



Half year report, Q2 2022
Dentalum Operations AB (publ)

Strong growth and restored profitability

Second quarter, April - June 2022

- Operating revenue increased by 72.8 % to SEK 85.8 million (49.7).
- EBITDA amounted to SEK 24.4 million (12.6)
- Net earnings amounted to SEK 4.8 million (-0.4).
- Operating cash flow amounted to SEK 25.3 million (12.6). Net cash flow totalled SEK – 46.7 million (-64.0).
- Total equity amounts to SEK 262.0 million (101.5), cash balance of SEK 198.6 million (110.5) and interest-bearing debt of SEK 397.7 million (300.3).
- During the period Dentalum acquired three (3) clinics with annual revenue of SEK 81 million.
- Dentalum strengthened the team with the recruitment of Matts Tannerfeldt as COO.
- The Annual General Meeting re-elected Mikael Lönn, Robin Rutili and Marcus Ladow as members of Board of the Directors as well as to elect Gunilla Öhman and Lars Kvarnsund as new members. Mikael Lönn was appointed as Chairman of the Board.

First six months, January - June 2022

- Operating revenue increased by 78 % to SEK 191.6 million (107.9).
- Net earnings for the first six months amounted to SEK 8.2 million (-3.8).
- Cash flows from operations amounted to SEK 29.3 million (19.1). Net cash flow totalled SEK – 71.0 million (- 70.9).

Pro forma LTM 07/21 – 06/22¹

- Pro forma operating revenue amounted to SEK 409,2 million
- Pro forma consolidated clinic EBITDA reached SEK 102,1 million

Significant Events after the reporting period

- Dentalum expanded in the north of Sweden via the acquisitions of Skellefteå Tandvård's two clinics and Tandcenter Umeå and Lövånger.
- Dentalum acquired NOVO Dental in Sundbyberg, Stockholm.

Financial overview

Amounts in kSEK	2022 Q2	2021 Q2	2022 H1	2021 H1	FY 2021
Operating revenues	105 716	58 185	191 522	107 873	234 631
EBITDA	24 423	12 660	45 512	22 338	38 477
% of revenues	23%	22%	24%	21%	16%
Net financial expenses	-8 586	-6 720	-17 180	-13 445	-28 523
Earnings before tax /EBT	14 619	6 741	27 014	9 115	-38 732
% of revenues	14%	12%	14%	8%	-17%
Income tax expenses	-1 077	429	-1 539	1 361	-530
Net earnings	4 841	-394	8 180	-3 813	-39 262
Net cash flow	-46 708	-63 974	-71 974	-70 881	89 166
Cash flow from operations	25 265	12 597	29 287	19 149	37 182
Cash flow from investing activities	-61 451	-62 873	-78 520	-74 361	-172 306
Cash flow from financing activities	-10 522	-13 698	-22 741	-15 669	224 290
Net cash - interest bearing debt	-199 031	-189 768	-199 031	-189 768	-126 629
Cash & cash equivalents	198 588	110 515	198 588	110 515	270 562
Interest bearing debt	-397 619	-300 283	-397 619	-300 283	397 191
Total assets	848 430	496 866	848 430	496 866	786 356
Equity	261 977	101 496	261 977	101 496	253 796

Tables and calculations in the report do not always summarize to the totals due to roundings.
Comparison refer to the same period in the previous year unless otherwise stated.

¹ Pro forma refers to the period July 2021 – June 2022 for the companies
Dentalum has fully acquired and signed agreements to acquire as per 30 June

2022 and has been recalculated to show the results as if Dentalum had owned the companies throughout the last 12 months including adjustments for IFRS 16.

CEO's comments

Maintained profitability and continued growth

During the second quarter, Dentalum experienced a strong growth driven by our acquisitions. Including the three acquisitions completed during Q2, Dentalum currently operates 24 clinics in eight regions in Sweden. After the quarter, we signed SPAs with five additional dental clinics to be completed in Q3.

Dentalum's operating revenue in Q2 amounted to 105 MSEK, which is an increase by 23% compared to Q1. The Group EBITDA increased by 16%, amounting to 24 MSEK. On a pro forma basis (LTM 06/22), our 24 clinics generated revenues of 409 MSEK with an EBITDA of 102 MSEK, yielding a healthy EBITDA-margin of 25%.²

High quality dental clinics with cutting edge competence

During the quarter, we completed the acquisitions of Karlatsandläkarna, Mälarkliniken and Swedish Dental – all located in region Stockholm. The clinics are well renowned and specializes in different treatments. Karlatsandläkarna and Mälarkliniken focus on functional occlusion, and aesthetic treatments as well as advance implant treatments. Swedish Dental is a leader in guided dental implant surgery. The sellers are very ambitious, and we have already started to plan for an expansion of their existing businesses as well as how to transfer their cutting-edge knowledge to other clinics in our group.

After the quarter, we signed SPAs with five additional clinics. Four of them are in Västerbotten, thereby expanding Dentalum's presence to a new region, and the fifth clinic is in Stockholm.

During the year, our M&A team has grown, and we have intensified our work to partner up with high-quality clinics. Our primary target group is entrepreneurial clinic owners in their mid-career that want to build Dentalum together with us in the long-term. So far, we have been successful as 25 out of our 29 clinics have entered long-term partnerships.

Dental market and the macroeconomic developments

The inflationary pressures and rising interest rates are affecting everyone. The dental industry is in general, however, resilient when it comes to macroeconomic cycles. It is my belief that our group is well positioned, and we have not yet noticed any impact in terms of patient demand. As raw materials and energy prices increases, dental supplies may be affected. We are therefore keeping a close eye on our clinics' supply chain and critical suppliers to ensure that we handle any price impact in due time.

As for our previously communicated IPO plans, we continue to work towards Q2 2023. Although, the market conditions are not optimal right now, we are frontloading the work to make sure that we are ready when the opportunity appears. In parallel with our IPO readiness process, we closely monitor the market development and will always evaluate the best possible financing options for Dentalum.

Building the organisation in line with our vision

We believe that the best decisions are made as close to the business as possible. Our decentralized approach encourages and motivates our clinics to maintain responsibility over their practice, at the same time as Dentalum can provide support, insights, resources, and to share best practices in our group. Step by step we are building Dentalum towards our vision to become a leading dental group with a world class organisation.

Our new COO, Matts Tannerfeldt, will join the team in the beginning of Q3. His mission is to work closely with our clinics and to support them in a continuous improvement process to drive organic growth. We have already several exciting business developments projects ahead of us that will entail both expansion of existing clinics as well as establishing new clinics to meet the underlying patient demand. I believe Dentalum is well positioned, and I look forward to continuing to work with our highly skilled colleagues and prominent clinics, on our mission to become a leading dental group in the Nordics.



Max Dorthé Ladow
CEO, Dentalum

² Revenue and EBITDA is on clinic level, excluding the cost for the headquarter and IFRS adjustments.

We are Dentalum

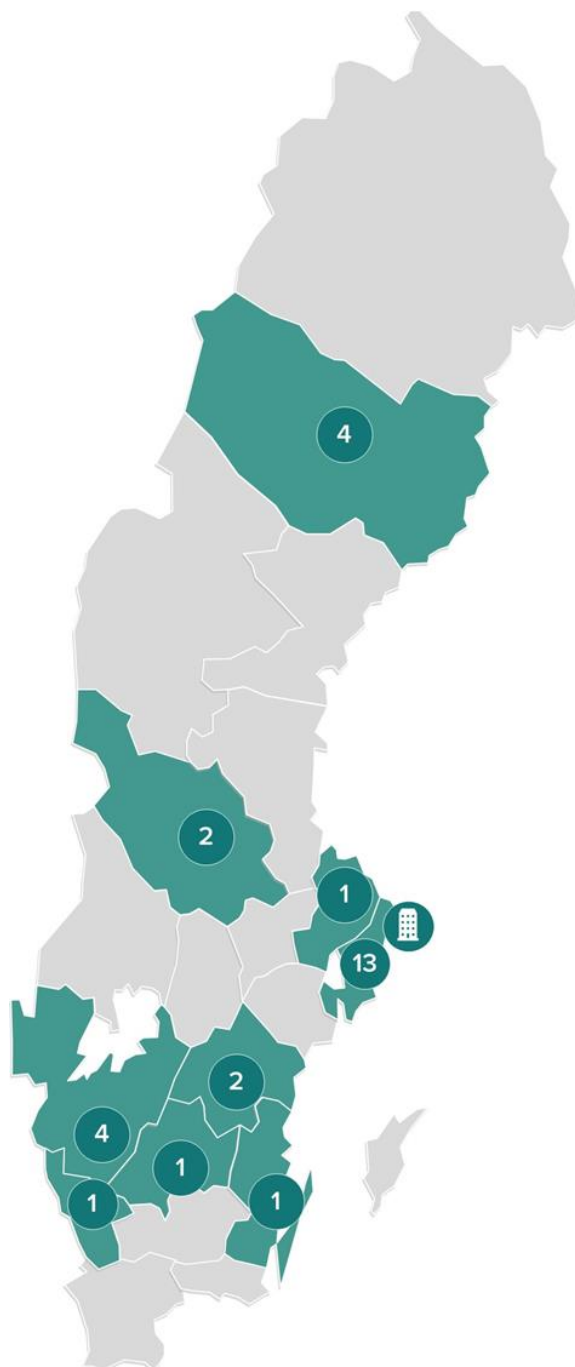
Dentalum is one of the leading and fastest growing dental care groups in Sweden. We invest in our employees and in high-quality dental clinics with the goal of building a world-class organization. Today, Dentalum has 29 clinics located in nine regions in Sweden.

Decentralized organization

Dentalum's organization is based on a decentralized structure, driven by a business model that protects each clinic's local identity and independence. We believe that decisions are best made when it takes place as close to the business as possible. Our model encourages independence and entrepreneurship, which gives room for different ways of working when it comes to how a clinic is run in a successful way. It is precisely in these differences that we see as a great potential and strength to learn from within the group. Our goal is to create a quality-oriented and continuously improving work environment by providing our operations with the right support, training, digital tools, analyzes and knowledge exchange.

29 clinics in nine regions

Our journey began in October 2019, when Dentalum completed its first acquisition of a small dental clinic in Halland. Since then, the company has experienced strong growth and at the end of Q2 2022 consist of 29 clinics, located in nine regions in Sweden. In total, the group consists of about 250 employees.



**Q2 EBITDA
margin
23%**



**Annual
Revenue
409 MSEK**
(pro forma LTM 06/22)



**Net
leverage
2.5**
(pro forma LTM 06/22)



**Revenue
growth
82%**
(Year on year)

New members of the Dentalum-family in Q2



Swedish Dental

Rasmy Shahnavaz

Rasmy founded the practice in 1993 and has been working as a licensed dentist for over 30 years. He has since developed the clinic to be at the forefront of various treatments. In 2016, Arash Simyar became a co-owner. Together they develop the operations further and are today considered leaders in guided dental implant surgery.

"We met with Dentalum and felt a strong confidence in the philosophy and strategy on which they have built their business and therefore saw it as an exciting opportunity for us to enter into a partnership with them. Now we have set our sights on expanding our business"

Mälarkliniken

Anna Pettersson

Anna has been a licensed dentist since 2006 and specializes in functional occlusion and functional aesthetic treatment. Her goal is to provide her patients with lifelong oral health, optimal functioning without pain and a fantastic aesthetic result. Anna is trained at the Dawson Academy and is a member of American Academy of Cosmetic Dentistry and Swedish Academy of Cosmetic Dentistry.

"We quickly felt that Dentalum offered us what we were looking for in a partner. We get the opportunity to continue in more or less the same way as before, but with the benefits from being part of a larger organization. At the same time, we get to be part of the exciting expansion journey that Dentalum has begun."



Karlatandläkarana

Robin Pettersson

In Karlatandläkarana's premises, there have been dental practices since the 60s and for the last decade Robin Pettersson has been running the clinic. Robin is a licensed dentist since 2006 and specializes in functional occlusion and implant treatments. For Robin, it is important that the patient understands the treatment via a clear interaction with the patient. Robin is trained at the Dawson Academy and is a member of the American Academy of Cosmetic Dentistry and the Swedish Academy of Cosmetic Dentistry.

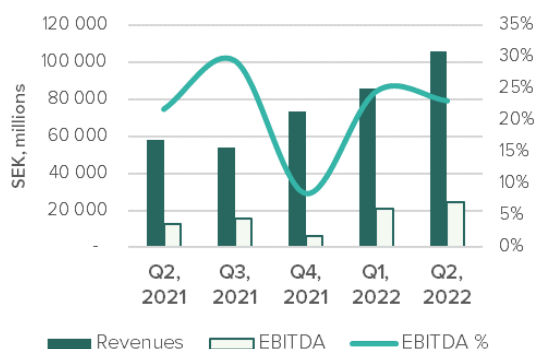
"It went relatively quickly from the time we were contacted by Dentalum to the time we agreed on the forms of cooperation. We are looking forward to contribute to an even stronger growth."

Financial report summary and comments

This interim report is presented, based on the information available to management and to the best of their knowledge at the time of issue. For further information, please see section significant estimates and assumptions. The first quarter interim report of Dentalum Operations AB includes consolidation of 29 dental clinics, operating in nine regions in Sweden – the regions of Halland, Dalarna, Stockholm, Uppland, Västra Götaland, Jönköping, Kalmar and Östra Götaland. In total, 23 legal entities are consolidated, including Dentalum Operations AB.

Summary, acquisition driven growth

Dentalum continues to deliver growth through acquisition via long-term partnerships with the entrepreneurs behind the acquired clinics. During the second quarter the acquisition of Swedish Dental, Mälarkliniken and Karlstadläkarna were completed. The transactions were financed by a combination of equity contributions and cash. Since inception in 2019, acquisitions of total 23 clinics have been carried out and in total SEK 402,1 million of net sales and SEK 107 million of EBITDA. (pro forma annual basis). Eight dental clinics were acquired during the previous financial year. In 2020 eleven clinics were acquired and in 2019 the first clinic was acquired.



Acquisitions executed

2022	Company/clinic	Closing date	Annual revenues (SEK million)	No. of employees
Q2	Karlstadläkarna and Mälarkliniken	May, 2022	26 (2021)	14
	Swedish Dental AB	April 1, 2022	31 (2021)	11
Q1	Tandläkarhuset Enköping AB	January 31, 2022	26 (2020)	
2021				
Q4	Erik Lennartsson AB "Dentalakademien"	November 1, 2021	21.8 (2020)	9
	Estetikcenter Göteborg AB, 2 clinics	November 30, 2021	8.8 (2020)	6
Q3	Stångå Tandklinik AB, 2 clinics	September 27, 2021	20.5 (2020)	18
Q2	Tareqs klinik AB	May 18, 2021	15.1 (2020)	5
	Solna Dental & Solna Dental Arenatandläkarna		32.6 (2020)	22
2020				
Q4	Sthlm Dental Clinics, 3 clinics	November 2, 2020	38 (2019)	15
	City Dental i Stockholm AB	December 1, 2020	90 (2019)	62
	Vesalis Dental AB	December 29, 2020	14 (2019)	11
Q3	"Kungsforsbolagen", 3 legal entities	August 4, 2020	20 (2019)	16
	Kungsfors Tandvård AB			9
	Borås Tandvård AB			5
	Kinna Tandvård AB			2
Q2	Ludvika Tandläkarna AB, 2 clinics	April 8, 2020	22.9 (2019)	20
	Dentalum Tandvårdsteam AB	June 1, 2020	29.9 (2019)	4
2019				
Q3	Moberg-Stenberg AB	September, 2019	5.5 (2018)	4

Group performance Q2, April -June 2022

Income statement

Revenues

Operating revenue during the second quarter 2022 amounts to SEK 105.7 million (58.2). The increase in quarterly revenues compared to the same quarter in 2021, was driven by the additional nine dental clinics that were acquired. During the second quarter, three clinics were added to the consolidated financial statements. Patient inflow continued to recover because of the Swedish vaccination program. A slight seasonal decline was observed by the end of the quarter.

Expenses

Operating expenses during the second quarter of 2022 amounted to SEK 81.3 million (45.5), of which the major part constitutes personnel expenses of SEK 46.4 million (27.6). The overall operating expense ratio to revenues in the second quarter of 76.9% is somewhat lower compared to the same quarter last year (78.2%).

Financial expenses

Net financial expense of SEK -8.6 million (-6.7) consists of interest expense and financing fees. The increase in interest expense compared to the same period last year, relates to the increase in debt by SEK 100 million of subsequent bond issue within the existing framework, executed in Q4 of 2021.

Earnings

EBITDA (earnings before interest, tax, depreciation, and amortization) for the second quarter amounts to SEK 24.4 million (12.7). Second quarter earnings before financial items and tax amounts to a profit of SEK 14.6 million (-6.7). Net earnings, after financial items and tax, amounts to a net profit of SEK 4.8 million (-0.4).

Balance sheet and financing

The Group had intangible assets worth SEK 548.2 million at the end of the quarter (321.3). Intangible assets are attributable to identified surplus value from acquisitions amounted and goodwill. Total assets at the end of the quarter amounted to SEK 848.4 m (496.9).

Cash and cash equivalents at the end of the quarter amounted to SEK 198.6 million (110.5).

Total liabilities increased compared with the corresponding quarter last year, which is mainly attributable to the Group's outstanding bond. At the end of the quarter the Group's equity amounted to SEK 262 million (101.5).

Net interest-bearing debt

Net interest-bearing debt, excluding IFRS reclassification of lease contracts, amounts to SEK 199.0 million (189.8). The net increase compared to the same period previous year corresponds to an increase in cash balance following financing and acquisition activities, as well as the increase in debt by SEK 100 million bond issue in 2021.

Amounts in kSEK	2022 Q2	2021 Q2	FY 2021
Cash - debt	-199 031	-189 768	-126 629
Cash	198 588	110 515	270 562
Interest bearing debt	-397 619	-300 283	397 191

Cash flow

Cash flow from operations before changes in working capital generated during the first quarter 2022 increased to SEK 23.3 million (10.1). Cash flow used for investing activities during Q2 2022 accumulated to SEK 61.4 million (62.3). Cash flow relating to financing activities amounted to SEK -10.5 million (-13.7).

Group performance first half 2022, January – June 2022

Revenue and earnings

Consolidated revenue for the first six months amounted to SEK 191.5 million (107.9), an increase of 78%.

EBITDA increased by 104% compared to the same period previous year and amounted to SEK 45.5 million (22.3), and the EBITDA margin was 23.7% (20.7%). No items affecting comparability have impacted EBITDA-margin during the period. EBIT (operating profit) was SEK 27.0 m (9.1), with an operating profit margin of 14.1 % (8.4%). Net profit for the half-year period increased to SEK 8.2 million (-3.8)

Cash flow

Cash flow from operating activities increased during the first half of the year to SEK 36.5 million (16.8). The increase is mainly explained by acquisition of profitable dental clinics. Cash flow during the period was also charged with payment of SEK 8.1 million (4.9) in income tax. The difference in paid income tax is explained by an overall higher taxable income of the Group. Investments in dental clinics, amounted to SEK 78.1 million (72.5)

Other information

Outlook and financial targets

The Board of Dentalum Group AB have declared the intention to list the shares of Dentalum Group AB on a regulated market or multilateral trading platform (MTF) during 2023.

Financial targets for the period 2022-2024:

1. EBITDA should reach SEK 280 million by the end of 2024.
2. EBITDA-margin: Dentalum's target is to continue having a sustainable and high profitability exceeding an average annual EBITDA-margin of 20%.

Parent company

Dentalum Operations AB (publ.) ("Parent Company") invests in companies that offer dental care. The Parent Company does not provide dental care to patient. The Parent Company's revenue for the second quarter totalled SEK 0.9 million (0.7), and profit after was tax SEK 18 million (-10.7), due to dividends from subsidiaries. Apart from dividends from subsidiaries, the result is steered essentially by invoiced management & accounting services and other operating expenses. Cash and cash equivalents amounted to SEK 97.2 million (44.6).

Accounting policies

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IAS/IFRS, as endorsed by the European Union) issued by the International Accounting Standards Board, interpretations issued by the IFRS Interpretation Committee (formerly IFRIC), the Swedish Annual Accounts Act, and Swedish Financial Reporting Board (RFR) standard RFR 1 "Supplementary Accounting Rules for Groups". This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 "Accounting for Legal Entities".

From January 1, 2022, other standards, amendments, and interpretations of existing standards that have not yet entered into force or been published by the IASB have not been applied by the Group.

Significant estimations and assumptions

When preparing interim reports, the Board and the Management must, in accordance with the applicable accounting and valuation principles, make certain estimates, assessments and assumptions that affect the recognition and valuation of assets, provisions, liabilities, income and expenses. The outcome may deviate from these

estimates and assessments and will rarely amount to the same sum as the estimated outcome.

Material estimates and assumptions are described in the 2021 annual report. No changes to such estimates and assumptions, that would have a material impact on this interim report, have been introduced.

Revenues and segments

Operating segment is reported in line with internal management reporting, presented to the top executive body, representing the function responsible for allocation of resources and assessment of the profitability of the operating segment. Such function has been identified as the Group Management, consisting of five persons, including the Chief Executive Officer. Group Management has determined the group as a whole constituting one segment, based on the information considered, in agreement with the Board of Directors, as base for resource allocation and assessment of earnings and profitability. The total amount of net revenues constitutes entirely of sales of dental care services. Revenues from third party clients, based on the location where the dental services are being provided, are all generated in Sweden.

Alternative performance measures

In this interim report, reference is made to measures that Dentalum Operations AB and others use in the evaluation of Dentalum Group's consolidated performance that are not explicitly defined in IFRS. These measures provide management and investors with important information to analyse trends in the company's business activities. These Alternative Performance Measures are intended to complement, not replace, financial measures that are presented in accordance with IFRS. For definitions, see the section "Definitions of Alternative Performance Measures".

Pro forma reporting

Due to Dentalum's rapid growth, the company has chosen to prepare a pro forma report. The purpose of the pro forma report is to provide an overview of the consolidated income statement and balance sheet for the period as if the acquisitions which took place before June 30, 2022, as described above, were completed on July 1, 2021. The sole purpose of the pro forma reporting is to inform and highlight facts with the intention of describing a hypothetical situation. The pro forma financial information does not necessarily reflect the Group's actual results and/or financial position if the acquisitions had been made earlier than the date stated above, and such pro forma financial information should not be viewed as an indication of the Group's earnings trend or financial position for any future period. The pro forma information should

be read together with all other information in this interim report.

The pro forma reporting has been prepared in accordance with Dentalum's accounting principles. In preparing the pro forma information, an analysis has been made of the effects of differences in accounting principles between Dentalum and the acquired companies. The applicable parts of the acquired companies' financial information have been adapted to Dentalum's accounting principles. In regard to IFRS 16 – Leasing agreements and accrual of costs Dentalum has opted to emulate the effects of IFRS-16 on EBITDA. It should however be noted that the historical effects of IFRS 16 predating Dentalum's acquisition are estimations.

Proforma net leverage

Pro forma net leverage, calculated as per the definition in the Senior secured Bond Terms & Conditions (for calculation see pro forma report at the end of this report), decreased to 2.7 x EBITDA, compared to 3.0x by the end of last quarter. The decrease is related to a proportional increase in pro forma group EBITDA and decrease of the pro forma gross debt relating to liabilities from deferred purchase price assessments.

Transactions with related parties

Dentalum Operations AB (publ) has not had any transactions with related parties that significantly affected the company's position and result during the period.

Risks

A detailed description of identified risks and uncertainties is provided in the 2021 Annual Report, which can be downloaded via www.dentalum.com.

Update - risks and uncertainties due to Covid-19

As per August 31, 2022, there has not been any significant impact on the financial reporting due to Covid-19, related to valuation of goodwill, expected credit losses, valuation of inventory or government grants.

During the second quarter, Dentalum clinics have seen stable patient inflow as the majority part of the population has been vaccinated, although the spreading of mutations of the Covid-19 virus have increased,

Risks and uncertainties connected to the pandemic do remain, considering potential mutated virus variants, potentially resistant to available vaccines, that may occur and reach Sweden. The development of the situation is closely monitored by Dentalum to protect employees, patients as well as to mitigate potential negative financial impact.

Update - risk on the financial reporting due to Russia's war against Ukraine

Dentalum has not identified any direct exposure to the Russian or Ukrainian markets. It is uncertain to what extent the conflict will come to influence the business climate in the future for Dentalum's clinics. Both Russia and Ukraine are producer and supplier of some dental materials, but a potential stop to supplies will not cause any material effects on Dentalum's financial position or result. Dentalum continues to monitor the development.

Financial calendar

Dentalum's financial calendar is outlined below:

- 31 August: Interim report Q2 2022
- 30 November: Interim report Q3 2022
- 28 February: Interim report Q4 2022
- 29 April: Annual report 2022

Consolidated Income Statement

Amounts in kSEK	2022 Q2	Q2 2021	2022 H1	2021 H1	FY 2021
Operating revenues					
Net revenues	105 432	57 889	189 798	107 050	232 254
Other operating revenues	284	296	1 724	823	2 377
Total operating revenues	105 716	58 185	191 522	107 873	234 631
Operating expenses					
Direct expenses	-21 055	-9 273	-36 825	-17 865	-44 668
Other external operating expenses	-13 860	-8 629	-25 784	-15 485	-36 155
Personnel expenses	-46 379	-27 624	-83 402	-52 185	-115 331
EBITDA	24 423	12 660	45 512	22 338	38 477
Depreciations and amortizations	-9 804	-5 919	-18 498	-13 224	-29 157
Earnings before financial items and tax / EBIT	14 619	6 741	27 014	9 115	9 320
Financial items					
Revaluation of contingent liabilities	-115	0	-115	0	-19 529
Income/expenses from shares in Associated companies	0	-844	0	-844	0
Interest income/expenses and similar items	-8 586	-6 720	-17 180	-13 445	-28 523
Profit after financial items	5 918	-823	9 719	-5 174	-38 732
Appropriations	0	0	0	0	0
Earnings before tax / EBT	5 918	-823	9 719	-5 174	-38 732
Income tax expenses	-1 077	429	-1 539	1 361	-530
Net Earnings	4 841	-394	8 180	-3 813	-39 262
Other comprehensive income					
Net Earnings	4 841	-394	8 180	-3 813	-39 262
Other comprehensive income	0	0	0	0	0
Total comprehensive income for the period	4 841	-394	8 180	-3 813	-39 262

Consolidated Balance Sheet

(kSEK)

ASSETS	30-06-2022	30-06-2021	31-12-2021
Intangible assets	548 236	321 278	434 638
Improvements on leasehold	13 380	11 040	13 320
Equipment and tools	9 904	6 297	9 460
Other fixed assets	25	486	386
Right of use assets	26 074	19 569	23 103
Tenant owned apartments	1 838	538	1 838
Non-current receivables	1 389	1 127	789
Deferred tax assets	4 998	1 286	4 821
Total non-current assets	605 845	361 621	488 354
Inventories	8 337	8 684	8 045
Accounts receivables	10 339	6 436	5 814
Other current receivables	6 258	2 246	2 833
Current tax assets	14 145	3 803	5 895
Prepaid expenses and accrued income	4 918	3 561	4 854
Cash and cash equivalents	198 588	110 515	270 562
Total current assets	242 585	135 246	298 002
TOTAL ASSETS	848 430	496 866	786 356
EQUITY AND LIABILITIES			
Share capital	500	500	500
Shareholders contributions	301 842	114 092	301 842
Retained earnings	-48 546	-9 284	-9 284
Profit/loss for the period	8 180	-3 813	-39 262
Total Equity	261 977	101 496	253 796
Deferred tax	21 369	17 225	19 174
Other provisions	49 046	25 700	0
Total provisions	70 415	42 925	19 174
Long term liabilities			
Non-current interest bearing liabilities	397 619	300 283	397 191
Other non-current liabilities	16	0	25 700
Long term (IFRS) lease liabilities	15 676	11 142	14 535
Total long term liabilities	413 311	311 425	437 426
Short term liabilities			
Prepayments from customer	12 585	2 138	3 611
Accounts payables	8 877	7 244	9 178
Current interest bearing liabilities	0	550	527
Current (IFRS) lease liabilities	8 584	8 754	8 867
Current liabilities group companies	0	1	0
Current tax liabilities	13 970	724	6 556
Other current liabilities	32 943	8 951	24 703
Accrued expenses and prepaid income	25 769	12 659	22 517
Total short term liabilities	102 727	41 021	75 959
TOTAL EQUITY AND LIABILITIES	848 430	496 866	786 356

Changes in consolidated equity

(kSEK)	Share capital	Shareholder contributions	Retained earnings	Profit/loss for the period	Total Equity
Opening equity January 1, 2021	500	96 517	87	-9 371	87 733
Transfer of profit from previous year			-9 284		
New share issue	-	-	-	-	-
Shareholder contributions	-	205 325			205 325
Profit/loss for the period				-39 262	(39 262)
Closing balance December 31, 2021	500	301 842	-9 284	-39 262	253 796
Opening balance as of January 1, 2021	500	301 842	-48 546	-39 262	253 796
Transfer of profit from previous year					-
New share issue					-
Shareholder contributions					-
Profit/loss for the period				8 180	8 180
Closing balance as of June 30, 2022	500	301 842	-48 546	8 180	261 976

Consolidated Cash Flow Statement

(kSEK)	2022 Q2	2021 Q2	2022 H1	2021 H1	2021 FY
Cash flow from operating activities					
Income before financial items (EBIT)	14 619	6 741	27 014	9 115	9 320
Adjustments for non cash affecting items	9 804	5 919	18 498	13 224	29 170
Net interest paid on operating receivables/liabilities	-392	-308	-835	-620	-1 392
Income tax paid	-742	-2 293	-8 139	-4 894	-8 293
Cash flow from operations before changes in working capital	23 289	10 059	36 538	16 825	28 805
Cash flow from changes in working capital					
Change in inventories	241	259	393	400	1 935
Change in operating receivables	-4 755	-798	-8 382	-2 952	-1 122
Change in operating liabilities	6 490	3 077	738	4 876	7 564
Cash flow from changes in working capital	1 976	2 538	-7 251	2 324	8 377
Net cash flow from operations	25 265	12 597	29 287	19 149	37 182
Cash flow from investing activities					
Acquisition of tangible assets	-321	-1 194	-395	-1 884	-2 850
Acquisition of companies and shares	-61 130	-61 679	-78 125	-72 477	-169 456
Cash flow from investing activities	-61 451	-62 873	-78 520	-74 361	-172 306
Cash flow after investing activities	-36 186	-50 276	-49 233	-55 212	-135 124
Cash flow from financing activities					
New share issue	0	0	0	0	0
Shareholders contributions received	0	0	0	0	155 000
Net change in interest-bearing debt, incl. interest coupon	-6 541	-13 698	-15 875	-15 669	78 340
Amortization, lease liabilities	-3 981	0	-6 866	0	-9 050
Cash flow from financing activities	-10 522	-13 698	-22 741	-15 669	224 290
Total cash flow for the period	-46 708	-63 974	-71 974	-70 881	89 166
<i>Changes in cash and cash equivalents</i>					
Cash and cash equivalents at the beginning of the period	245 297	174 486	270 562	181 396	181 396
Cash and cash equivalents at the end of the period	198 589	110 512	198 588	110 512	270 562
<i>Summary</i>					
Cash flow from operations	25 265	12 597	29 287	19 149	37 182
Cash flow from investing activities	-61 451	-62 873	-78 520	-74 361	-172 306
Cash flow from financing activities	-10 522	-13 698	-22 741	-15 669	224 290
Total cash flow	-46 708	-63 974	-71 974	-70 881	89 166

Parent company - income statement

Amounts in kSEK	2022 Q2	Q2 2021	2022 H1	2021 H1	FY 2021
Operating revenues					
Net revenues	880	705	1 629	1 369	2 661
Other operating revenues	0	0	5	0	-6
Total operating revenues	880	705	1 634	1 369	2 655
Operating expenses					
Direct expenses	0	0	0	0	0
Other external operating expenses	-3 691	-3 011	-7 170	-4 975	-10 071
Personnel expenses	-3 986	-1 916	-6 888	-3 614	-8 453
EBITDA	-6 798	-4 222	-12 424	-7 220	-15 869
Depreciations and amortizations	-3	-1	-5	-2	-6
Earnings before financial items and tax / EBIT	-6 800	-4 223	-12 429	-7 222	-15 875
Financial items					
Revaluation of contingent liabilities	0	0	0	0	0
Income/expenses from shares in Associated companies	18 000	0	18 000	0	0
Interest income/expenses and similar items	-8 181	-6 449	-16 370	-12 889	-27 309
Profit after financial items	3 019	-10 672	-10 800	-20 111	-43 184
Appropriations	0	0	0	0	40 019
Earnings before tax / EBT	3 019	-10 672	-10 800	-20 111	-3 165
Income tax expenses	0	0	0	0	-3 721
Net Earnings	3 019	-10 672	-10 800	-20 111	-6 887

Parent company - balance sheet

ASSETS	30-06-2022	30-06-2021	31-12-2021
Intangible assets	0	0	0
Improvements on leasehold	0	0	0
Equipment and tools	26	10	31
Other fixed assets	0	0	0
Shares in group companies	661 162	364 027	515 519
Tenant owned apartments	0	0	0
Non-current receivables	762	0	162
Deferred tax assets	0	1 286	0
Total non-current assets	661 950	365 323	515 712
Inventories	0	0	0
Accounts receivables	-823	0	0
Other current receivables	1 167	1 019	885
Receivables associated companies	1 506	3 439	41 302
Prepaid expenses and accrued income	729	40	516
Cash and cash equivalents	97 144	44 557	181 190
Total current assets	99 723	49 054	223 893
TOTAL ASSETS	761 673	414 378	739 605
EQUITY AND LIABILITIES			
Share capital	500	500	500
Shareholders contributions	301 842	114 092	301 842
Retained earnings	-18 497	-11 621	-11 621
Profit/loss for the period	-10 800	-20 110	-6 876
Total Equity	273 045	82 860	283 845
Deferred tax	0	0	0
Other provisions	51 046	25 700	0
Total provisions	51 046	25 700	0
Long term liabilities			
Non-current interest bearing liabilities	397 619	300 283	397 191
Other non-current liabilities	0	0	25 700
Long term (IFRS) lease liabilities	0	0	0
Total long term liabilities	397 619	300 283	422 891
Short term liabilities			
Prepayments from customer	0	0	0
Accounts payables	4	1 284	1 383
Current interest bearing liabilities	0	0	0
Current liabilities group companies	0	824	0
Current tax liabilities	2 636	0	2 654
Other current liabilities	27 551	2 377	19 391
Accrued expenses and prepaid income	9 772	1 049	9 440
Total short term liabilities	39 962	5 535	32 869
TOTAL EQUITY AND LIABILITIES	761 673	414 378	739 605

Parent company – changes in equity

(kSEK)	Share capital	Shareholder contributions	Retained earnings	Profit/loss for the period	Total Equity
Opening equity January 1, 2021	500	90 875	6 509	-12 487	85 397
Transfer of profit from previous year			-5 978	0	0
New share issue	-	-	-	-	-
Shareholder contributions	-	205 325			205 325
Profit/loss for the period				-6 876	-6 876
Closing balance December 31, 2021	500	296 200	-5 978	-6 876	283 845
Opening balance as of January 1, 2021	500	296 200	-5 978	-6 876	283 845
Transfer of profit from previous year	-	-	6 876	-	0
New share issue	-	-	-	-	0
Shareholder contributions	-	-	-	-	0
Profit/loss for the period	-	-	-	10 800	-10 800
Closing balance as of June 30, 2022	500	296 200	-12 854	-10 800	273 045

Parent company - cash flow statement

(kSEK)	2022 Q2	2021 Q2	2022 H1	2021 H1	2021 FY
Cash flow from operating activities					
Income before financial items (EBIT)	-12 429	-4 223	-12 429	-7 221	-15 875
Adjustments for non cash affecting items	5	2	5	3	6
interest paid	-25	-36	-25	-42	-112
Income tax paid	0	0	0	0	-2 436
Cash flow from operations before changes in working capital	-12 449	-4 257	-12 449	-7 260	-18 416
Cash flow from changes in working capital					
Change in inventories	0	0	0	0	0
Change in operating receivables	63	-260	63	-2 124	-1 355
Change in operating liabilities	-870	234	-870	2 011	4 890
Cash flow from changes in working capital	-807	-26	-807	-113	3 536
Net cash flow from operations	-13 256	-4 283	-13 256	-7 373	-14 881
Cash flow from investing activities					
Acquisition of tangible assets	-600	0	-600	0	-25
Acquisition of companies and shares	-112 334	-67 741	-112 334	-78 879	-180 690
Cash flow from investing activities	-112 934	-67 741	-112 934	-78 879	-180 715
Cash flow after investing activities	-126 190	-72 024	-126 190	-86 252	-195 596
Cash flow from financing activities					
New share issue	0	0	0	0	0
Shareholders contributions received	0	0	0	0	155 000
Net change in interest-bearing debt, incl. interest coupon	-15 875	-11 625	-15 875	-11 625	78 340
Net of group contributions received	58 019	0	58 019	0	1 000
Cash flow from financing activities	42 144	-11 625	42 144	-11 625	234 340
Total cash flow for the period	-84 046	-83 649	-84 046	-97 877	38 744

Pro forma report

	17 clinics	20 clinics	21 clinics	24 clinics
<i>Amounts in SEK millions</i>	LTM 09/21	LTM 12/21	LTM 03/22	LTM 06/22
Operating revenues	270,7	304,1	344,0	409,2
Direct expenses	-41,0	-50,2	-61,7	-84,6
Gross profit	229,7	253,9	282,3	324,6
% of revenues	85%	83%	82%	79%
Other external operating expenses	-44,8	-47,7	-51,8	-60,5
Personnel expenses	-125,5	-140,2	-150,4	-162,1
PF EBITDA ex adjustments	59,4	66,0	80,1	102,1
% of revenues	22%	22%	23%	25%
IFRS 16 adjustments	10,8	11,7	12,3	13,1
DD and management adjustments	4,0	4,3	2,9	2,6
Parent company expenses	-10,9	-15,9	-20,6	-21,1
PF Group EBITDA	63,3	66,1	74,7	96,8
% of revenues	23%	22%	22%	24%
Pro forma Gross Debt:	358,8	466,2	498,7	484,4
Interest bearing debt, incl. accrued interest	312,0	397,7	412,7	407,6
IFRS leases	19,1	23,4	26,1	24,3
Liabilities, deferred purchase price	25,7	25,7	51,0	49,0
Provisions for earn-outs	2,0	19,4	8,9	3,6
Total cash balance	108,3	270,5	245,3	214,5
Escrow	0,0	42,7	15,9	15,9
Non restricted cash	108,3	227,8	229,4	198,6
Net debt computation	232,1	177,3	227,1	243,7
Gross Debt:	358,8	466,2	498,7	484,4
Reinvestments related to earn-outs	-18,4	-18,4	-26,3	-26,3
Cash balance	-108,3	-270,5	-245,3	-214,5
Gross Debt / EBITDA	5,7	7,1	6,7	5,0
Net Leverage	3,7	2,7	3,0	2,5

Pro forma P&L LTM development, 24 clinics

	24 clinics	24 clinics	24 clinics	24 clinics
<i>Amounts in SEK millions</i>	LTM 09/21	LTM 12/21	LTM 03/22	LTM 06/22
Operating revenues	391,2	399,4	405,6	409,2
Direct expenses	-68,6	-80,8	-82,0	-84,6
% of revenues	-18%	-20%	-20%	-21%
Other external operating expenses	-66,0	-61,9	-61,7	-60,5
Personnel expenses	-162,8	-159,7	-159,8	-162,1
PF EBITDA ex adjustments	93,8	97,0	102,0	102,1
% of revenues	24%	24%	25%	25%

Definitions of alternative performance measures

Dentalum presents certain financial measures that are not defined in the interim report in accordance with IFRS, however providing meaningful supplemental information to investors and the company's management. These definitions cannot be fully compared with other companies' definitions of corresponding performance measures and measures and should not be seen as a substitute for measures defined under IFRS.

EBITDA:	Earnings before interest, tax, depreciation and amortization and before write-down of intangible and tangible assets
Adjusted EBITDA:	EBITDA adjusted for non-recurring income and expense, identified as not related to the dental operations of the acquired entities, excluding any transaction expenses, and excluding items affecting comparability
EBITDA-margin:	EBITDA as a ratio of net sales
Net Debt:	Interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents
Net Debt incl. IFRS 16	Interest-bearing liabilities, including lease liabilities, less cash and cash equivalents
Net Debt as per the definition in the Bond Terms & Conditions	Interest-bearing debt, adding IFRS 16 adjustments for lease liabilities and net of liabilities for contingent considerations (earn-outs) and related shareholder contributions, deducted for cash balance
Net Working Capital (NWC):	Total of inventories, trade receivables, accounts payables and other current non-interest-bearing receivables and liabilities, excluding tax assets and liabilities and provisions
Organic growth:	Growth in net sales excluding growth related to acquisitions and divestments and other non-recurring adjustments

Signatures

The set of financial statements in this interim report were prepared in accordance with IFRS, with generally accepted accounting principles and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Parent Company.

The Board of Directors of Dentalum Operations AB (publ), has approved to publish this Interim Report.

Stockholm, August 31, 2022

Mikael Lönn
Chairman of the Board

Roberto Rutili
Board member

Marcus Ladow
Board member

Gunilla Öhman
Board member

Lars Kvarnsund
Board member

Max Dorthé Ladow
CEO

The report has not been subject to review by the Company's auditors.