected to have a material impact on the Group's financial reporting.

Note 2 – Segment overview

Group MEUR	April - June		January - June		LTM	FY
	2020	2019	2020	2019	2019/20	2019
Accessibility	26.0	39.6	65.0	78.4	143.9	157.3
Patient Handling	8.9	12.8	19.2	24.9	44.1	49.7
Vehicle Accessibility	4.1	5.5	8.2	9.9	18.2	19.9
Other	0.0	5.0	0.0	10.1	7.9	18.0
Revenue - Group	39.0	62.9	92.5	123.2	214.1	244.9
Group MEUR	April - June		January - June		LTM	FY
	2020	2019	2020	2019	2019/20	2019
Accessibility	2.7	6.6	8.8	12.9	20.7	24.8
Patient Handling	0.5	1.0	-0.8	0.9	-0.4	1.2
Vehicle Accessibility	0.3	0.6	0.5	0.9	1.1	1.6
Other	-2.6	-2.8	-5.4	-5.5	-10.6	-10.8
Adj EBITA - Group	0.9	5.3	3.2	9.2	10.8	16.8
Group MEUR	April - June		January - June		LTM	FY
	2020	2019	2020	2019	2019/20	2019
Adj EBITA - Group	0.9	5.3	3.2	9.2	10.8	16.8
Other specified items	-8.0	-	-9.5	-	-20.0	-10.5
Amortization and write-down of intangible assets	-1.6	-1.5	-28.2	-3.0	-31.1	-6.0
Financial items, net	-5.1	-2.3	-0.3	-2.2	-0.1	-2.0
EBT - Group	-13.7	1.5	-34.8	3.9	-40.4	-1.7

Assets and liabilities are not allocated to the various segments and management does not monitor operations on this basis, which is why this has not been included in the segment overview.

The former segment Puls and the entity Patient Handling Europe which previously was part of Patient Handling, are reported as discontinued operations in 2019 and 2020 and have not been included in segment reporting, for more information see Note 4.

Note 3 - Acquisitions and divestments

Acquisitions

Handicare did not complete any acquisitions in 2019 or 2020.

Divestments

Vehicle Accessibility Denmark: On December 16, 2019 the shares in Handicare Auto A/S were divested to Auto Solutions ApS In 2019, revenue from Handicare Auto A/S totaled MEUR 18.0 and EBITA was MEUR 0.1. Handicare Auto A/S has been included in continuing operations in the period prior to the divestment. The purchase consideration for Vehicle Accessibility was MDKK 25 (MEUR 3.3) on a cash and debt-free basis, and resulted in a realized loss of MEUR 9.3. The capital loss has been reported under other specified items (for more information see Note 5).

For more details on the divested businesses Puls and Patient Handling Europe, see note 4.

Note 4 – Discontinued operations

A discontinued operation is a component of an entity that represents either a separate major line of business or a geographical area of operations.

Puls

As of 22 May 2019, Puls AS was sold to MediQ International BV. Puls AS and its subsidiaries represented the Puls strategic business unit in Handicare's segment reporting. As a result of the sale, Puls is reported as a discontinued operation. Profit after tax from discontinued operations is reported on a separate row in the income statement in the period and the comparative period. The presentation of the statement of financial position for the current and preceding year is not changed in a corresponding manner.

The total consideration for Puls amounted to MEUR 10.9 (MNOK 106). The pre-tax capital gain amounted to MEUR 4.3 and is included in the financial items below.

Discontinued operations Puls MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	-	1.1	-	6.2	6.2
Cost of material	-	-0.8	-	-4.3	-4.3
Employee benefits expenses	-	-0.3	-	-1.1	-1.1
Other operating cost	-	-0.1	-	-0.5	-0.5
Depreciation and amortization	-	-0.0	-	-0.0	-0.0
Operating profit/loss (EBIT)	-	-0.1	-	0.3	0.3
Result from sale of discontinued operations	-	4.3	-	4.3	4.3
Profit/loss before tax	-	4.2	-	4.6	4.6
Tax	-	-	-	-	-
Profit after tax from discontinued operations	-	4.2	-	4.6	4.6
Cashflow from operating activities	-	0.6	-	-0.1	-0.1
Cashflow from investing activities	-	8.2	-	8.1	8.1
Cash and cash equivalents generated from discontinued operations	-	8.9	-	8.0	8.0

Patient Handling Europe

On May 4, 2020 Patient Handling Europe, including all Patient Handling operations outside North America, was divested to Direct Healthcare Group. Patient Handling Europe and its subsidiaries have represented a substantial part of the Patient Handling business unit in Handicare's segment reporting. As a result of the sale, Patient Handling Europe has been recognized as divested operations. Profit after tax from discontinued operations has been recognized on a separate line in the Income Statement for the period, and the comparative period. The presentation of the Statement of Financial Position for the current and preceding year has not been changed in a corresponding manner.

The purchase price for Patient Handling Europe amounted to MEUR 29.7, on a cash and debt-free basis ("Enterprise value"). Capital loss before tax, including transaction costs, estimated to approx.. MEUR 13.9, and have been included in result from sales of discontinued operations below.

Discontinued operations Patient Handling Europe MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	2.6	6.5	10.1	13.3	26.1
Cost of material	-1.1	-2.8	-4.3	-5.6	-11.4
Employee benefits expenses	-0.6	-1.5	-2.3	-3.1	-6.2
Other operating cost	-0.2	-0.8	-1.1	-1.8	-3.3
Depreciation and amortization	-0.1	-0.2	-0.3	-0.5	-0.9
Operating profit/loss (EBIT)	0.7	1.1	2.0	2.3	4.3
Result from sale of discontinued operations	-13.9	-	-13.9	-	-
Financial items, net	-0.1	-0.0	0.0	0.1	0.0
Profit/loss before tax	-13.4	1.1	-11.9	2.4	4.4
Tax	-0.3	0.0	-0.3	0.0	0.0
Profit after tax from discontinued operations	-13.6	1.1	-12.2	2.4	4.4
Cashflow from operating activities	0.9	0.6	2.6	1.6	4.0
Cashflow from investing activities	25.0	-0.0	25.0	-0.0	-0.2
Cash flow from financing activities	-0.1	-0.1	-0.1	-0.1	-0.3
Cash and cash equivalents generated from discontinued operations	25.8	0.5	27.6	1.5	3.6

Note 5 – Other specified items

Other specified items in the second quarter 2020 had a MEUR -8.0 (0.0) impact on EBITA. This relates to the Lift Up Program and refers to restructuring costs for personnel and premises, advisory services, settlement agreement with a customer and product rationalization costs.

In the first quarter 2020, costs mainly related to the strategic review and goodwill impairment of MEUR 25 relating to the North American Patient Handling operations.

For the full year 2019, other specified items mainly related to realized losses in connection with the divestment of Vehicle Accessibility Denmark.

Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Restructuring costs	-6.7	-	-7.3	-	-0.1
Strategic review	-	-	-0.9	-	-1.1
Capital loss	-	-	-	-	-9.3
Other specified items - EBITDA	-6.7	-	-8.2	-	-10.5
Write-down premises	-1.3	-	-1.3	-	-
Other specified items - EBITA	-8.0	-	-9.5	-	-10.5
Impairment goodwill PH NA	-	-	-25.0	-	-
Other specified items - EBIT	-8.0	-	-34.5	-	-10.5

Note 6 – Net debt

Group MEUR	30 Jun	30 Jun	31 Dec
	2020	2019	2019
Interest-bearing long-term loans	82.0	102.0	92.9
Lease liabilities IFRS 16	17.4	27.5	22.6
Other interest-bearing debt	1.6	3.8	3.4
Deduct: cash and cash equivalents	-54.6	-29.1	-33.8
Deduct: IFRS 16 impact	-17.4	-27.5	-22.6
Interest-bearing net debt	29.0	76.6	62.5

The Board of Directors and the President and CEO certify that the interim report provides a true and fair view of the Parent Company's and the Group's operations, position and results and describes the substantial risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm, 16 July 2020
Handicare Group AB (publ)

Lars Marcher
Chairman of the Board

Joakim Andreasson
Board member

Maria Carell
Board member

Jonas Arlebäck
Board member

Christina Lindstedt
Board member

Claes Magnus Åkesson
Board member

Johan Ek
President and CEO and Board member

Audit review

This interim report has not been reviewed by the company's auditors.

Telephone conference

A telephone conference, hosted by Johan Ek, President and CEO, and Pernilla Lindén, CFO, will be held at 09.00 a.m. CET on 17 July 2020. To participate, please register in advance using the following link:

<http://emea.directeventreg.com/registration/2064477>

A presentation will be available at www.handicaregroup.com/investors.

Dates for financial reports:

Interim report July - September 2020	5 November 2020
Year-end report 2020	12 February 2021

For more information, contact:

Pernilla Lindén, CFO & IR, Tel +46 708 775 832

This information is information that Handicare Group AB (publ) is required to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CET on 17 July 2020.

Forward-looking statements

To the extent this report contains forward-looking statements, these statements are based on the current expectations of Handicare's Group management. Although management considers the expectations expressed in such forward-looking statements to be reasonable, there is no guarantee that these expectations will prove correct. Accordingly, actual future outcomes may differ significantly from those expressed in the forward-looking statements due to such factors as changed economic, market and competitive conditions, changes in regulatory requirements and other policy measures, and fluctuations in exchange rates.

About Handicare

Handicare offers solutions to increase the independence of disabled or elderly people, and to facilitate for their care providers and family. The offering encompasses a comprehensive range of curved and straight stairlifts, transfer, lifting and repositioning aids and vehicle adaptations. Handicare is a global company with sales in some 40 countries and is one of the market leaders in this field. The head office is in Stockholm, Sweden and manufacturing and assembly is located at four sites distributed across North America, Asia and Europe. In the twelve-month period to June 2020, revenue amounted to MEUR 214 and the adjusted EBITA margin was 5.1%. Employees amounted to approximately 850 and the share is listed on Nasdaq Stockholm. For more information, www.handicaregroup.com.

Quarterly data

Group MEUR	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
Revenue	62.9	58.9	62.2	60.3	62.9	59.7	61.9	53.5	39.0
Cost of goods sold	-35.8	-33.4	-39.7	-36.0	-37.0	-35.6	-37.5	-31.3	-23.4
Gross profit*	27.1	25.6	22.5	24.3	25.9	24.1	24.4	22.2	15.6
Operating costs**	-20.4	-19.8	-20.0	-18.4	-18.5	-18.1	-18.6	-18.0	-12.9
Adjusted EBITDA*	6.7	5.8	2.6	5.9	7.4	6.0	5.8	4.2	2.7
Depreciation of tangible fixed assets**	-0.9	-0.8	-0.9	-2.1	-2.1	-2.1	-2.1	-1.9	-1.8
Adjusted EBITA*	5.9	4.9	1.7	3.9	5.3	3.9	3.7	2.3	0.9
Other specified items	-2.0	-	-1.0	-	-	-	-10.5	-1.5	-8.0
EBITA	3.9	4.9	0.7	3.9	5.3	3.9	-6.8	0.8	-7.1
Adjusted EBITDA (excl IFRS 16)	6.7	5.8	2.6	4.6	6.0	4.6	4.4	2.9	1.5
Key figures, %									
<i>Gross margin*</i>	43.1 %	43.4 %	36.2 %	40.3 %	41.2 %	40.3 %	39.4 %	41.5 %	40.1 %
<i>Adjusted EBITDA margin*</i>	10.7 %	9.8 %	4.1 %	9.8 %	11.8 %	10.0 %	9.4 %	7.8 %	6.9 %
<i>Adjusted EBITA margin*</i>	9.3 %	8.3 %	2.7 %	6.4 %	8.5 %	6.5 %	6.0 %	4.3 %	2.4 %
<i>EBITA margin*</i>	6.2 %	8.3 %	1.1 %	6.4 %	8.5 %	6.5 %	-11.0 %	1.5 %	-18.1 %
Group excl. Vehicle Acc Denmark									
Revenue (excl Vehicle Acc. Denmark)	56.5	54.4	57.0	55.2	57.9	55.3	58.5	53.5	39.0
Adjusted EBITA (excl Vehicle Acc. Denmark)*	5.6	4.7	1.9	3.7	5.3	3.9	3.7	2.3	0.9
<i>Adjusted EBITA margin (excl Veh Acc DK)*</i>	9.9%	8.6%	3.2%	6.7%	9.2%	7.1%	6.3%	4.3%	2.4%

* Alternative performance measures, refer to pages 23-25 for definitions and calculations. ** Note that 2018 has not been adjusted for IFRS 16 as it was effective from 1 January 2019. Discontinued operations are not included in the table above (Puls was sold during 2019, Patient Handling Europe was sold May 2020).

Alternative performance measures

Handicare uses certain alternative performance measures (APMs) not defined in the rules for financial reporting adopted by Handicare. These APMs are considered important result and performance indicators for investors and other readers of the interim report. The purpose of these APMs is to provide a better understanding of how the business develops. These APMs shall be seen as a complement to, and not substitute to, the financial information prepared in accordance with IFRS. These APMs, as defined, cannot be fully compared with other companies' APMs. For a complete description, refer to the 2019 Annual report, pages 95-97.

Adjusted EBIT

EBIT excluding Other specified items.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

Adjusted EBIT margin / Adjusted EBITA margin / Adjusted EBITDA margin

Gross margin

Gross profit as a percentage of revenue.

Measures as a percentage of revenue.

Gross profit

Revenue less direct costs (direct material, direct labour and freight costs) for the manufacture and sale of products.

Adjusted EBITA

EBITA excluding Other specified items.

Net debt

Interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents.

Adjusted EBITDA

Adjusted operating cash flow from operating activities as a percentage of Adjusted EBITDA.

Net debt/Adjusted EBITDA

Interest-bearing net debt in relation to adjusted EBITDA, excluding IFRS16.

Adjusted operating cash flow/Adjusted EBITDA

Adjusted operating cash flow from operating activities as a percentage of Adjusted EBITDA.

Organic growth

Organic growth refers to revenue growth excluding (i) growth related to acquisitions and divestments and (ii) growth related to fluctuations in currency exchange rates. For more details, see the section Definitions in the company's 2019 Annual Report.

Capital expenditure (CAPEX)

Investments in both tangible and intangible assets, excluding financial assets.

Other specified items

Other specified items cover transaction costs, integration costs, restructuring costs, IPO costs, recall costs and other efficiency projects.

Constant currency

Translation of the preceding period at the average exchange rates for the current period.

Revenue/ Adjusted EBITA excl Vehicle Acc Denmark

Measures excluding Vehicle Accessibility Denmark, divested December 2019.

EBIT margin / EBITA margin / EBITDA margin

Measures as a percentage of revenue.

EBITA

Earnings before interest, tax and amortisation.

Reconciliation of significant alternative performance measures

Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	39.0	62.9	92.5	123.2	244.9
Direct material	-17.3	-27.9	-39.3	-54.7	-109.4
Direct Labor	-4.0	-6.7	-10.8	-13.4	-27.2
Freight (inbound / outbound)	-2.1	-2.4	-4.5	-5.0	-9.6
Gross profit	15.6	25.9	37.8	50.2	98.7
Gross margin (%)	40.1%	41.2%	40.9%	40.8%	40.3%
Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Operating profit/loss (EBIT)	-8.7	3.8	-34.4	6.2	0.3
Other specified items	8.0	-	9.5	-	10.5
Impairment goodwill PH NA	-	-	25.0	-	-
Adjusted operating profit/loss (adjusted EBIT)	-0.7	3.8	0.0	6.2	10.8
EBIT margin	-22.2%	6.1%	-37.2%	5.0%	0.1%
Adjusted operating margin (adjusted EBIT margin)	-1.7%	6.1%	0.0%	5.0%	4.4%
Operating profit/loss (EBIT)	-8.7	3.8	-34.4	6.2	0.3
Amortisation / impairment of intangible assets	1.6	1.5	28.2	3.0	6.0
EBITA	-7.1	5.3	-6.3	9.2	6.3
Other specified items	8.0	-	9.5	-	10.5
Adjusted EBITA	0.9	5.3	3.2	9.2	16.8
EBITA margin	-18.1%	8.5%	-6.8%	7.5%	2.6%
Adjusted EBITA margin	2.4%	8.5%	3.5%	7.5%	6.9%
Operating profit/loss (EBIT)	-8.7	3.8	-34.4	6.2	0.3
Amortisation / impairment of intangible assets	1.6	1.5	28.2	3.0	6.0
Depreciation of tangible fixed assets	1.8	2.1	3.7	4.1	8.2
Other specified items - Writedown premises	1.3	-	1.3	-	-
EBITDA	-4.0	7.4	-1.3	13.3	14.5
Other specified items	6.7	-	8.2	-	10.5
Adjusted EBITDA	2.7	7.4	6.9	13.3	25.1
IFRS 16 impact (rent)	-1.2	-1.4	-2.5	-2.7	-5.5
Adjusted EBITDA (excl IFRS16)	1.5	6.0	4.4	10.6	19.5
EBITDA margin	-10.3%	11.8%	-1.4%	10.8%	5.9%
Adjusted EBITDA margin	6.9%	11.8%	7.4%	10.8%	10.2%
Adjusted EBITDA margin (excl IFRS16)	3.8%	9.6%	4.7%	8.6%	8.0%
Group MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Cash flow before changes in working capital	-0.3	8.0	7.0	16.6	30.9
Taxes paid	0.1	0.2	0.2	0.3	0.3
Cash Interest and Cost	-0.8	-1.1	-1.7	-2.2	-4.2
Net financial items per the profit and loss statement	5.1	2.3	0.3	2.2	2.0
Other non cash-items	-7.4	-0.7	-4.8	-0.5	0.4
Other specified items (excl capital loss Veh Acc DK)	6.7	-	8.2	-	1.2
Discontinued operations	-0.6	-1.3	-2.4	-3.2	-5.6
Adjusted EBITDA	2.7	7.4	6.9	13.3	25.1
Change in net working capital	0.2	-5.5	1.8	-10.4	-5.8
Acquired / divested tangible/intangible assets	-1.0	-1.0	-1.8	-2.0	-5.0
Adjusted operating cash flow	2.0	0.9	6.8	1.0	14.2

Group MEUR	30 Jun 2020	30 Jun 2019	31 Dec 2019
Interest-bearing long-term loans	82.0	102.0	92.9
Lease liabilities IFRS 16	17.4	27.5	22.6
Other interest-bearing debt	1.6	3.8	3.4
Deduct: cash and cash equivalents	-54.6	-29.1	-33.8
Deduct: IFRS 16 impact	-17.4	-27.5	-22.6
Interest-bearing net debt	29.0	76.6	62.5

Group excl Vehicle Accessibility Denmark MEUR	April - June		January - June		FY 2019
	2020	2019	2020	2019	
Revenue	39.0	62.9	92.5	123.2	244.9
Vehicle Accessibility Denmark	-	-5.0	-	-10.1	-18.0
Revenue excl Vehicle Acc Denmark	39.0	57.9	92.5	113.1	226.9
Adjusted EBITA	0.9	5.3	3.2	9.2	16.8
Vehicle Accessibility Denmark	-	-0.0	-	-0.2	-0.2
Adjusted EBITA excl Vehicle Acc Denmark	0.9	5.3	3.2	9.0	16.6
<i>Adjusted EBITA-margin excl Vehicle Acc Denmark</i>	<i>2.4%</i>	<i>9.2%</i>	<i>3.5%</i>	<i>8.0%</i>	<i>7.3%</i>

Change in segment reporting 2020

From January 1, 2020, segment reporting of the Group's external financial reporting comprises three business units: Accessibility (which includes the stairlifts business), Vehicle Accessibility and Patient Handling. The figures for 2019 have been converted to the new segments in the following illustration. Note that numbers from this report and onwards exclude the divested entity Patient Handling Europe (divested May 2020), which is treated as discontinued operations (together with Puls, which was divested in May 2019). In order to increase transparency and increase comparability between years, Vehicle Accessibility Denmark is reported alongside group-wide expenses in Other up until the date it was divested.

In 2019, Group segments reported lease contracts according to the earlier standard IAS 17 Leases. From January 1, 2020, segments report lease contracts according to IFRS 16 internally and restated figures for 2019 are shown below.

Accessibility MEUR	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
	2019	2019	2019	2019	2019	2020	2020
Revenue	38.7	39.6	38.7	40.2	157.3	39.0	26.0
Operating costs	-31.4	-32.0	-31.6	-33.4	-128.5	-32.0	-22.4
Adjusted EBITDA*	7.3	7.6	7.1	6.8	28.8	7.1	3.6
Depreciation of tangible fixed assets	-1.0	-1.0	-1.0	-1.0	-4.0	-0.9	-0.9
Adjusted EBITA*	6.3	6.6	6.1	5.8	24.8	6.1	2.7
IFRS 16 impact	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Adjusted EBITA (excl IFRS 16)	6.3	6.6	6.1	5.7	24.7	6.1	2.6
Adjusted EBITDA (excl IFRS 16)	6.7	7.0	6.5	6.1	26.3	6.4	2.9
Key figures, %							
<i>Adjusted EBITDA margin*</i>	<i>18.8 %</i>	<i>19.2 %</i>	<i>18.4 %</i>	<i>16.9 %</i>	<i>18.3 %</i>	<i>18.1 %</i>	<i>13.9 %</i>
<i>Adjusted EBITA margin*</i>	<i>16.2 %</i>	<i>16.7 %</i>	<i>15.9 %</i>	<i>14.4 %</i>	<i>15.8 %</i>	<i>15.7 %</i>	<i>10.3 %</i>
<i>Adjusted EBITA margin (excl IFRS 16)</i>	<i>16.2 %</i>	<i>16.6 %</i>	<i>15.8 %</i>	<i>14.3 %</i>	<i>15.7 %</i>	<i>15.5 %</i>	<i>10.1 %</i>
<i>Adjusted EBITDA margin (excl IFRS 16)</i>	<i>17.3 %</i>	<i>17.6 %</i>	<i>16.8 %</i>	<i>15.2 %</i>	<i>16.7 %</i>	<i>16.3 %</i>	<i>11.3 %</i>

Patient Handling MEUR	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Revenue	12.1	12.8	11.7	13.1	49.7	10.3	8.9
Operating costs	-11.7	-11.2	-11.0	-12.3	-46.2	-11.0	-7.9
Adjusted EBITDA*	0.4	1.6	0.7	0.8	3.5	-0.7	1.1
Depreciation of tangible fixed assets	-0.5	-0.5	-0.6	-0.6	-2.2	-0.6	-0.6
Adjusted EBITA*	-0.1	1.0	0.1	0.2	1.2	-1.3	0.5
IFRS 16 impact	0.0	0.0	0.0	-0.1	-0.1	0.0	0.0
Adjusted EBITA (excl IFRS 16)	-0.1	1.0	0.1	0.1	1.1	-1.3	0.5
Adjusted EBITDA (excl IFRS 16)	0.2	1.3	0.4	0.5	2.4	-0.9	0.8
Key figures, %							
<i>Adjusted EBITDA margin*</i>	3.6 %	12.2 %	6.0 %	5.9 %	7.0 %	-6.4 %	12.1 %
<i>Adjusted EBITA margin*</i>	-0.9 %	8.0 %	1.2 %	1.3 %	2.5 %	-12.6 %	6.0 %
<i>Adjusted EBITA margin (excl IFRS 16)</i>	-1.1 %	7.7 %	0.9 %	0.9 %	2.2 %	-12.9 %	5.6 %
<i>Adjusted EBITDA margin (excl IFRS 16)</i>	1.5 %	10.2 %	3.7 %	3.5 %	4.8 %	-9.2 %	9.2 %
Vehicle Accessibility MEUR	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
	Revenue	4.3	5.5	4.8	5.2	19.9	4.1
Operating costs	-3.7	-4.7	-4.4	-4.5	-17.3	-3.6	-3.6
Adjusted EBITDA*	0.6	0.8	0.5	0.7	2.6	0.5	0.5
Depreciation of tangible fixed assets	-0.2	-0.3	-0.3	-0.3	-1.1	-0.3	-0.2
Adjusted EBITA*	0.4	0.6	0.2	0.4	1.6	0.3	0.3
IFRS 16 impact	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Adjusted EBITA (excl IFRS 16)	0.4	0.5	0.1	0.4	1.4	0.2	0.2
Adjusted EBITDA (excl IFRS 16)	0.4	0.5	0.2	0.5	1.6	0.3	0.3
Key figures, %							
<i>Adjusted EBITDA margin*</i>	14.5 %	14.6 %	9.6 %	13.7 %	13.1 %	12.6 %	12.3 %
<i>Adjusted EBITA margin*</i>	8.8 %	10.0 %	3.7 %	8.5 %	7.8 %	6.2 %	6.5 %
<i>Adjusted EBITA margin (excl IFRS 16)</i>	8.1 %	9.5 %	3.1 %	7.9 %	7.2 %	5.6 %	5.9 %
<i>Adjusted EBITDA margin (excl IFRS 16)</i>	8.4 %	9.8 %	4.2 %	8.7 %	7.9 %	6.5 %	6.4 %
Other MEUR	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
	Revenue	5.1	5.0	4.5	3.5	18.0	0.0
Operating costs	-7.5	-7.6	-6.8	-5.9	-27.8	-2.7	-2.5
Adjusted EBITDA*	-2.4	-2.6	-2.3	-2.5	-9.8	-2.7	-2.5
Depreciation of tangible fixed assets	-0.3	-0.3	-0.3	-0.2	-1.0	-0.1	-0.1
Adjusted EBITA*	-2.7	-2.8	-2.6	-2.7	-10.8	-2.8	-2.6
IFRS 16 impact	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Adjusted EBITA (excl IFRS 16)	-2.7	-2.8	-2.6	-2.7	-10.8	-2.8	-2.6
Adjusted EBITDA (excl IFRS 16)	-2.7	-2.8	-2.6	-2.6	-10.7	-2.8	-2.6

Group MEUR	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Revenue	60.3	62.9	59.7	61.9	244.9	53.5	39.0
Operating costs	-54.4	-55.5	-53.8	-56.1	-219.8	-49.3	-36.3
Adjusted EBITDA*	5.9	7.4	6.0	5.8	25.1	4.2	2.7
Depreciation of tangible fixed assets	-2.1	-2.1	-2.1	-2.1	-8.2	-1.9	-1.8
Adjusted EBITA*	3.9	5.3	3.9	3.7	16.8	2.3	0.9
IFRS 16 impact	-0.1	-0.1	-0.1	-0.1	-0.5	-0.1	-0.1
Adjusted EBITA (excl IFRS 16)	3.8	5.2	3.8	3.6	16.4	2.2	0.8
Adjusted EBITDA (excl IFRS 16)	4.6	6.0	4.6	4.4	19.5	2.9	1.5
Key figures, %							
<i>Adjusted EBITDA margin*</i>	9.8 %	11.8 %	10.0 %	9.4 %	10.2 %	7.8 %	6.9 %
<i>Adjusted EBITA margin*</i>	6.4 %	8.5 %	6.5 %	6.0 %	6.9 %	4.3 %	2.4 %
<i>Adjusted EBITA margin (excl IFRS 16)</i>	6.2 %	8.3 %	6.3 %	5.8 %	6.7 %	4.0 %	2.1 %
<i>Adjusted EBITDA margin (excl IFRS 16)</i>	7.6 %	9.6 %	7.6 %	7.1 %	8.0 %	5.4 %	3.8 %

* Alternative performance measures, refer to pages 23-25 for definitions and calculations.

Making everyday life easier



About Handicare

At Handicare, we are committed to making everyday life easier for physically challenged and elderly people. And to empowering them to live an active life. At the same time, we want to support those who assist them. Handicare offers solutions and support to increase the independence of physically challenged or elderly people, and to enable them to live an active life on their terms as well as to facilitate work for their care providers and family.

What

Our offering encompasses a comprehensive range of curved and straight stairlifts, transfer, lifting and repositioning aids and vehicle accessibility products.

Where

We are a global company with sales in some 40 countries. Our head office is located in Stockholm, Sweden, and sales are conducted through our own sales offices in Europe and North America as well as through distributors and dealers around the globe. Manufacturing and assembly are located at our four sites distributed across North America, Asia and Europe.

To Who

80% For care in the home, "Homecare"

20% For hospitals and institutions, "Institutional"