DENTALUM

ANNUAL REPORT 2022

DENTALUM OPERATIONS AB (PUBL)

This is an unofficial translation of the original Swedish text. In the event of any discrepancy between the English translation and the Swedish original, the Swedish version shall govern.

CONTENTS

WE ARE DENTALUM

Dentalum is one of the leading and fastest growing dental groups in Sweden. We invest in our employees and in profitable dental clinics to reach our goal of building a world class organization, leading to a high-quality dental care with a remarkable service. Dentalum has today 31 clinics located in ten regions in Sweden.

DECENTRALISERAD ORGANISATION

Dentalum's organization is built on a decentralized structure, driven by a business model that preserve each clinic's local identity and independence. We believe that the best decisions are made closest to the business, thereby allowing for different ways of successfully operating a clinic. It is our strong belief that these variations and differences in our clinics' ways of working creates a great potential to grow just by learning from each other. Our goal is to create a thriving and quality-oriented work environment by providing the right support, educational programs, digital tools, insights, and know-how. When we gather our clinics in different forums, meetings, and networks we identify and utilize the local best practices to continuously improve our clinics as well as the entire Group.

31 CLINICS IN TEN REGION

Our journey began in October 2019, when Dentalum acquired its first clinic in Halland region. Since then, the company has had a strong growth. By the end of 2022, our Group comprised of 31 clinics, located in ten regions in Sweden. In total, the Group employs approximately 300 people who are operating in 146 treatment rooms to provide our patients with general-, specialist-, aesthetic- and cosmetic dentistry.

DENTALUM IN BRIEF

31
Clinics

+300
Employees

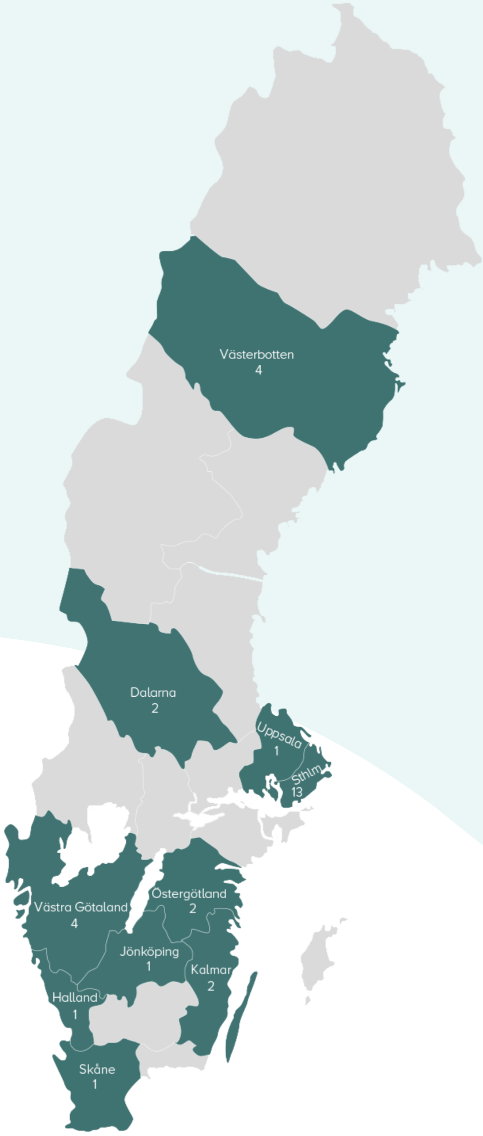
146
Treatmentrooms

SUSTAINABLE ACQUISITION STRATEGY

Dentalum works primarily with two types of acquisition models: Partnership model and Succession model. Regardless of the acquisition model applied, the purpose is to establish structures that ensures sustainability in the business that become part of Dentalum.

Our primary acquisition strategy is to target clinics with clinic owners being in their mid-careers. These clinic owners are subject to the Partnership model, which offers a long-term partnership with incentives that encourage continuous sustainable and profitable development for both the clinic and Dentalum. Out of our 31 clinics, 18 are subject to our Partnership model.

In cases where the clinic owner approaches retirement we use our Succession model instead, which takes into account the clinic owner's time left until an exit from the business. Similar to our Partnership model, we have established incentives also in the succession model that ensures sustainability in the business after a successful succession of the clinic owner.



OUR CORE VALUES

2019

July: Dentalum was founded by the brothers, Marcus Ladow and Max Dorthé Ladow, together with the investors, Robin Rutili and Saeid Esmaeilzadeh.

October: Acquisition of the dental clinics Moberg-Stenberg in Halland.

2020

February The head office recruits a CFO and COO.

April: Dentalum expands to Dalarna through the acquisition of Ludvikatandläkarna and Gylle Tandvård.

June: Dentalum acquiries Nacka Tandvårdsteam

August: Kungsfors Tandvård, Kinna Tandvård and Borås Tandvård are acquired by Dentalum

October: Dentalum issues a secured bond loan of SEK 300 million within a framework of SEK 600 million to finance future growth.

November: Sthlm Dental Clinic's three clinics are acquired by Dentalum.

December: Dentalum acquires City Dental i Stockholm, one of Sweden's largest private dental care clinics.

December: The Jönköping-based clinic, Vesalis Dental, is acquired by Dentalum.

2021

May: Dentalum acquires Tareqs Klinik in Hultsfred in Småland.

June: Solna Dental Huvudstatandläkarna and Solna Dental Arenatandläkarna are acquired by Dentalum.

September: Dentalum expands to Linköping and Mjölby through the acquisition of Stångå Tandklinik and Svartå Tandklinik

October: Dentalum undertakes a successful tap issue of SEK 100 million within the existing bond framework.

October: Estetikcenter's two operations in Gothenburg and Stockholm are acquired.

November: Dentalum acquires Dentalakademin in Stockholm and enters into a long-term partnership with Erik Lennartsson.

November: Dentalum publically announces its financial targets its ambition to be listed during 2023.

December: Dentalum strengthens its capital structure and expands its investor base through a direct new share issue of SEK 170 million.

2022

February: Tandläkarhuset Enköping AB is acquired by Dentalum.

March: Dentalum strengthen the Board of Directors, as Gunilla Öhman and Lars Kvarnsund were elected as Board members at an extraordinary general meeting. Mikael Lönn was appointed as Chairman of the Board of Directors. Following these appointments, Dentalum´s Board consists of three independent board members.

April: Dentalum acquires Swedish Dental at Kungsholmen in Stockholm.

May: Dentalum acquires Karlatandläkarna and its´ subsidiary Mälarkliniken in Stockholm.

August: Dentalum confirms its´ position in Stockholm by acquiring NOVO Dental located in Sundbyberg.

August: Dentalum increases its' management team by the recruitment of a new COO.

September: Dentalum expands inot the region of Västerbotten by the acquisition of Skellefteå Tandvårdand Tandhälsan in Jörn.

September: Dentalum strengthens its' position in Västerbotten by the acquisitions of Tandcenter in Umeå and Tandcenter Lövånger.

December: Dentalum expands into the regions of Skåne by the acquisition of Tandcity Sweden AB in Malmö and is thereby represented in ten regions in Sweden.

CEO COMMENTS

The year 2022 has been a transforming year for Dentalum and I'm proud of the great steps we have taken in implementing sustainable dental care of the highest quality to best meet our patients' need for care. We have continued to deliver on our growth strategy and grown with ten clinics that are well positioned in the country. At the same time, we have further developed our organization to continue to drive continuous improvement in our existing clinics and have initiated several interesting organic growth opportunities. The clinics' organic growth amounted to about 4% and the Group's net sales growth amounted to 70%, from MSEK 234.6 in year 2021 to MSEK 399.8 at the end of 2022.

THE YEAR IN BRIEF

The year 2022 has shown an uncertain geopolitical climate and a challenging macroeconomic development with rising inflation, increased interest rates and higher costs for households. Dentalum has continued to grow in a challenging environment and in terms of full-year results, Dentalum has increased its operating profit before depreciation, amortization, financial items, and taxes ("EBITDA") from approximately MSEK 38.5 to approximately MSEK 74, which corresponds to more than a 90% growth. In addition, the reported EBITDA-margin has been strengthened at the end of the year to 18.5% compared to 16.4% in the corresponding period last year. Looking at the clinic's pro forma and adjusted EBITDA on a rolling twelve-month basis, as if clinics had been part of Dentalum at the beginning of the year, EBITDA amounted to approximately MSEK 117.5, which yields a continued strong margin exceeding 24%.

During the second half of the year, several clinics exceeded their estimated and forecasted EBITDA, leading to additional contingent purchase prices being booked in the balance sheet as debt. As a result, additional debt increased during Q3 and Q4 with MSEK 137, thereby increasing net debt-to-EBITDA ratio to 4.3x (including additional non-interest-bearing contingent purchase prices) at the end of the year.

EXPANSION AND DEVELOPMENT

During the year we have continued our strong growth, acquiring ten clinics that together add a pro forma annual revenue, as if these acquired clinics had been part of Dentalum throughout 2022, of MSEK 163.9 to the Group. The profitability of the acquired clinics further contributes further to the Group's strong EBITDA-margin, with an annual pro forma EBITDA of approximately MSEK 45.6. Through the year's acquisitions, Dentalum expanded its presence to Västerbotten, Uppsala and region Skåne. Dentalum is now operating in ten regions in Sweden with over 300 employees in the group.

In parallel with an acquisition-intense year, we have worked actively with our existing clinics. During the year we have planned, prepared and initiated several local organic growth projects in the regions of Västerbotten Kalmar, Östergötland and Stockholm. The projects mainly revolve around the expansion of existing clinics, which enables us to take a greater social responsibility by taking care of patients' underlying care needs to a greater extent and contributing to more accessible dental care for people in sparsely populated areas.

SUSTAINABILITY, EDUCATION AND QUALITY OF CARE

Since establishment, Dentalum has been a value-driven company, where sustainability is one of our most important core values. We see sustainable business as an opportunity to build a long-term and value-creating organisation that takes care of its employees and patients in a responsible manner.

At the beginning of the year, we started an extensive project to deeply understand how we can develop and drive sustainable dental care within the group, where we in 2022 reviewed over 120 medical records at 26 clinics. Thanks to the incredible trust from our clinics and the outstanding work from all employees who have participated in this extensive quality work, we now know exactly the level of dental care our patients receive. With this knowledge, we see the strengths we have within the group and our opportunities to further refine and enhance our care for our patients. This knowledge base constitutes an incredible value and tool for continued business development within the group, where we can tailor courses and training programs in Dentalum Academy that are directly linked to the needs of the individual and the organization's inherent development opportunities. The quality work in Dentalum is a sustainability work that is continuously updated and strives to strengthen all our core areas.

Our greatest focus is on the quality of care that our clinics deliver and together with our employees we have now laid the foundation for continuing to develop long-term and sustainable dental care in accordance with science and lege artis.

Our work leads to a strengthened culture where quality and continuous learning are at the center. It also enables us to identify and approach clinics with greater precision in the acquisition process, which are of high quality and share Dentalum's core values.

In 2022, we have also focused on establishing an organizationally improved readiness to more effectively manage opportunities, challenges and unplanned changes that arises. We have strengthened almost all support functions at the head office and have taken important steps in our strategic work with the clinics to work more proactively and goal oriented together.

2023 AND ONWARDS

The recent geopolitical and macroeconomic environment affects not only the capital market, in terms of increased cost of capital, but also the dental industry. Although the effects are not entirely clear yet, we see a risk that households' increased costs may have an impact on certain types of dental treatments. However, Dentalum is well positioned and diversified, as we have acquired clinics during the year that are located in areas where there is a great underlying need for dental care and where the accessibility to dental care is generally limited.

At the end of 2021, the board of Dentalum declared the intention to list Dentalum's shares on a regulated market or multilateral trading platform. The purpose of listing Dentalum was to enable a more efficient way to raise capital for continued growth and development. Given the current market situation, an IPO is not considered optimal for the company. Until the market climate is more favorable, we have developed a financing strategy to manage the company's upcoming bond maturity as well as further capital need required to take benefit of future growth opportunities, both organically and through acquisitions.

Even if the economic situation is uncertain, the dental market is a long-term stable and resilient industry. I am convinced of the strength of our decentralized model that enables us to quickly adapt and develop our respective businesses.

Our shared values and focus on quality of care bind us together. Thanks to all our employees' dedication, openness, and willingness to develop, we all contribute to a long-term and sustainable dental care with the patient in focus. It's a fantastic privilege to work with such devoted and driven colleagues and I look forward to continuing our work in 2023 to build one of Sweden's leading dental groups.

Max Dorthé Ladow

CEO, Dentalum Operations AB (publ)

OUR SUSTAINABILITY INITIATIVES

Dentalum is a value-driven company that is built upon our core values, Sustainability, Integrity and Passion. We see them as central foundations and guiding principles in our business decisions and investments. Our core values are therefore strongly linked to how we work with sustainability, which carries a broad meaning within Dentalum. Sustainability is a central part of our value creation process in order to achieve a developing and engaging work environment with an inclusive culture for our employees, who together work for an equal dental health for our patients. In 2022, Dentalum has continued to work with our long-term goals in line with the UN's global sustainability goals.

CORE VALUES ARE PART OF OUR SUSTAINABILITY WORK

Our core values Passion, Integrity and Sustainability permeate our entire organization and we see these as fundamental in how we run a sustainable organization. However, Dentalum's group is based on a decentralized organizational structure, where each clinic has great operational freedom to run and develop its clinic according to its own ability. This also means that sustainability matters are largely handled at each clinic. However, together with our clinics, we work to achieve our goals and milestones in sustainability through various forms of business support, knowledge exchange, resources and tools.

In 2021, Dentalum set milestones to jointly support the UN's global sustainability goals. We have continued to work actively with these goals, which are goal 3 - good health, goal 5 - gender equality, goal 8 - decent work and economic growth, and goal 10 - reduced inequality.

ENVIRONMENT

We work continuously to reduce the environmental impact of dentistry.

By implementing and integrating more digital workflows, we can both streamline our way of working, reduce carbon dioxide emissions and help more patients receive care. One such example is to start scanning patients with a 3D scanner instead of physical models. When the clinics scan, a digital file is sent to a dental laboratory instead of a physical model. We therefore save the environment with transports and can also streamline the flow with the patient by minimizing the risk of redoing models and reducing the time for handling the patient's needs. At Dentalum, we support such transition, and we are seeing an increasing number of our clinics switching completely to a digital environment.

Another area that affects the environment is the chemicals that dental care handles in its daily operations. In 2022, Dentalum offered training on which chemicals are necessary, how they should be handled, and which chemicals should be replaced. We offer our clinics a digital tool to always have all information available and updated regarding chemical management.

Many of our clinics have adapted their ways of working and are now devoting more time to the patient on each dental appointment to work holistically with the patient's needs. Instead of dividing the patient's visit into several appointments (if not required), the clinician can work with the entire dental care need, ultimately saving the patient's time and limiting the travelling to and from the clinic.

SOCIAL RESPONSIBILITY

In a short time, Dentalum has become one of Sweden's leading dental groups, which also entails an increased responsibility towards our patients, employees, and all stakeholders that we interact with.

In 2022, Dentalum has continued to work with our quality and business development work. At the end of the year, all dentists at 26 clinics had participated in a quality audit that includes a review of more than 100 points per medical record. The review is conducted by an independent and external quality auditor who, after completing the review, has an individual coaching session with the practitioner and submits an action plan with points in which the employee can improve and develop. The extensive quality and business development work is not only directly linked to each dentist's level of quality but enables Dentalum to tailor training programs and courses for our clinics. It is already known that good oral health is important for maintaining a good quality of life, and in recent years an increasingly strong connection between oral health and general health has been demonstrated. Cardiovascular diseases, diabetes, chronic respiratory diseases and cancer are examples of such diseases that are linked to your oral health, which is why preventive dental care is important for your general condition. Through our quality work and customized training, we can highlight this and take a holistic approach to each patient's well-being and dental health.

We are committed to running a long-term organization and care about our employees' development and patients' health. We are convinced that sustainable business is a must for creating added value and contributing to society at large.

Our objectives are:

- Healthier patients, fewer clinic visits and thereby less carbon emissions
- A cost-effective way of working for each clinic
- Lower consumption of consumables and less waste
- Best practice through learning and continuous development
- Rapid development of digital technologies
- Promote the development of the individual dentist in his or her professional role
- A collaboration between research and participation
- Shortening the lead time from diagnosis to treatment

During the year, we have also further developed our HR strategy in line with our vision of building a world-class organization with a culture and work environment that is engaging, motivating and developing for our employees. Through our work, we have moved from being a reactive function to becoming more proactive. Part of this work is our annual employee surveys, which is a tool for understanding the needs of our employees and how we can best meet them. In addition, we work data-driven and follow the employee journey closely to capture trends early on to maintain the ability to attract top talent in an industry suffering from shortage of staff. In addition to providing continuous support to our clinic managers, we also offer individual coaching on leadership and organizational development.

In line with Dentalum's core value integrity, we work to establish an organization and culture based on the principles of mutual respect, trust and equality. We believe that diversity within the organization is essential when running a sustainable and developing organization. The same applies to our acquisition strategy and business development, where the differences between each clinic and its employees become a strength, creating added value through competence, experience and working methods. Considering that Dentalum often acquires clinics in smaller towns, these businesses fulfill an important function for the society and the underlying healthcare need that exists there. Dentalum encourage the local heritage and let the clinics, as part of its corporate philosophy, to continue to conduct the business largely to the same extent as before with a continued high degree of independence, but with the support of a larger organization.

Dentalum only seeks to cooperate with suppliers that are compliant with applicable laws and regulations and in line with Dentalum's own values. When procuring central agreements, a supplier analysis is carried out to ensure a sustainable supply chain.

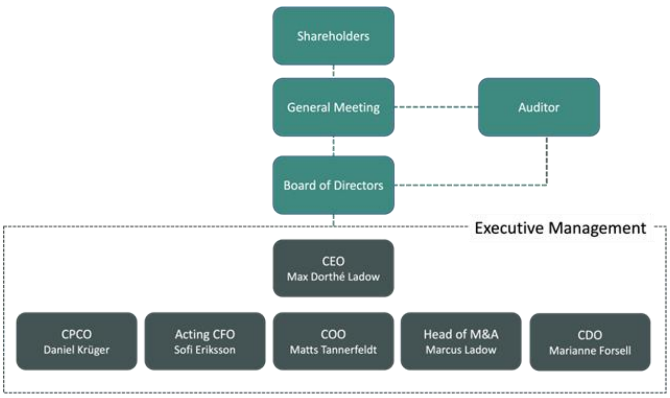
DIRECTORS REPORT

The Board of Directors and Chief Executive Officer of Dentalum Operations AB (publ.), with corporate identity number 559136-4046 and registered office in Stockholm, hereby submit the Annual Report for the financial year January 1, 2022 – December 31, 2022. The consolidated financial statements of the Group include the Parent company and its 25 subsidiaries, of which 23 directly owned, specified in Note 17.

CORPORATE GOVERNANCE REPORT

Unless specified, the information refers to the Group. Amounts are in kSEK unless otherwise stated.

For Dentalum Operations AB (publ) (" the Company" or "Dentalum"), Corporate Governance defines the way the Company is organized and works for the purpose of ensuring the shareholders' interests and to achieve the Company's objectives. During the year, we have strengthened the Board of Directors, as at an extraordinary general meeting in March 2022, two independent board members were elected. In total, the Board of Directors consists of five board members, of which three are independent. The board, now consisting of a majority of independent board members, is an important step to continuously act for the best interest of the Company. Since 2021, Dentalum has an external and group wide whistleblowing system where co-workers, suppliers and other parties, anonymously may report suspected violations of rules or crimes. Every reported incident is confidentially managed and investigated according to our whistleblowing policy. Since the implementation of the policy, we have not had any reported matters.



Applicable regulations

Corporate governance at Dentalum is based on both internal and external rules and regulations. External rules are the Swedish Companies Act, the Annual Report Act, Nasdaq Stockholm Rule Book for Issuers of Fixed Income Instruments and other applicable Swedish legislations and provisions. Dentalum's framework for corporate governance also includes internal rules and procedures for ways of working within the Group. The Company's internal rules include the article of association, policies adopted by the Company as well as other rules and guidelines for corporate governance.

Dentalum's structure for corporate governance starts with the Board, that is appointed by the General Meeting in accordance with the Swedish Companies Act, who decides the Group's strategy. Verkställande direktören verkställer denna genom koncernledningen vars medlemmar leder och övervakar koncernens verksamhet. The CEO executes on the strategy through the executive management, who oversees the Group's business. Each clinic head bears the operational responsibility for their respective clinic. The Group functions are responsible for the framework and processes with respect to HR, legal, marketing, accounting and finance that provides support to the clinics.

The purpose and nature of the Company

Dentalum was founded in 2019. The Company is a limited liability company, incorporated in Sweden and headquartered in Stockholm at address Sturegatan 34, 114 36 Stockholm. The Company acquires and develops dental clinics with the goal to become the leading dental group in the Nordics.
Dentalum has an operating model, where the dental clinics have a high degree of independence and the respective clinic heads are responsible for the dental operations of the individual clinics.
Main functions that are centralized in the Group is financing, accounting and payroll administration, for which integration is initiated at the time of closing of each acquisition. Dentalum performs dental activities through its 'subsidiaries in the Dentalum group ("The Group").

Shares and shareholding

The Company is wholly owned by Dentalum AB, 559212-9745, which in turn is owned by the majority shareholder Dentalum Group AB, 559220-1668, with a shareholding as per December 31, 2022, of 93.8 per cent. During 2022 Dentalum´s ownership structure changed somewhat as the new board member, Lars Kvarnsund, invested in Dentalum shares as he started the position. The transaction was executed on September 16, 2022. As far as the Company is aware of, no other trading of shares has been executed thereafter.

As per December 31, 2022, the majority owner of Dentalum Group AB, Esmaeilzadeh Holding AB, holds an ownership corresponding to 45,98 percent (45.98%). Other shareholders with an ownership exceeding 10 percent were MML Partners AB

General Meeting

The Annual General Meeting ("AGM") is the Company's highest decision-making body, where the shareholders can exercise their influence. The AGM shall be held within six months after the end of the financial year. All shareholders who are registered in the shareholders' register and who have announced their attendance in time are entitled to attend the AGM. Shareholders are entitled to have issues discussed at the meeting if these have been properly notified to the Company in due time before the publication of the notice of the AGM. Notice of the AGM is distributed by the Board in accordance with the Swedish Companies Act.

The General Meeting considers matters relating to e.g., election and dischargement of Board members as well as potential amendments of the Company's Articles of Association. The General Meeting of Dentalum has currently no outstanding authorization to the Board for the issuance of new shares in the Company. Further, Dentalum has no limitations regarding the number of votes each shareholder can cast at a General Meeting.

External auditors

At the AGM 2022, the registered public accounting firm EY was appointed, with Andreas Nyberg as the Company's external auditor in charge, for the period up until the end of the AGM 2023.

Remuneration to the auditors

Fees to the auditor are paid continuously during the term of office in accordance with the agreement. During the financial year 2022, the total audit fee paid to EY amounted to 1 879 kSEK (1 287). See further Note 6.

The Board of Dentalum

The composition of the Board

According to the Articles of Association of Dentalum Operations AB (publ.), adopted by the AGM on the 16 December 2019, the Board shall consist of one to ten members with one to three deputies.

Mikael Lönn, Roberto Rutili and Marcus Ladow were re-elected at the AGM 2022. At an Extraordinary General Meeting, held on 28 March 2022, Mikael Lönn was elected as Chairman of the Board and Lars Kvarnsund and Gunilla Öhman were elected as new board members. During 2022, the Board of Directors, elected by the General Meeting, consisted of Chairman Mikael Lönn, board members Roberto Rutili, Marcus Ladow, Lars Kvarnsund and Gunilla Öhman and Max Dorthé Ladow as deputy board member.

At the AGM 2022 it was determined to renumerate each board member, except board members employed by the Company, with an annual remuneration of 200 kSEK, and an amount of 400 kSEK to the Chairman, which constitutes the total remuneration for the board assignments in Dentalum Operations AB (publ) as well as in Dentalum Group AB.

The Board´s independence

According to applicable regulations, Mikael Lönn, Lars Kvarnsund and Gunilla Öhman are considered independent in relation to the Company and its management, as well as in relation to the Company´s major shareholders. Marcus Ladow is not considered to be independent in relation to the Company, its management or in relation to the Company´s major shareholders. Robin Rutili not considered to be independent in relation to the Company's major shareholders.

The Board's responsibility and duties

The Board has the overarching responsibility for the Company's strategy, sustainability initiatives, internal control, risk management and long-term business strategy. The Board is also responsible for other significant matters which, based on Dentalum's size and focus, are of extraordinary financial, legal or general character. The Board is, among others, responsible for the following matters;

- Adopting important policies, short- and long-term targets for the Company and continually ensuring that they are followed and revised.
- Appointing and, if necessary, dismissing the CEO, as well as continually evaluating the CEO's performance in relation to the short- and long-term goals that have been determined
- Regularly monitor and evaluate Dentalum's financial position and development, as well as taking decisions relating to Dentalum's capital structure, including presenting. proposals to the AGM regarding shareholder dividends when applicable.
- Approving acquisitions.
- Approving all financial statements before they are released and to ensure that the financial reporting is reliable and accurate.

Board meetings and key topics

In 2022, ten board meetings were held. Areas of particular focus during the year have included:

- Acquisitions.
- Reporting from the executive management regarding operating activities.
- Financial reports.
- Financing and capital raise.
- Impact of Covid-19 on operations.
- Matters and discussions around the Company's strategy, financial targets, IPO plans, business plan and acquisition structures.
- Incentive programs.
- Internal risk- and control matters.

Audit Committee

The responsibilities of the Audit Committee is managed by the Board as a whole. The Board assesses the financial reporting as well as valuation- and audit matters.

Dentalum´s Management

Dentalum´s management consist of Max Dorthé Ladow CEO, Marcus Ladow, Head of M&A, Matts Tannerfeldt, Chief Dental Officer and Sofi Eriksson, acting CFO as from 27 January 2023, (previously Dentalum´s CFO during the period of February 2020 – March 2022).

The management is responsible for ensuring that the ongoing administration of operating activities is performed in line with the Board's guidelines and directions. Management is responsible for the internal controls that are necessary for the Board review and control and regularly reports to the board on these issues. The management team has monthly meetings where important company related matters are processed, such as transactions, the Company's organization, results, and financial position are discussed. In addition to the management meetings, bi-weekly meetings are held with the other members of the head office.

Chief Executive Officer

The CEO is responsible for the day-to-day activities of the Company according to the instructions from the Board and other guidelines and policy documents. Together with the Chairman of the Board, the CEO prepares the agenda for board meetings and is responsible for the preparation of such data and information as is necessary for the Board's decision-making. In addition, the CEO ensures that the Board is continually informed about Dentalum's development, so that the Board can make well-informed decisions.

Remuneration to management

During the year, remuneration to the management team consisted of fixed salary as well as pension and insurance benefits. See further Note 8.

Remuneration committee

The Board has not appointed a formal remuneration committee during the financial year. However, the Board dedicates time for the overall review of remuneration matters relating to Company when deemed necessary.

Risk management and internal control

Risk management

Through its operations, Dentalum exposed to different kinds of risks that can affect the net profits and equity. These risks are primarily related to financing and liquidity risks, changes in interest rates, and counterparty risks.

The Board has the ultimate responsibility for the Group's risk management. Responsibility for risk management is defined in a delegation procedure where financial risks are evaluated and monitored by Dentalum's CEO and CFO. Operational risks are evaluated and monitored by Dentalum's CEO, Chief Operating Officer and Chief Dental Officer. Dentalum strives for a strong corporate culture to manage and prevent relevant risks. The Group continuously evaluates risk areas. For each risk, the probability of the risk occurring is assessed, as well as the potential impact on the business.

Risk assessment and management is an integral part of the company's processes. Various methods are used to evaluate risks and to ensure that the relevant risks for Dentalum are managed in accordance with established policies and guidelines. The most important risk areas are defined in guidelines and compliance with these are monitored through continuous assessments within the relevant functions. See further page 27 for key risk areas.

Internal control

Under the Swedish Companies Act, the Board is responsible for the company's internal control. The objective of internal control is to achieve operational effectiveness and efficiency, and to ensure the reliability of financial reporting and information about the operations, and compliance with applicable laws, regulations, policies, and guidelines.

The Group is conducting its business through its subsidiaries. Operational monitoring and the accounting and finance activities are however conducted by Dentalum. The accounting and finance function, together with the Operations function, serves as the Groups control function with respect to the Group's business. The CFO also reports directly to the Board in matters related to observations and measures related to regulatory compliance.

BOARD

MIKAEL LÖNN

BORN 1949 | CHAIRMAN SINCE MARCH 2022, BOARD MEMBER SINCE AUGUST 2021

Education: Fil.kand. and Medical Doctor
Professionell experience (selection): Mikael has a vast experience as a business leader and entrepreneur, mainly within the health care sector. Founded M&M Medical, a hospital group that operated Sabbatsberg and Täby hospital in Stockholm. Mikael is an active investor and successful entrepreneur within various sectors, and he has previously had board assignments in the dental care group Oral Care AB as well as in Prima Barn-och Vuxenpsykiatrin among others. Currently Mikael holds board assignments in various companies, such as RedEye AB, Genovis AB and Skogsägarna Mellanskog Ekonomisk förening.

ROBIN RUTILI

BORN 1973 | CO-FOUNDER AND BOARD MEMBER SINCE 2019 (Chairman until March 2022)

Education: BA, International Management, University of Minnesota, BSc Managerial Control Systems at Uppsala University, Economics at Foothill College
Professional experience (selection): Robin Rutili, has extensive experience as an entrepreneur and private investor within various sectors, such as real estate, technology and health care. Robin Rutili is CEO and Co-founder of the investment company Vincero, as well as Co-founder and Board member of Doktor.se, one of Sweden's largest and fastest growing digital care provider.

MARCUS LADOW

BORN 1988 | CO-FOUNDER AND BOARD MEMBER SINCE 2019

Education: Master of Laws, LL.M. from Stockholm University
Professional experience (selection): Marcus has 7 years of experience from one of the leading law firms in the Nordics, Mannheimer Swartling, focusing on private and public M&A, commercial contracts, and corporate law, as well as from a position as associate legal counsel at Nasdaq Stockholm.

GUNILLA ÖHMAN

BORN 1959 | BOARD MEMBER SINCE 2021

Education: B.Sc. in Business and Economics from Stockholm School of Economics.
Professional experience (selection): Gunilla has an extensive experience within communication, IPOs and Investor Relations. She has previously been Head of Communication in various companies such as SEB Group and the Swedish Central Bank. Currently, Gunilla is active as consultant and board member in listed companies. She is for example IR Manager at NCAB group and Nimbus Group AB (publ) and holds board assignments for Fasadgruppen Group AB, Titania Holding AB and Atvexa AB.

LARS KVARNSUND

BORN 1967 | BOARD MEMBER SINCE 2021

Education: B.Sc. in Business and Economics from University of Jönköping.
Professional experience (selection): Lars has extensive experience from leading roles, such as CEO of Gunnar Johansson Gruppen AB & Gnosjö Konstsmide AB, as well as CFO in the listed company Garo AB in which Lars was instrumental in the listing of the company at Nasdaq Stockholm. Currently Lars holds board assignments in Serneke Group AB (publ), Jansson Industri AB and Prido AB.

MANAGEMENT

MAX DORTHÉ LADOW

BORN 1990 | CO-FOUNDER AND CEO SINCE 2019

Education: B.Sc. in Business and Economics from Stockholm School of Economics

Professional experience (selection): Max has an entrepreneurial background as Co-founder of several startups in various industries. Most recent company was NuvoAir, a digital MedTech company focusing on lung health, which is now present in more than 30 countries.

MARCUS LADOW

BORN 1988 | CO-FOUNDER AND HEAD OF M&A SINCE 2019

Education: Master of Laws, LL.M. from Stockholm University

Professional experience (selection): Marcus has 7 years of experience from one of the leading law firms in the Nordics, Mannheimer Swartling, focusing on private and public M&A, commercial contracts, and corporate law, as well as from a position as associate legal counsel at Nasdaq Stockholm.

SOFI ERIKSSON

BORN 1961 | ACTING CFO SINCE FEBRUARY 2023 (previously CFO February 2020-March 2022)

Education: B.Sc. in Business and Economics with major in International Finance and French from School of Business, Economics and Law, Gothenburg

Professional experience (selection): Sofi has an extensive financial expertise with experience from various roles within Finance, both international and in Sweden, in multinational listed companies e.g., as MD of the group treasury entity of Pharmacia Corp./Pfizer, as well as roles in M&A intensive Private Equity owned companies (e.g. Phadia, Munters, Bambora), as Head of Tax, Treasury and Financial Compliance), including 5 years at the Private equity firm Nordic Capital´s CFO Office.

MARIANNE FORSELL

BORN 1960 | CHIEF DENTAL OFFICER SINCE 2021

Education: Doctor of Dental Surgery at Karolinska Institute and MBA International orientation at Stockholm School of Economics.

Professional experience (selection): Marianne has over 20 years of relevant dental experience in the private sector as a dentist, as well as an entrepreneur within the dental care sector as Co-founder and former CEO of Oral Care.

MATTS TANNERFELDT

BORN 1972 | CHIEF OPERATING OFFICER, COO, SINCE AUGUST 2022

Education: B-Sc. In Business and Economics from University of Stockholm.

Professional experience (selection): Matts has 20 years of experience from management roles within the dental care and health care sector.

DANIEL KRUGER

BORN 1973 | CHIEF PEOPLE & CULTURE OFFICER SINCE JANUARY 2022

Education: Studies in psychology and business administration at the University of Uppsala and Monash University, Melbourne.

Professional experience (selection): Daniel has long experience of working with strategy, organization development and leadership in various sectors, both as a consultant and as Head of Human Resources.

DENTALUMS ORGANISATION AND OPERATIONS

Dentalum Operations AB (publ.) (" the Company"), started its operations in 2019. The company is a limited liability company registered in Sweden with registered office in Stockholm with address Sturegatan 34, 114 36 Stockholm. The company operates, develops, and acquires dental clinics with the objective to create a market-leading dental service group in the Nordics. The Company has a long-term acquisition philosophy, designated to create the right prerequisites for sustainable and continuous improvements within the Group as a base for the dental clinics to operate sustainable dental care services at excellent quality for the patients. The company's objective is to implement the right prerequisites and working environment for our co-workers with the objective to create a world-class organization.

The operating model of Dentalum is that our dental clinics shall have a high degree of operational independence, where the clinic heads are responsible for their respective operations. Our strategy is to have a small head office with limited overhead expenses. The only functions that are centralized are financing, accounting and payroll administration, which is integrated at closing of each acquisition.

Starting with four people at the head office during 2020, consisting of the management team, we expanded the head office functions during 2021 with additional five people by recruitment of an HR Manager, a Chief Dental Officer, an M&A Analyst, a Marketing Manager and a Controller. During 2022 the head office has further strengthened by recruitment of an M&A Director, as well as additional personnel within HR and accounting, to meet a fast growth from 20 clinics by at the end of 2021 to 31 clinics at the end of 2022.

Dentalum Operations AB, provides dental care services through its subsidiaries in the Dentalum Group ("the Group").

SIGNIFICANT EVENTS DURING THE YEAR

Continued growth through acquisitions

Dentalum has acquired ten dental clinics during the year, of which all were closed in 2022.

- 2022-02-01 the acquisition of Tandläkarhuset Enköping AB, providing dental care in the region of Uppland, was executed.
- 2022-04-01 Swedish Dental Dentalum AB, in the Stockholm region, was acquired.
- 2022-05-31 two dental clinics in Stockholm, Mälarkliniken AB and Karlatandläkarna AB, were aquired.
- 2022-09-01 Skellefteå Tandvård´s two clinics providing dental care in Västerbotten was acquired.
- 2022-08-31 Novo Dental AB in Stockholm was acquired.
- 2022-09-30 Fritidstandläkarna AB in Västerbotten was acquired. The two clinics are known as Tandcenter Umeå and Tandcenter Lövånger AB.
- 2022-12-29 Tandcity Sweden AB, in the region of Skåne, was acquired.

Since the start of Dentalum at the end of 2019, acquisitions of 31 dental clinics, operating in ten regions, have been executed.

Financial targets and plans of public listing of shares

On November 22, 2021, Dentalum announced financial targets for the period 2022-2024. The Board of Directors communicated the targets to reach SEK 280 million in pro forma and adjusted EBITDA by the end of 2024, and to keep a sustainable and high profitability exceeding an average annual adjusted EBITDA-margin of 20 percent.

In connection with this, the Board of Directors of Dentalum Operations AB (publ.) stated its intention to list Dentalum's shares on a regulated market or multilateral trading platform (MTF).

The purpose of the listing plans was to enable an efficient raising of capital for continued development and growth. Given the current market situation, a listing is not considered optimal for the company at present. Until the market climate is more favorable, management and the board have prepared a financing strategy to manage the company's future bond maturity and capital needs to take advantage of future growth opportunities.

DENTALAKADEMIN STOCKHOLM

STÅNGÅ TANDKLINIK

Borås Tandvård

TandCity

TANDLÄKARHUSET TANDVÅRD OCH IMPLANTAT

TANDCENTER

SVARTÅ TANDKLINIK

GylleTandvård

Nacka/Saltsjöbadens tandvårdsteam

DENTALUM

K KARLATANDLÄKARNA

STHLM DENTAL

Kungsfors Tandvård

LudvikaTandläkarna

SOLNA DENTAL

City Dental

SKELLEFTEÅ TANDVÅRD

VESALIS DENTAL

M MÄLARKLINIKEN

Swedish Dental

NOVO DENTAL

KINNA TANDVÅRD

FINANCIAL OVERVIEW - GROUP

Revenue and earnings for the period

The Group's revenue increased to SEK 399.8 million from SEK 234.6 million in the previous year. The increase in revenue is primarily related to the acquisition of ten dental clinics, executed during the financial year, as well as the increase in operating expenses, which amounted to SEK -325 million (-196.2), of which personnel costs amounted to SEK -182.6 million (-115.3).

Operating earnings before depreciation, amortization, financial items and tax (EBITDA), which amounted to SEK 74.0 million (38.4), consists of earnings in the dental clinics, contributed as from the respective acquisition closing date, less operating expenses, excluding depreciation, in the Parent Company, Dentalum Operations AB (publ.), amounting to SEK -30.9 million (-15.9).

Net financial items, amounted to an expense of SEK -96.3 million (-48.1), which, in addition to interest expense of SEK - 35 million (-28.5) attributable to the issued bond loan, is comprised of an expense related to the revaluation of contingent considerations of SEK -61.3 million (-19.5) associated with a strong recovery of earnings in certain dental clinics.

Earnings after financial items amounted to SEK -63.5 million (-38.7).

Tax for the year amounted to -5.5 MSEK (-0.5), and profit for the year to -69.1 MSEK (-39.3).

OPERATING REVENUE (MSEK)

399,8

EBITDA (MSEK)

74,0

Capital structure

Equity in the Group at year-end amounted to SEK 213.3 million (253.8). The decrease in equity consists of the net of shareholder contributions of SEK 28 million (205.3) and the result for the year of -69.1 (-39.3).

Interest-bearing liabilities amount to SEK 398.4 million (397.2), which includes outstanding bond loans with a nominal value of SEK 400 million, including accrual of financing costs as of the balance sheet date. According to the bond terms, there are certain financial conditions ("incurrence covenants") for net indebtedness, where the calculation of this also includes liabilities related to leasing contracts of SEK 43.7 million (23.4), other long-term liabilities of SEK 71.0 million (25.7) consisting of contingent considerations related to acquisitions, and other short-term liabilities, including SEK 66.3 million (19.1) additional purchase prices expected to be paid in 2023.

Cash flow, liquidity and financial position

Cash flow from operating activities during the year increased to SEK 58.7 million (37.2), of which SEK 89.8 million (52.1) was generated from operating activities in the dental clinics, while operating cash flow from Dentalum Operations' head office amounted to SEK -31.1 million (-14.9). Changes in operating working capital in the Group had a positive effect on cash flow for the year of SEK 2.4 million (8.4).
Cash flow from investing activities amounted to SEK -171.5 million (-172.3), of which SEK -164.5 million (-169.3) relates to acquisitions of dental clinics.
Cash flow from financing activities of SEK -41.3 million (224.3) consists of shareholder contributions of SEK 2.3 million (155.0), as well as interest

payments of SEK -29.9 million (-25.7) and amortization of lease liabilities of SEK -13.3 million (-9.1). Net cash flow for the period amounted to SEK -154.1 million (89.2).
The Group's cash and cash equivalents on the balance sheet date amounted to SEK 116.4 million (270.6) and interest-bearing liabilities to SEK 398.4 million (397.2).

Future capital requirements and ability to continue operations

Within 12 months, the Company's existing senior secured bond loan matures with an outstanding debt of nominally SEK 400 million. Considering the fees associated with early redemption of the bond, refinancing of the bond loan has not yet been completed as of the publication of this annual report.
The Board of Directors and management are actively working on the company's financing and have prepared primarily two alternatives for refinancing the bond and for the funding of continued growth. One alternative is via bank financing and the other alternative is refinancing by issuing a new bond, where both alternatives are planned to be combined with an equity injection. Should none of the options be available at the time of the maturity date of the bond, it may imply that there is a significant element of uncertainty for the Company's ability to fulfill its undertakings to its bond lenders, as well as to carry on the business as is.

The Board of Directors and management are positive regarding the company's financing possibilities and are currently assessing the most appropriate alternative based on the financing structure and conditions associated with the refinancing in relation to the overall strategy.

CASH FLOW FROM OPERATIONS (MSEK)

58,7

CASH FLOW FROM INVESTING ACTIVITIES (MSEK)

-171,5

CASH FLOW FROM FINANCING ACTIVITIES (MSEK)

-41,3

Dentalum Financial overview

Group

TSEK	2022	2021
Operating revenues	399,842	234,631
EBITDA	73,998	38,477
% of revenues	*19%*	*9%*
Net financial expenses	-96,261	-48,052
Earnings before tax / EBT	-63,534	-38,732
% of revenues	*-16%*	*-17%*
Income tax expenses	-5,581	-530
Net Earnings	-69,115	-39,262
Net Cash flow	-154,143	89,166
Cash flow from operations	58,708	37,182
Cash flow from investing activitities	-171,517	-172,306
Cash flow from financing activities	-41,334	224,290
Net Cash /- Interest-bearing Debt	-282,007	-127,156
Cash & cash equivalents	116,420	270,562
Interest bearing debt	398,427	397,718
Total Assets	917,079	786,356
Equity	213,268	253,796

FINANCIAL OVERVIEW – PARENT COMPANY

The parent company, Dentalum Operations AB (publ) comprises the Group's head office and has no external invoicing. Operating income amounted to SEK 3.7 million (2.7) and consists of internal invoicing of group services for accounting and payroll administration. The operating result amounted to SEK -30.9 million (15.9). The Parent Company's cash flow consists of inflows in the form of group contributions from subsidiaries of SEK 40 million (1 million), dividends amounting to SEK 18 million (0) and cash flows from operating activities of SEK 16 million (-14.9) net. Outflows consist, in addition to the Parent Company's operating expenses, mainly of outflows in investing activities of SEK -218.3 million (-180.7), and interest payments on bond loans of SEK -31 million (-25.7).

The parent company's liquidity amounted to SEK 7.8 million (181.2) and interest-bearing liabilities to SEK 398.4 million (397.2). Total assets increased to SEK 852.5 million (739.6), an increase related to acquisitions made during the year.

The parent company's equity at year-end amounted to SEK 289.6 million (283.8).

Parent Company

TSEK	2022	2021
Operating revenues	3,666	2,655
EBITDA	-30,942	-15,869
% of revenues		
Net financial expenses	-48,556	-27,309
Earnings before tax / EBT	-18,368	3,154
Income tax expenses	-4,417	-3,721
Net Earnings	-22,785	6,875
Net Cash flow	-173,356	38,755
Cash flow from operations	16,011	-14,870
Cash flow from investing activitities	-200,261	-180,715
Cash flow from financing activities	10,894	234,340
Net Cash /- Interest-bearing Debt	-390,586	-216,001
Cash & cash equivalents	7,835	181,190
Interest bearing debt	398,421	397,191
Total Assets	852,485	739,605
Equity	289,647	283,845

Multi-annual summary

Group

(kSEK)	2022	2021	2020
Net revenue	397,384	232,254	56,422
Earnings after financial items /EBT	-63,534	-38,732	-9,210
Equity	213,268	253,796	87,733
Balance sheet total	917,979	786,356	493,760
Number of employees	287	195	138

Parent Company

(kSEK)	2022	2021	2020
Net revenue	3,666	2,666	1,107
Earnings after financial items /EBT	-79,509	-43,173	-14,772
Equity	289,647	283,845	85,396
Balance sheet total	852,485	739,605	432,553
Number of employees	13	7	4

Proposed distribution of earnings

The Annual General Meeting has the following funds at its disposal (SEK):

Retained earnings	311,932,480
Profit (loss) for the year	-22,785,288
Total	**289,147,192**

The Board of Directors proposes the following distribution of earnings (SEK)

Carried forward	289,147,192
Total	**289,147,192**

TRANSACTIONS WITH RELATED PARTIES

Apart from the remuneration paid to the Board of Directors, CEO and other senior executives who have been compensated as employees, as presented in Note 8, no other transactions with related physical parties have taken place. Income in the Parent Company from Group companies consists of income for the provision of central financial and personnel services, as well as group contributions received from subsidiaries, as specified in Note 29.

PERSONNEL

The number of employees in the Group at year-end was 311 (204), of which 296 (195) were employed in the acquired dental clinics and 15 (9) at Dentalum's head office. Of the total workforce, 72 (71) percent were women.

The number of employees in the Parent Company amounted to 15 (9) at the year-end, of which 47 (56) percent were women.

OPERATIONAL GOVERNANCE

The main operational responsibility within the Group rests with the clinic managers in each respective dental clinic. Group functions are responsible for framework and processes that support the operations of the clinics within HR, legal, marketing, finance and accounting. Dentalum's operational controls and risk management framework support objectives and requirements which are based on our core values, Passion, Sustainability and Integrity.

Monitoring of revenue and profitability of the dental activities is conducted through internal monthly reporting to the executive management, which is the function responsible for evaluating the profitability of the operations.

Reporting and presentation of the Group's operations and performance is made quarterly to Dentalum's Board of Directors. Externally, quarterly reports are published for the Parent Company Dentalum Operations AB (publ) and on a consolidated basis for the Group.

GROUP MANAGEMENT

Group management is composed of Max Dorthé Ladow, CEO, Marcus Ladow, Head of M&A/Chief Legal Counsel, Marianne Forsell, Chief Dental Officer, Matts Tannerfeldt, COO, Daniel Krüger, Head of HR and Sofi Eriksson, acting CFO from January 27, 2023 (previously Dentalum's CFO for the period February 2020 - March 2022).

RISK MANAGEMENT

The Group is exposed to various risks that may have an impact on the Group's operations, financial position, and earnings. Risks may arise within the main categories: political risks, operational risk, macro risks and financial risks. Dentalum has processes for identifying and managing these risks.

The Group's Board of Directors is ultimately responsible for the Group's risk management. Responsibility for risk management is defined in a delegation of authority, stipulating that financial risks are assessed and monitored by Dentalum's CEO and CFO, and operational risks are evaluated and monitored by Dentalum's CEO and COO.

Dentalum establishes a strong corporate culture to manage and mitigate relevant risks. The Group continuously assess areas of exposures. For each type of risk, the probability of the risk materializing is assessed, as well as the potential impact on the business.

The most important risk areas are defined in overall Group-wide policies and guidelines. Compliance is continuously monitored within various functions.

The table below provides an overview of the Group's most important risks, including how these risks are managed and mitigated

Key risks	**Description**	**Mitigation**
Market related risks		
Risk related to competitiveness, quality of care, patient satisfaction and reputation	Risks related to the Group's inability to meet patients' demand for service, quality and competence in competition with private and public care providers in the geographical regions in which Dentalum operates can damage Dentalum's reputation and lead to difficulties in achieving the Group's growth targets.	• Dentalum aims at providing dental care with continuous improvement of quality and productivity. • Actions to improve accessibility. • Implementation of digital solutions. • Patient satisfaction surveys. • Ensure competence development in personnel. • Identifies best practice through internal and external benchmarking.
Operational risks - related to business and market development		
Acquisition-related risk	Risks related to inability to find appropriate business acquisitions with the risk of unsuccessful integration of acquired businesses that may lead to a negative impact on Dentalum's growth targets and profitability.	• Structured acquisition process to ensure resources with experience in identifying, analyzing and integrating acquired businesses. • Group functions to support the acquisition processes. • Consolidation, monitoring, and assessment of completed acquisitions.
Risk related to competence and access to qualified personnel	Inability to attract and retain qualified personnel at reasonable terms, in a market where there is a shortage of qualified dentists, hygienists and nurses, may lead to inefficiency in operations, reduced competitiveness and consequently difficulties in achieving Dentalum's goals of quality service, growth and profitability.	• Dentalum acts in close dialogue with employees, in partnerships, in a decentralized organisation which makes Dentalum an attractive employer. • Continuous competence development and employee surveys.
Health and safety of patients and employees	Risk of dental care malpractice of patients may lead to discomfort and suffering. Risk if an employee is injured at work, it may lead to unhealth.	• Ensuring that staff have relevant expertise and qualifications, as well as continuous required training. • Dentalum works actively to ensure health and safety in the workplace. • Any deviations are reported and addressed.
Risk related to IT, technology and infrastructure	Risk that Dentalum's clinics would be affected by disruptions or interruptions in IT infrastructure that may affect the ability to conduct efficient and qualitative operations.	• Dentalum keeps continuity plans and back-up solutions. • Dentalum monitors and evaluates development of technology, functionality and new relevant systems in the market to be at the forefront and remain competitive.
Patient confidentiality and Information security	Risk of loss of patient data or violation of applicable data protection laws, (including the EU Data Protection Regulation GDPR), may lead to claims for damages or fines as week as adversely affecting the reputation of Dentalum.	• Dentalum's Group-wide data protection policy ensures compliance with EU GDPR regulations. • Continuous follow-up of information security and data protection.
Insurance risk	Business risks related to damages in the clinics, in equipment, inventory or patient injuries during dental treatment.	• Dentalum ensures necessary insurance coverage for property, clinics, equipment, inventories and damages caused by deficiencies in dental care treatments. • Dentalum acts as per the Patient Injuries Act (1996: 799) on requirements for care providers to hold insurance coverage for damage caused by e.g. deficiencies in the treatment or transmission of infections.

Key risks	Description	Mitigation
Dependency on leases and access to premises	Risk of changes in terms or termination of leases has a negative effect on Dentalum's expenses and ability to conduct business.	• Dentalum ensures access to relevant premises by 3-5 years lease contracts at market terms.
Legal, regulatory risks		
Risk related to laws, regulations, and licenses	Risk of inability to comply with laws and regulations related to dental care, such as the Patient Safety Act (2010: 659) and the Patient Data Act (2008: 355), incl. the EU's General Data Protection Act, GDPR may lead to fines, negative publicity and deteriorated.	• Dentalum works actively to ensure competence and required licenses of employees, safety and health, and compliance with laws and regulations.
Political, reputational and environmental risks		
Risk related to changes in laws and regulations	Risks of political decisions limiting the possibility of conducting dental care privately and/or amendments of laws and regulations that would negatively affect the conditions of conducting dental care. Risk that changes in tax- or other legislations will negatively affect Dentalum's financial position or ability to conduct business.	• Dentalum continuously follows the political debate and maintains a dialogue with relevant authorities. • Dentalum continuously monitors changes in relevant legislations.
Price changes	The risk of changes in regulations related to compensation and type of dental care services may adversely affect Dentalum's financial position, unless the Group may mitigate the decrease in profitability by increased productivity and volume growth.	• Dentalum proactively acts in line with established growth targets as well as continued quality and productivity improvements.
Reputational risk	Risk that negligence or maltreatment at one of Dentalum's clinics would adversely affect the Group's reputation and customer satisfaction, which would lead to a risk of losing patients, partners, compensation from public funds and licenses, resulting in reduced profitability and difficulties in running a successful dental care business.	• See above risks related to laws, regulations and licenses.
Environmental risk	The risk of inadequate handling of consumables may lead to infection risks for patients and personnel. Chemicals and materials can harm the environment or affect the health of patients and staff.	• Dentalum follows Swedish regulations on "self-assessment ", which means that measures are taken to prevent negative effects on health and the environment. • Dentalum works actively to replace environmentally hazardous substances with less hazardous alternatives.
Financial risks		
Liquidity risk, interest rate risk, foreign exchange risk and counterparty risk	Financial risks that may affect the earnings or equity of Dentalum Group, mainly relate to liquidity-, interest rate- and financing risk.	• Dentalum's financial risk management is presented in Note 30.
Risk related to financial reporting	Risks of inaccuracies or non-compliance with reporting requirements, applicable accounting regulations such as valuation of goodwill, reporting of income tax, employee compensation or revenue recognition.	• Internal policies are established to ensure that reporting and accounting comply with applicable requirements and regulations; internal control policy.

FINANCIAL STATEMENTS

FINANCIAL INFORMATION – GROUP

CONSOLIDATED INCOME STATEMENT

Amounts in kSEK		2022	2021
Operating revenue			
Net revenue	5	397,384	232,254
Other operating revenue	5	2,458	2,376
Total operating revenue		**399,842**	**234,631**
Operating expenses			
Direct expenses		-76,688	-44,668
Other external operating expenses	6,7	-66,405	-36,155
Personnel expenses	8	-182,751	-115,331
Depreciations and amortizations	12,13,14,15,16	-41,272	-29,157
Earnings (loss) before financial items and tax / EBIT		**32,726**	**9,320**
Financial items			
Revaluation of contingent liabilities	4	-61,329	-19,529
Financial income		117	8
Financial expenses	9	-35,048	-28,531
Net financial items		**-96,261**	**-48,052**
Earnings before tax / EBT		**-63,534**	**-38,732**
Income tax expenses	10	-5,581	-530
Earnings before tax / EBT		**-69,115**	**-39,262**
Net Earnings (loss) for the year attributable to:			
Shareholders of the Parent company		-69,115	-39,262

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(kSEK)	2022	2021
Net Earnings		
Other comprehensive income (loss):	-69,115	-39,262
Items that may be reclassified in the income statement	-	-
Items that are not to be reclassified in the income statement	-	-
Other comprehensive income (loss) for the year, after tax	-	-
Total comprehensive income (loss) for the period	-69,115	-39,262

1) Dentalum Operations Group has no items to be reclassified in the income statement.

CONSOLIDATED BALANCE SHEET

(kSEK)		2022/12/31	2021/12/31
ASSETS			
Non-current assets			
Intangible assets	11.12	661,947	434,638
Tangible assets	13,14,15	28,011	23,166
Right-of-use assets	16	44,325	23,103
Financial Assets	18,19,25	3,427	2,627
Deferred tax assets	10	9,007	4,821
Total non-current assets		746,717	488,354
Current Assets			
Inventories	20	11,808	8,045
Accounts receivable	21,25	10,504	5,814
Current tax assets		13,316	5,895
Other current receivables		12,436	2,833
Prepaid expenses and accrued income	22	5,879	4,854
Cash and cash equivalents	23,25	116,420	270,562
Total current assets		170,363	298,002
TOTAL ASSETS		917,079	786,356
EQUITY AND LIABILITIES			
Equity			
Share capital	24	500	500
Shareholders contributions		330,430	301,842
Retained earnings		-48,546	-9,284
Profit/loss for the period		-69,115	-39,262
Total Equity		213,268	253,796
Non-current liabilities			
Non-current lease liabilities	28,30	29,622	14,535
Non-current interest bearing liabilities	25,28,30	-	397,191
Non-current contingent purchase price liabilities	25,30	70,979	25,700
Other long term liabilities		21	-
Deferred tax liabilities	10	28,093	19,174
Total non-current liabilities		128,715	456,600
Current liabilities			
Current lease liabilities	28,30	14,100	8,867
Current interest bearing liabilities	25,28,30	398,427	527
Contract liabilities	5	15,106	3,611
Accounts payable	25,30	15,898	9,178
Current liabilities group companies		-	-
Current tax liabilities		20,400	6,556
Other current liabilities	25,30	88,502	24,703
Accrued expenses and prepaid income	26	22,663	22,517
Total current liabilities		575,096	75,959
TOTAL EQUITY AND LIABILITIES		917,079	786,356

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to shareholders of the Parent Company					
	Share capital	Shareholders' contributions	Retained earnings incl. Profit (loss) for the year	Equity attributable to owners of the Parent Company	Non con-trolling interest	Total Equity
Opening balance as of January 1, 2020	500	96,517	-9,284	87,733	-	87,733
Total comprehensive income (loss) for the year			-39,262	-39,262	-	-39,262
Transactions with shareholders of the Group						
Shareholders’ contributions, uncontitional		205,325		205,325		205,325
Total transactions with shareholders	0	205,325	-	205,325	-	205,325
Closing balance as of December 31, 2020	500	301,842	-48,546	253,796	-	253,796
Opening balance as of January 1, 2021	500	301,842	-48,546	253,796	-	253,796
Total comprehensive income (loss) for the year			-69,115	-69,115		-69,115
Transactions with shareholders of the Group						
Shareholders’ contributions, uncontitional		28,588		28,588		28,588
Total transactions with shareholders	-	28,588	-	28,588	-	28,588
Closing balance as of December 31, 2022	500	330,430	-117,662	213,268	-	213,268

CONSOLIDATED CASH FLOW STATEMENT

(kSEK)	Not	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES			
Operating revenue		32,726	9,320
Adjustments for non cash affecting items	27	41,306	29,170
Interest received		117	8
Interest paid		-2,357	-1,400
Income tax paid		-15,434	-8,293
Cash flow from operations before changes in working capital		56,358	28,805
Cash flow from changes in working capital			
Change in inventorY		-1,627	1,935
Change in operating receivables		-9,497	-1,122
Change in operating liabilities		13,474	7,564
Net cash flow from operations		58,708	37,182
Cash flow from investing activities			
Acquisition of tangible assets		-5,220	-2,850
		-1,233	-
Acquisitions of companies and shares	4	-164,464	-169,294
Other financial investments		-600	-162
Cash flow from investing activities		-171,517	-172,306
Cash flow from financing activities			
Amortization, lease liabilities	28	-13,276	-9,050
New loans	28	-375	104,000
Net change in interest-bearing debt, incl. interest coupon	28	-29,933	-25,660
Shareholders´ contributions received		2,250	155,000
Cash flow from financing activities		-41,334	224,290
Total cash flow for the period		-154,143	89,166
Changes in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		270,562	181,396
Cash and cash equivalents at the end of the period	23	116,420	270,562

FINANCIAL INFORMATION – PARENT COMPANY

PARENT COMPANY INCOME STATEMENT

Amounts in kSEK	Not	2022	2021
Operating revenue			
Net revenue	29	3,654	2,661
Other operating revenue		12	5
Total operating revenue		3,666	2,666
Operating expenses	29		
Direct expenses	6,7	-18,554	-10,069
Personnel expenses	8	-16,044	-8,453
Depreciations and amortizations		-11	-6
Other external operating expenses		-10	-2
Earnings before financial items and tax / EBIT		-30,953	-15,864
Financial items			
Profit / - loss from shares in group companies	4	-12,482	-
Other interest income		4	5
Interest expense and similar items	9	-36,078	-27,314
Net financial items		-48,556	-27,309
Earnings (-loss) after financial items		-79,509	-43,173
Appropriations	29	61,141	40,019
Earnings (-loss) before tax / EBT		-18,368	-3,154
Incomet tax	10	-4,417	-3,721
Net Earnings (-loss) for the year		-22,785	-6,875

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME[1)]

TSEK	2022	2021
Årets resultat	-22,785	-6,875
Övrigt totalresultat		
Poster som kan komma att omklassificeras till resultaträkningen	-	-
Poster som kan komma att omklassificeras till resultaträkningen	-	-
Övrigt totalresultat för året, efter skatt	-	-
Årets Total resultat	-22,785	-6,875

1) Dentalum Operations AB has no items to be reclassified in the statement of comprehensive income

PARENT COMPANY BALANCE SHEET

(kSEK)	Notes	2022/12/31	2021/12/31
ASSETS			
Non-current assets			
Tangible assets			
Equipment and tools	14	39	31
Financial non-current assets			
Shares in group companies	17	824,805	515,519
Other non-current receivables		762	162
Deferred tax assets	10	-	-
Total non-current assets		825,606	515,712
Current Assets			
Receivables group companies	29	16,309	41,302
Other current receivables		1,789	885
Prepaid expenses and accrued income	22	946	516
Cash and cash equivalents	23,25	7,835	181,190
Summa omsättningstillgångar		26,879	223,893
TOTAL ASSETS		852,485	739,605
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	24	500	500
Non-restricted equity			
Retained earnings		311,932	290,221
Profit / - loss for the period		-22,785	-6,876
Total Equity		289,647	283,845
Provisions			
Other provisions	25	70,979	25,700
Total Provisions		70,979	25,700
Non-current liabilities			
Non-current interest bearing liabilities	25,28	-	397,191
		-	397,191
Current liabilities			
Accounts payables	25	2,665	1,383
Current interest-bearing liabilities		398,421	-
Current tax liabilities		7,261	2,654
Other shoert tem liabilities	25	79,847	19,391
Accrued expenses and prepaid income	25,26	3,665	9,440
Total current liabilities		491,859	32,869
TOTAL EQUITY AND LIABILITIES		852,485	739,605

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings incl. Profit (loss) for the year	Total Equity
Opening balance as of January 1, 2021	500	84,897	85,396
Total comprehensive income (-loss) for the year		-6,876	-6,876
Transactions with shareholders of the Grouptioner med koncernens ägare			
Shareholders´ contributions, unconditional		205,325	205,325
Total transactions with shareholders	-	205,325	205,325
Closing balance as of December 31, 2021	500	283,346	283,845
Opening balance as of January 1, 2022	500	283,346	283,845
Total comprehensive income (-loss) for the year		-22,785	-22,785
Transactions with shareholders of the Grouptioner med koncernens ägare			
Shareholders´ contributions, unconditional		28,587	28,587
Total transactions with shareholders	-	28,587	28,587
Closing balance as of December 31, 2022	500	289,148	289,648

PARENT COMPANY CASH FLOW STATEMENT

kSEK	Notes	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES			
Operating revenue		-30,952	-15,863
Adjustments for non cash affecting items	27	11	6
Interest received		3	4
Interest paid		-87	-116
Income tax paid		-86	-2,436
Cash flow from operations before changes in working capital		**-31,111**	**-18,405**
Cash flow from changes in working capital			
Change in operating receivables		-600	-1,355
Change in operating liabilities		47,722	4,890
Net cash flow from operations		**16,011**	**-14,870**
Cash flow from investing activities			
Investments in tangible assets		-19	-
Acquisition of tangible assets		-	-25
Acquisitions of companies and shares	4	-217,642	-180,528
Dividends received		18,000	-
Other financial investments		-600	-162
Cash flow from investing activities		**-200,261**	**-180,715**
Cash flow from financing activities			
New bond debt	28	-	104,000
Net change in interest-bearing debt, incl. paid interest on bond loan	28	-31,000	-25,660
New loans		-375	-
Group contributions received		40,019	1,000
Shareholders´ contributions received		2,250	155,000
Cash flow from financing activities		**10,894**	**234,340**
Total cash flow for the period		**-173,356**	**38,755**
Changes in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		**181,190**	**142,434**
Cash and cash equivalents at the end of the period	23	**7,835**	**181,189**

NOTES

NOTE 1 GENERAL INFORMATION

Amounts are in KSEK unless otherwise stated. Amounts in brackets refer to the corresponding amounts in previous year.

This Annual report and consolidated financial statements include Dentalum Operations AB (publ.), Corporate Identity Number 559136-4046, and its subsidiaries ("Dentalum").

The parent company is a registered limited liability company with its registered offices in Stockholm at the address, Sturegatan 34, SE-114 36 Stockholm, Sweden.

The company is 100 percent owned by Dentalum AB, 559212-9745, which is ultimately owned by Dentalum Group AB, 559220-1668.

Dentalum Operations AB provides dental care services in its subsidiaries in the Dentalum Group (the "Group").

On April 28, 2023, this annual report has been signed by the Board of Directors of Dentalum Operations AB (publ.) and has been approved to be released for publication. The consolidated and parent company income statements and balance sheets included in the annual report have been adopted by the Annual General Meeting on April 28, 2023.

NOTE 2 SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of the preparation of the consolidated financial statements

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and interpretative statements issued by IFRS Interpretations Committee (IFRS IC) as adopted by the EU. The Swedish Financial Reporting Board's recommendation RFR 1, "Supplementary financial accounting rules for Groups" has also been applied, as well as the Swedish Annual Accounts Act.

The financial statements include Dentalum Operations AB (publ.) and the subsidiaries over which the parent company has controlling influence. Controlling influence exists when the parent company is exposed to, or is entitled to, variable returns from its engagement in the company and has the possibility, through its influence over the company, to impact the returns. Subsidiaries are included in the financial statements as from the date of transfer of the controlling influence on the Group. Entities are excluded from the financial statements as from the date on which the controlling influence ceases.

Assessments and estimates

Preparation of financial statements in accordance with IFRS, requires company management to make assessments, estimates and assumptions affecting the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments. Estimates and assumptions are reviewed regularly. Changes in estimates are reported in the period in which the change is made only if the change affects that period, or in the period in which the change is made and in future periods if the change affects both the current period and future periods. The areas involving a high degree of assessment or areas where assessments and estimates are of material significance for the consolidated accounts in the future are described in Note 3. Estimates and assumptions are reviewed regularly. Changes in estimates are applied prospectively.

Non-current fixed assets and non-current liabilities consist, in all material respects, of amounts that are expected to be recovered or paid later than twelve months from the balance sheet date. Current assets and liabilities consist, in all material respects, of amounts that are expected to be recovered or paid within twelve months from the balance sheet date.

The Parent Company applies the same accounting principles as the Group, other than in the circumstances indicated under "Parent company's accounting principles" below, in which it is stipulated that the parent company applies the Swedish Annual Accounts Act and RFR 2," Accounting for legal entities". Any deviations derive from limitations on the possibility of applying IFRS in the parent company as a consequence of the Swedish Annual Accounts Act and current tax regulations.

The financial reporting principles of the parent company, as described below, have, unless otherwise stated, been applied consistently in all periods, presented in the group's financial reports.

Disclosure of IFRS standars, applicable effective January 2022

Published amendments to accounting standards effective from January 1, 2022 have not had a material impact on Dentalum's financial statements.

New accounting policies from 2023 onwards

A number of new and amended accounting standards and interpretations have been published and will become effective in 2023 or later. None of these are expected to have a material impact on Dentalum's financial statements.

Basis for measurement

The consolidated financial statements are prepared in accordance with the acquisition method except for revaluation of any financial instruments that are continuously measured at fair value. Assets and liabilities are recognized at historical acquisition cost according to the acquisition method. The financial statements include subsidiaries controlled by Dentalum Operations AB constituting the Group, and have been prepared for the same reporting periods, consistently applying the same accounting principles. All transactions with group companies are executed at market prices. The Group's internal transactions and balance sheet items, as well as unrealized gains on transactions between group companies, are eliminated. Unrealized losses are eliminated unless the transaction shows evidence of an impairment requirement regarding the transferred asset.

The parent company's functional currency is the Swedish krona (SEK), which is also the reporting currency for the parent company and the Group. The financial statements are, consequently, presented in SEK. All amounts are rounded to the nearest thousand SEK, unless stated otherwise.

Dentalum Operations AB (publ.) applies the acquisition method when reporting business acquisitions. This method implies that the acquisition of a subsidiary is regarded as a transaction, whereby the Group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The group-wise acquisition value is based on an acquisition analysis determining the acquisition value of the shares and the fair value on acquisition date of acquired identifiable assets and assumed liabilities. The purchase price paid in conjunction with acquisitions, as well as acquired assets and liabilities, are recognized at market value at the time of acquisition. The acquisition value of the shares in the subsidiary or operation consists of the total fair values, at the date of acquisition, of paid assets, assumed liabilities and issued equity instruments, settled as proceeds in exchange for the acquired net assets. Any earn-outs are included in the acquisition value if these can be reliably estimated. If the acquisition value exceeds the fair value of the acquired company's net assets, the difference is recognized as goodwill. Goodwill is subject to impairment testing annually. For acquisitions where the value of the net assets exceeds the purchase price paid, so-called low value acquisitions, the difference is recognized directly in profit or loss for the period. Acquisition-related costs are expensed as they arise. Adjustment of the earn-out price undertaken within one year from the date of acquisition affects goodwill. If the final purchase price is determined later than one year after the acquisition date, the effects are recognized in the consolidated income statement. The parent company's financial statements include transaction costs arising in conjunction with acquisitions in the acquisition value. Contingent consideration is recognized at fair value at the time of acquisition as a financial liability and revalued at each reporting date.

Revenue

Revenue of the Group consists mainly of patient fees, compensation from the Swedish Social Insurance Agency for adult dental care and compensation from the county councils for child and adolescent dental care. Dentalum enters into an agreement with its customers for the performance of dental care services. The performance commitments that the group undertakes to provide, including the time at which treatments are to be performed, on one occasion or over a period of time, are determined when the agreement is entered into.

The transaction price constitutes remuneration for dental services performed and is based on the customer's needs and time spent. The transaction price in the respective agreements, normally consists of a fixed amount.

Dental care revenues are reported at the time of treatments have been carried out as predetermined, in line with the agreement with the patient and when an application for compensation has been established. The performance of dental care services usually takes place at one point in time, whereby invoicing subsequently takes place and the Group is entitled to payment for the services rendered. For certain dental care services, the treatment period is longer, including several treatments that are carried out over time. The revenue for the treatment carried out over a period of time is recognized in pace with the treatment being executed. In the event of a receipt of an advance payment for services yet to be performed, the advance is recognized as a contractual liability. In cases where the charge for a performance has not been invoiced, a contractual asset is recognized.

Segment information

Monitoring of revenue and profitability in the business is done through internal monthly reporting of the dental business to the executive management, which is the function responsible for resource allocation, and evaluation of profitability in the operational business. This function is identified as group management, consisting of six persons, including the CEO.

Group management has defined the Group as a whole as one segment, based on the information reporting that forms the basis for resource allocation and evaluation of revenue and profitability.

The reporting of the Group's operations takes place quarterly to Dentalum's Board of Directors.

Remuneration to employees

Short-term remuneration

Short-term remuneration to employees, such as salary, social security contributions, holiday pay and bonuses, are expensed during the period in which the related service are received. Short-term remuneration is recognized as an expense and a liability when there is a legal or constructive obligation to pay compensation and the obligation can be measured reliably.

Pension obligations

Pension plans can be either defined contribution or defined benefit plans. There are only defined contribution pension plans within the Dentalum Group.

As regards the defined contribution plans, the group's commitments are limited to fixed fees paid to a separate legal entity. Consequently, the company has no other contractual or informal obligation to pay further fees if the fund does not have sufficient assets to pay all compensation to the employees due on the basis of the services provided by the employee during current or previous periods. The fees are reported as personnel costs when they fall due to payment. Prepaid contributions are reported as an asset to the degree they comprise a cash repayment or degree in future payments which can come to the benefit of the Group.

Termination compensation

Compensation related to termination of employment is paid when employment is terminated before the general date of retirement or when the employee accepts voluntary redundancy in exchange for such compensation. The Group reports any severance payments when it is demonstrably obliged, either by a termination of employment in accordance with a detailed formal plan with no possibility to recall, or by compensation related to a termination of employment based on an offer of voluntary redundancy, as a result of a restructuring. Compensation that is expected to be settled after twelve months is reported at its present value.

Leasing

The Company as lessee

The right to use an asset is recognized as an asset in the balance sheet (right-of-use asset), while the corresponding obligation to pay for this right is recognized as a non-current or current liability (lease liability) from the start of the lease period.

Leases are expensed in the income statement through a depreciation of the right-of-use asset, which affects operating profit, as well as an interest expense on the lease liability, which affects earnings before tax.

Payments related to the lease liability are recognized in the cash flow statement in cash flows from the operating activities in respect of the interest component, and the remaining portion is recognized in financing activities. Payments for current leases and leases at low values, i.e. those that are not included in the valuation of the lease liability, are recognized in cash flows from the operating activities.

Valuation of lease liability

The lease liability is initially calculated as the net present value of the future lease payments that are not paid on the start date of the lease agreement, discounted at the Group's marginal funding rate where the implicit interest rate of the agreement cannot easily be determined.

The Group has opted to apply the exemption for low-value leases and for agreements with a lease period of less than 12 months.

Variable rental payments are not included in the discounted liability but are continuously recognized as a recurring expense in the income statement.

Lease charges include:

- Fixed charges and substantially fixed charges, less any potential benefits to be received
- Charges variable as per changes in index or price

- Amounts expected to be paid by the Group under a residual value guarantee
- Break-fee for a termination option that is most likely expected to be utilized, including any penalties related to such termination, deemed to materialize

The lease liability is revalued in the event that there will be a change in future lease payments caused by a change in the index or interest rate, an estimated amount to be paid under a residual value guarantee or in the case of a change in the assessment of whether the Group will utilize its options to buy-out, extend or terminate a lease.

Lease payments are divided into amortization and interest on the lease liability.

Valuation of right-of-use
Right-of-use assets are initially recognized at a value equal to the original fair value of the lease liability, adjusted for lease payments paid at, or before, the start of the lease, plus initial direct expenses, as well as an estimated cost of liquidating the underlying asset or restoring the asset or premises to its original condition, with the reduction of any benefits that will be received.

Right-of-use assets are valued at acquisition value, less accumulated depreciation and impairment, and adjusted for revaluations of the lease liability. In cases where the lease liability has been revalued, with the purpose of reflecting changes in lease payments after the start of the lease, the revaluation amount shall be recognized as an adjustment of the right-of-use asset. If the adjustment means that the right-of-use asset is written down to zero and an adjustment amount remains, this is recognized in the income statement.

The leased assets consist mainly of office and business premises, as well as instruments and equipment used in dental clinics.

Depreciation principles
Depreciation occurs on a straight-line basis over the lease period, or the estimated useful life of the asset if this is deemed to be shorter.

Government support
Government support is recognized in the income statement and the statement of comprehensive income only when there is reasonable assurance that the company will meet the conditions associated with the grant and that the grant will be received. Government support attributable to assets is recognized in the statement of financial position by reducing the reported value of the asset.

Government support attributable to earnings is recognized in the income statement as an income item or as a reduction of the expenses for which the grant is intended to compensate.

Financial income and expense
Financial income consists of interest income and, where applicable, dividend income, as well as profit from the revaluation or disposal of financial instruments. Financial expenses consist of interest expenses on borrowings, including accrued transaction costs, losses related to changes in value or disposal of financial instruments. Any foreign exchange rate gains and losses are reported as gross amounts.

Interest income and interest expense are recognized according to the effective interest method, while dividends are recognized once the right to receive them has been established.

Taxes
Income tax consists of current tax calculated on taxable profit, deferred tax and other taxes, as well as of adjustments of current tax for previous years for Group companies. All companies within the Group calculate income taxes in accordance with applicable income tax rules and regulations. Income tax is recognized in profit/loss for the period except when the underlying transaction is recognized directly in equity or in other comprehensive income.

Current tax
Current tax refers to income tax for the current financial year and including adjustment of tax in respect of previous years. Current tax is calculated at the current corporate tax rate, valid as per the balance sheet date.

Deferred tax
Deferred tax is income tax that refers to future financial years as a consequence of earlier events. The Group applies the balance sheet method whereby deferred tax liabilities and deferred tax assets on temporary differences that arise between recognized and taxable values of assets and liabilities, as well as for other tax

deductions or deficits, are calculated at the current corporate tax rates valid as per the balance sheet date. Effects of changes in tax rates are recognized in the period when the change comes into force. Tax losses carried forward may be used to reduce future taxable income. Deferred tax assets are reduced to the extent that it is not probable that the underlying tax asset can be realized in the foreseeable future.

Deferred tax assets are reported as financial non-current assets and deferred tax liabilities as a non-current liability.

Valuation and depreciation of non-current assets

Fixed assets
Non-current fixed assets are reported in the group at acquisition value after deduction of the accumulated depreciations and any impairments. The acquisition value includes the purchase price and expenses that can be directly attributed to the acquisition of the asset. Depreciation is calculated on the basis of original acquisition value on a straight-line basis over the estimated useful life of the assets, taking into account any estimated residual value.

The reported amount for a tangible non-current asset is discharged from the balance sheet upon divestment or disposal or when no future economic benefits are expected from the use or the divestment or disposal of the asset. Any gain or loss arising from the disposal or divestment of an asset is determined as the difference between the sales price and the reported value of the asset, less direct cost of sales. Any gain or loss arising is recognized as operating income/expense in the income statement.

Equipment and tools consist mainly of dental care equipment. Additional expenses are added to the asset's reported value or recognized as a separate asset, depending on which alternative is most applicable, only if it is probable that the future economic benefits associated with the asset will accrue to the Group and the asset's cost can be measured reliably. All other forms of repair and maintenance are recognized as costs in the income statement during the period in which they incur.

Useful life
Useful life periods in the Group generally amount to:

- Equipment and tools, 3-10 years
- Computers and other hardware, 3-5 years
- Expenses for improvement of leaseholds 10-20 years

Intangible assets
Intangible assets are recognized if it is probable that the future economic benefits referred to the asset will incur to the company and when the acquisition value can be calculated in a reliable manner. An intangible asset is valued at acquisition value at initial recognition in the financial statement.

Intangible non-current assets with a limited useful life are reported at acquisition value after deduction of amortization and any impairment. Amortization is linear over the estimated useful life of the asset. The useful life is reassessed on each closing date and adjusted as necessary. When determining the amortizable amount of the assets, the residual value of the assets is taken into account where appropriate.

Intangible non-current assets with an indefinite useful life are tested annually for impairment and at any point in time when there is an indication that impairment may be required. The useful life periods are reviewed in conjunction with each book closing.

Goodwill
Goodwill arising from a business acquisition is the difference between the acquisition value of the business and the fair value of identifiable net assets, assumed liabilities and recognized contingent liabilities. Goodwill is measured at acquisition value less any accumulated impairment losses. The factors that constitute reported goodwill are various forms of synergies, personnel, know-how and market leading positions in each market. Goodwill from business acquisitions is allocated to the cash-generating unit in the Group that is expected to benefit from synergies arising due to the acquisition. Goodwill has an indefinite useful life and is tested at least annually to identify a possible impairment requirement. Impairment losses on goodwill are not reversed.

Customer relations
Customer relations are reported in conjunction with acquisitions in cases where the customer base is a substantial part of the acquisition. Customer relationships are deemed to have a limited useful life.

These assets are recognized on acquisition date at fair value and thereafter at acquisition value less accumulated amortization and any accumulated impairment. Amortization is reported on a straight-line basis over the assessed useful life.

Useful life
Amortization is reported on a straight-line basis over the estimated useful life of intangible assets unless such useful lives are not possible to determine. Intangible non-current assets with a determinable useful life are amortized from the point in time they are available for use. The estimated useful lifetimes are:

- Customer relations, 5 years

Impairment of non-financial assets

The Group conducts an impairment test in cases where there are indications that there has been a decrease in the value of tangible or intangible assets, including right-of-use assets, i.e., whenever events or changes in circumstances indicate that the reported value is not recoverable.

Assets with an indefinite useful life such as goodwill, are tested annually for impairment by calculating the recoverable value of the asset, regardless of whether there are indications of a decrease in value.

To determine if the value of goodwill has decreased, the consolidated group of cash-generating units to which the goodwill refers must be assessed, and this takes place through a discounting of the unit's cash flow. that are expected to benefit from the business acquisition to which the goodwill relates. In applying this method, the company relies on a number of factors including the results and economic forecasts.

The calculation is based on the estimated future cash flows applying forecast covering a five-year period.

The forecasts comprise the basis for how the amounts in the significant assumptions are determined. The assumptions are based on previous experience, the current and future situation, regarding which the most significant assumptions are the expected demand for dental care services, the growth rate, the operating margin, and the discount rate. Revenue during 2020 and 2021 in certain dental clinics experienced an impact from the Covid-19 pandemic with lower margins and revenue and in these cases the assumption on growth is higher than the average expected annual growth of tree percent. The factor which has been used to calculate growth in the terminal period after the five-year period is 0.5 percent. The discount rate is comprised of a weighted average cost of capital for borrowed capital and equity and is calculated at 10,65 (12.36) percent before tax and 9,75 (11.48) percent after tax.

The impairment testing of goodwill was undertaken during the fourth quarter 2022 and did not evidence any sign of an impairment requirement. The sensitivity in the calculations imply that the goodwill value related to the portfolio of acquired companies could be maintained if the discount rate increased by one percentage point or if the long-term growth rate decreased by one percentage point.

Impairment testing of goodwill is performed on the consolidated group of cash-generating units that are expected to benefit from the business acquisition to which the goodwill relates.

Reversal of impairment
An impairment is reversed if there is both an indication as at balance sheet date that the impairment requirement no longer exists and there has been a change in the assumptions that formed the basis for the calculation of the recoverable amount. However, impairment of goodwill is never reversed. A reversal is only made to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that would have been recognized, less depreciation as applicable, if no impairment had been reported.

Inventories

Inventories are measured at the lower of acquisition cost and net realizable value, taking any obsolescence into account. The acquisition value of inventories is calculated by applying the first in, first out (FIFO) method and includes expenditure incurred in the acquisition of the inventory assets and in their transport to their current location and in their current condition. The net realizable value is the estimated selling price in the ordinary course of business. See Note 20.

Financial instruments

Financial instruments that are recognized in the balance sheet include assets such as accounts receivable and financial investments, as well as liabilities such as accounts payable, contingent considerations and loan liabilities.

A financial asset or financial liability is recognized in the balance sheet when the company becomes party to the instrument's contractual terms. Financial instruments are classified at initial time of reporting, based, among other things, on the purpose for which the instrument has been acquired and managed. This classification determines the valuation of the instruments.

Classification and subsequent measurement

Classification of financial assets comprising debt instruments is based on the Group's business model for asset management and the nature of the asset's contractual cash flows.

The assets are classified at:

- Amortized costs
- Fair value through other comprehensive income
- Fair value through profit or loss.

The Group's financial assets are classified at amortized costs.

Financial assets classified at amortized costs are initially valued at fair value, including any transaction costs. As regards means of payment, receivables and liabilities at variable interest rates, as well as current receivables and liabilities (e.g. accounts receivable and accounts payable), the fair value is considered to be equal to the reported value. After initial recognition, the assets are valued at amortized cost with consideration of provisions for expected credit losses. Assets classified at amortized cost are held, according to the business model, to collect contractual cash flows comprising payments of capital amounts and interest on outstanding capital amounts.

Classification and valuation of financial liabilities
Financial liabilities are classified at amortized costs, with the exception of contingent considerations. Contingent considerations are classified and recognized as a financial liability measured at fair value through profit/loss.

Financial liabilities recognized at amortized cost are initially measured at fair value net of transaction costs incurred. After initial recognition, interest-bearing liabilities are valued at amortized cost using the effective interest method.

Fair value is the price that, at the time of valuation, would be received as proceeds for a divestment of an asset or which would be paid for a transfer of a liability through a transaction executed between parties in normal market conditions.

In accordance with the disclosure requirements of IFRS 13, the classification of liabilities as per the fair value hierarchy is presented below.

The valuation is divided into three levels:

- Level 1: Fair value is determined according to prices listed on an active market for the same instrument.
- Level 2: Fair value is determined based on either directly (as a price) or indirectly (derived from prices) observable market data that is not included in level 1.
- Level 3: Fair value is determined based on input data that is not observable in the market.

Dentalum's financial instruments, which are measured at fair value, are valued according to level 3.

Impairment of financial assets
Financial assets, other than those that the Group classifies at fair value through profit/loss, are subject to impairment for expected credit losses. The Group's impairment model takes forward-looking information into account. Provisions for losses are reported when there is an exposure to credit risk, normally at initial recognition of an asset or receivable. A loss reserve is recognized, in accordance with the simplified model, for the expected remaining maturity of the receivable or asset. The simplified model is applied to trade receivables and contractual assets.

For other items subject to expected credit losses, a three-stage impairment model is applied. Initially, and at each balance sheet date, a loss reserve is recognized for the next 12 months, or for a shorter period of time, depending on the remaining maturity (stage 1). If there has been a significant increase in credit risk since initial recognition, a loss reserve is recognized for the remaining maturity of the assets (stage 2). For assets whose credit risk is deemed to have deteriorated significantly, loss reserves are still reported for the expected credit losses for the remaining maturity (stage 3). For assets and receivables whose credit risk has significantly deteriorated, the calculation of interest income is based on the reported amount of the asset, net of any loss provision, as opposed to the gross amount as in the previous stages.

The Group's assets have been deemed to be at level 1, i.e., there has been no significant increase in credit risk.

Accounts receivables
Accounts receivables are reported at amortized cost less any provision for anticipated credit losses. A provision for anticipated credit losses is made when objective evidence is identified that Group will not receive the amount that is due for payment according to the original terms of the receivable. The amount of the provision consists of the difference between the reported value of the asset and the estimated future cash flows. Net changes in a provision amount are reported in profit/loss for the period. See also Note 21.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other short-term investments with a remaining maturity of three months or less and which are subject to an insignificant risk of value fluctuations.

Accounts payable

Accounts payable are reported at amortized cost, which is assumed to correspond to their fair value.

Equity

Equity is defined as total share capital other capital provided and profit brought forward including profit/loss for the year. All shares in the company are ordinary shares and are classified as share capital. The share capital is reported at its nominal value and additional capital is reported as other paid-in capital. Transaction costs that can be attributed directly to the issue of new shares or options are reported, net of tax in equity as a deduction from the issue proceeds.

Other paid-in capital

Refers to shareholders' contributions from owners.

Dividends

Dividends are reported as liabilities upon approval by the annual general meeting.

Retained earnings including profit (loss) for the year

Retained earnings including profit/loss for the year consist of the generated earnings of the parent company and its subsidiaries.

Contingent obligation

A contingent obligation is recognized when there is a possible commitment arising from past events. The occurrence, of which is confirmed only by one or more uncertain future events outside the Group's control, or when there is a commitment that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required or cannot be reliably estimated.

Reporting of cash flow

Cash and cash equivalents consist of available cash, bank balances and other liquid securities with an initial maturity of less than three months that are subject to negligible fluctuations in value. Incoming and outgoing payments are reported in the cash flow statement. The cash flow statement has been prepared in accordance with the indirect method.

The Parent company's financial reporting principles

The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, "Accounting for legal entities". Statements issued by the Swedish Financial Reporting Board for listed companies are also applied. RFR 2 implies that the parent company in the annual report of the legal entity shall apply all IFRS and statements adopted by the EU to the extent possible within the framework of the Annual Accounts Act, the Security Law, and considering the relationship between accounting and taxation. The recommendation specifies the exceptions and additions to IFRS which are to apply.

Differences between the accounting principles of the Group and the Parent company.

The differences between the accounting principles of the Group and the parent company are presented below. The accounting principles of the parent company described below have consistently been applied in all periods presented in the financial statements of the parent company.

Shares in Group companies

Shares in Group companies are reported in the parent company according to the cost method. This means that transaction expenses are included in the carrying value of investments in subsidiaries. In the consolidated financial statements, transaction expenses attributable to acquisition of subsidiaries are reported directly in the results as they arise.

Contingent considerations are valued at amortized cost, that is, contingent considerations are calculated at the amount the parent company deems would need to be paid if the consideration would be settled at book closing date.

Financial instruments and hedge accounting

As a result of the relationship between accounting and taxation, the rules regarding financial instruments and hedge accounting in IFRS 9 are not applied in the parent company as a legal entity. In the parent company, financial fixed assets are valued at cost less any impairment losses and financial current assets according to the lowest value principle. The acquisition value of interest-bearing instruments is adjusted for the accrued difference between the amount that was initially paid, after deduction of transaction costs, and the amount paid on the due date (premium or discount, respectively).

The Dentalum group has no outstanding derivatives and does not apply hedge accounting.

For intra-group receivables that are reported at amortized cost, a so-called loss risk reserve is reported as applicable. Furthermore, the exemptions in RFR 2 states that the parent company's guarantee commitment is not treated as a financial guarantee according to IFRS 9 but, instead, is treated according to the rules in IAS 37 "Provisions, Contingent Obligations and Contingent Assets". Consequently, the parent company assesses whether an outflow of financial resources is likely to occur and, depending on that assessment, the parent company reports a provision or a contingent liability.

Provisions
Provisions may be reported when there is uncertainty about the period of payment or the amount to settle the provision. A provision is recognized in the balance sheet when there is an existing legal or constructive obligation, due to an event taking place and when it is probable that an outflow of financial resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Provisions are reported in the amount comprising the best estimate of the amount required to settle the existing obligation on balance sheet date.

If the effect of the timing of payment is significant, provisions are calculated by discounting the anticipated future cash flow at a pre-tax rate reflecting current market assessments of the time value of money and, if applicable, the risks associated with the liability

Provisions for estimated probable contingent considerations relating to business acquisitions are reported at fair value in the balance sheet as liabilities.

Group contributions
Group contributions are reported in the parent company in accordance with the alternative rule. Both received and provided Group contributions are reported as appropriations. Shareholder contributions are directly applied to equity in the financial statement of the recipient and are capitalized in shares and participations in the financial statement of the contributing entity, to the extent that impairment is not required. Anticipated dividends from subsidiaries are reported in cases where the parent company has the right to decide on the size of the dividend and the parent company has decided on the size of the dividend before the parent company publishes its financial reports.

Untaxed reserves
In the parent company, untaxed reserves are reported, including any deferred tax liability, and are not divided into deferred tax liabilities and equity as in the Group.

Leases
All leases are recognized as lease agreements, whereby the lease charges are expensed in the income statement on a straight-line basis over the lease period.

NOTE 3 SIGNIFICANT ESTIMATES AND ASSUMPTIONS

Preparation of financial statements in accordance with IFRS, requires company management to make assessments, estimates and assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimates and assessments.

Estimates and assessments are based on historical experience and assumptions and a number of other factors under the circumstances at hand deemed to be reasonable. The estimates and assumptions are reviewed regularly and are not considered to comprise an important risk of significant adjustments in the reported values of assets and liabilities in the following financial year. Changes in estimates are reported in the period in which the change is made only if the change affects that period, or in the period the change takes place and in future periods if the change affects both the current period and future periods. Further information on estimates and assessments made can be found in Note 11 Goodwill and Note 25 Financial Instruments.

Important sources of uncertainties in estimates

Impairment testing of goodwill
Impairment of goodwill is tested annually and, in addition, whenever events or changed circumstances indicate that the value of goodwill arising from an acquisition may have decreased, e.g., due to a change in the business climate or a decision to divest or cease certain operations. For the purposes of this method, the company relies on a number of factors, including achieved results, business plans, financial forecasts and market data. Any changes in the conditions of these assumptions and estimates could have a significant effect on the value of goodwill.

Deferred tax losses carried forward
Valuation of deferred tax assets on tax losses carried forward is based on estimates and assumptions of future taxable surpluses. Changes in the conditions of these assumptions and estimates could have a significant effect on the value of deferred tax assets.

Contingent considerations
Contingent considerations are estimated in connection with business acquisitions and the preparation of acquisition analyses. The contingent considerations are often tied to thresholds of future earnings in the acquired company. When assessing the size of the provision, the level of certainty regarding fulfilment of these thresholds is an important factor. Changes in the conditions of these assumptions and estimates could have a significant effect on the value of contingent considerations.

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NOTE 4 BUSINESS ACQUISITIONS

Acquisitions in financial year 2022

During the financial year, a further ten dental clinics were acquired in eight legal entities. All acquisitions were completed by acquiring 100 percent of the shares and voting rights in the acquired companies. The acquisitions, which are a part of the Group's planned expansion, refer to ten dental clinics in different regions in Sweden.

Business acquisitions completed in 2022 are presented in the table below. Annual operating revenue and number of employees refer to the latest disclosed information at the time of the transaction. The acquisition of the dental care activities of "City Praktiken" was completed as an asset transfer deal, executed by Dentalum Operations' subsidiary, "Tareqs klinik".

Acquired company	Acqusition date	Annual operating revenue 1)	Number of employees
Tandläkarhuset Enköping	February 1, 2022	26 MSEK	21
Swedish Dental	April 1, 2022	31 MESK	11
Karlatandläkarna & Mälarkliniken	May 31, 2022	26 MSEK	14
Novo Dental	August 30, 2022	16 MSEK	6
Skellefteå Tandvård, two clinics	September 1, 2022	13.8 MSEK	8
City Prakatiken 2)	September 6, 2022	5 MSEK	4
Fritidstandläkarna in Umeå and Lövånger	September 30, 2022	13 MSEK	12
TandCity Sweden AB	December 29, 2022	15.8 MSEK	11

1) Annual revenue at the latest disclosed information at the time of the acquisition
2) Asset transfer transaction executed by a subsidiary of Dentalum Operations AB (publ)

Goodwill arising from each acquisition respectively, mainly relates to the competence of the staff and established market position. The total impact on cash and cash equivalents of the Group from acquisitions amounted to SEK – 164,464 thousand (-169,294), of which acquisitions for the financial year amounted to SEK -148,372 thousand (-141,269) and in addition settlement of a contingent consideration related to previous acquisitions amounting to SEK -16,092 thousand (-28,025).

For certain acquisitions, share purchase agreement include an agreement on contingent considerations which are based on future earnings capability. In conjunction with the preparation of acquisition analyses and based on the assessment of the possibility of meeting the required conditions for the payment of a specific contingent consideration to materialize, a liability of the relevant amount has been recognized as other liabilities measured at fair value in the consolidated balance sheet. A total amount of SEK -70,979 thousand (-25,700), corresponding to long-term contingent considerations, is recognized as other long-term liabilities.

During the year certain clinics have had a strong improvement in the development of results, beyond what was previously predicted, and therefore a revised assessment of reaching the conditions for supplementary purchase price has been made. A short-term liability has been recognized for additional considerations, amounting to SEK -66,299 thousand (-19,061) related to acquisitions in previous years. This amount has also affected financial items in the income statement, as the amount was previously not reserved for, based on the forecast and probability assessment of reaching the profit level required for the additional purchase price to be paid, which has been made earlier. which means a payment in 2023.

See Note 25 Financial instruments for the Group's total liabilities regarding contingent considerations as at balance sheet date.

Total transaction expenses related to acquisitions amounted to SEK -2,318 thousand (-1,300) and is reported as an expense in Other external expense in the consolidated income statement.

In the Parent company balance sheet SEK – 1,753 thousand (-1,300) is reported in Shares in subsidiaries and SEK -565 thousand (0) of transaction costs related to acquisitions, not completed, as other external expenses.

Overview of acquired net assets at the acquisition date – preliminary acquisition analyses 2022 and 2021

	Aquisitions 2022	Aquisitions 2021
Intangible non-current assets	44,474	19,640
Tangible non-current assets	18,426	28,264
Financial non-current assets	2,253	3,439
Inventories	2,137	1,630
Current receivables	6,147	6,628
Cash and bank deposits	51,421	10,703
Non-current liabilities	-11,707	-16,270
Current liabilities	-39,418	-10,971
Identifiable net assets	**73,733**	**43,063**
Goodwill	205,412	162,237
Total considerations	**279,145**	**205,300**
Impact of the acquisitions on group cash flow		
Considerations	279,145	205,300
Paid contingent consideration related to acquisitions in previous periods	23,818	
Less:		
Acquired net cash	-51,421	-10,706
Current liabilities to sellers	-43,245	-50,325
Contingent considerations	-43,832	-3,000
Total impact on cash and cash equivalents	**164,465**	**141,269**
Contributions from acquired companies in 2022/2021		
Net revenue	92,939	36,438
Earnings before interest, tax, depreciations and amortizations (EBITDA)	26,381	11,782
Management's assessment of impact on the group if acquisition date had been 1 January 2022/1 Januari 2021		
Net revenue	165,865	103,955
Earnings before interest, tax, depreciations and amortizations (EBITDA)	45,576	26,278

For acquisitions completed during the year 2021, the comparative year, the difference between the preliminary and subsequently definitively determined purchase price allocation is limited to SEK 828 (2,733) thousand.

See further Note 11.

Overview of acquired net assets at the acquisition date – preliminary acquisition analyses 2022

	Tandläkarhuset Enköping AB	Swedish Dental AB	Mälarkliniken AB (group)	Novo Sweden AB	Skellefteå Tandvård AB	Tandcity Sweden AB	Other	Totalt 2022
Intangible non-current assets	3,530	5,598	8,905	5,037	4,102	7,396	9,906	44,474
Tangible non-current assets	840	1,686	2,570	2,992	1,468	5,631	3,239	18,426
Financial non-current assets	130	208	181	477	108	775	374	2,253
Inventories	103	406	177	876		94	481	2,137
Current receivables	916	759	1,623	148	795	883	1,023	6,147
Cash and bank deposits	10,418	11,179	12,493	5,129	3,970	6,548	1,684	51,421
Non-current liabilities	-857	-1,361	-2,024	-1,515	-985	-2,298	-2,667	-11,707
Current liabilities	-10,690	-7,942	-4,082	-4,304	-2,434	-5,718	-4,248	-39,418
Identifiable net assets	**4,390**	**10,533**	**19,843**	**8,840**	**7,024**	**13,311**	**9,792**	**73,733**
Goodwill	58,299	37,587	21,623	30,605	35,781	18,596	2,921	205,412
Total considerations	**62,689**	**48,120**	**41,466**	**39,445**	**42,805**	**31,907**	**12,713**	**279,145**
Impact of the acquisitions on group cash flow								
Considerations	62,689	48,120	41,466	39,445	42,805	31,907	12,713	279,145
Paid additional purchase price regarding previous acquisition							23,818	23,818
Less:								-
Acquired net cash	-10,418	-11,179	-12,493	-5,129	-3,970	-6,548	-1,684	-51,421
Current liabilities to sellers	-8,938	-10,675	-2,850	-1,375	-2,500	-16,907	-	-43,245
Contingent considerations	-25,346	-	-	-8,087	-8,185	-	-2,213	-43,832
Total impact on cash and cash equivalents	**17,987**	**26,266**	**26,123**	**24,854**	**28,150**	**8,452**	**32,634**	**164,465**
Contributions from acquired companies in 2021								
Net revenue	36,702	23,458	17,362	4,810	6,373	1,107	3,126	92,939
Earnings before interest tax depreciation and amortization (EBITDA)	10,835	6,275	5,528	929	2,889	-0	-75	26,381
Management's assessment of impact on the group if acquisition date had been 1 January 2022								
Net revenue	39,743	32,403	30,132	14,861	16,961	14,773	14,991	163,865
Earnings before interest, tax, depreciation and amortization (EBITDA)	12,313	9,152	11,233	4,637	7,405	-27	863	45,576

Karlatandläkarna AB includes a subsidiary, Mälarkliniken AB. The acquisition analysis is preliminary. Adjustments to the preliminary amounts reported at the acquisition date may be made up to 12 months from the date of acquisition to include information that existed at the acquisition date and, if known, would have affected the calculation of the amounts reported at that time. The column "other" contains minor acquisitions where the purchase price is less than 10% of the total purchase prices for the year.

Overview of acquired net assets at the acquisition date – 2021

	Significant acquisitions				
	Solna Dental AB (Group) *)	Stångå Tandklinik AB	Dental-akademin AB	Other	Total 2021
Intangible non-current assets	11,658	6,000	-	1,982	19,640
Tangible non-current assets	12,817	5,268	9,008	1,171	28,264
Financial non-current assets	-	1,581	1,296	562	3,439
Inventories	428	657	174	371	1,630
Current receivables	3,519	891	1,338	880	6,628
Cash and bank deposits	2,604	917	1,576	5,606	10,703
Non-current liabilities	-6,250	-2,855	-6,553	-612	-16,270
Current liabilities	-2,470	-2,249	-2,885	-3,367	-10,971
Identifiable net assets	**22,306**	**10,210**	**3,954**	**6,593**	**43,063**
Goodwill	30,694	34,790	74,546	22,207	162,237
Total considerations	**53,000**	**45,000**	**78,500**	**28,800**	**205,300**
Impact of the acquisitions on group cash flow					
Considerations	53,000	45,000	78,500	28,800	205,300
Less:					
Acquired net cash	-2,604	-917	-1,579	-5,606	-10,706
Current liabilities to sellers	-12,500	-11,250	-19,625	-6,950	-50,325
Contingent considerations	-3,000	-	-	-	-3,000
Total impact on cash and cash equivalents	**34,896**	**32,833**	**57,296**	**16,244**	**141,269**
Contributions from acquired companies in 2021					
Net revenue	13,992	7,780	3,037	11,629	36,438
Earnings before interest, tax, depreciations and amortizations (EBITDA)	1,600	457	751	8,974	11,782
Management's assessment of impact on the group if acquisition date had been 1 January 2021					
Net revenue	26,603	25,078	21,216	31,058	103,955
Earnings before interest, tax, depreciations and amortizations (EBITDA)	4,851	3,248	6,080	12,099	26,278

Solna Dental AB includes a subsidiary Solna Dental Arenatandläkarna AB.

NOTE 5 REVENUES

Net revenue in the Group amounting to SEK 397,384 thousand (232,254) is comprised entirely of the sale of dental care services. Revenue is recognized directly at the time of delivery of the services – that is, at the time of the dental treatment. No single patient accounts for more than 10 percent of revenue.

Other operating revenue, SEK 2,458 thousand (2,376) is comprised primarily of government support related to the Covid-19 pandemic. Revenue is recognized in the period in which it is incurred.

Total revenue from external customers, based on the jurisdiction in which the services are performed, is entirely attributable to Sweden. Another important attribute in our specification of revenue is the patient fee category to which the revenues refer. This specification is included in the following table.

(kSEK)	2022	Patient fees	Revenue from Swedish Social Insurance Agency	Revenue from Tandvårdsenheten *)	Other	Total
Revenue Sweden		236,335	156,293	1,812	2,944	397,384
Total		**236,335**	**156,293**	**1,812**	**2,944**	**397,384**

(kSEK)	2021					
Revenue Sweden		137,724	93,717	308	505	232,254
Total		**137,724**	**93,717**	**308**	**505**	**232,254**

Revenue-related contractual assets and liabilities

Contractual assets are the value of services rendered in accordance with customer agreements, but where payment is yet to be received. Contractual liabilities are the value of advance payments received where the Group still has an obligation to perform the services agreed upon with the customers. As at balance sheet date, the value of contractual balances was as follows:

	Group	
Contract balances	2022	2021
Accounts receivables	10,504	5,814
Contractual liabilities	15,106	3,612

	Group	
Contractual liabilities	2022	2021
At the beginning of the year	3,612	1,597
From business acqusitions	11,024	895
Of which revenues recoqnized during the financial year	-3,612	-2,493
Dental treatments not yet performed	4,082	3612
Total	**15,106**	**3,612**

Performance commitments

As there are no commitments with an expected maturity of more than one year, no information on the transaction price allocated to the remaining performance commitments is provided.

NOTE 6 REMUNERATION TO AUDITORS

	Group		Parent company	
	2022	2021	2022	2021
Ernst & Young AB				
Audit engagement	-1,879	-1,287	-448	-307
Other non audit assignments	-	-	-	-
Total	**-1,879**	**-1,287**	**-448**	**-307**

Audit engagement fees refer to statutory audits of the annual and consolidated accounts and audit of Management's administration, as well as other audit activities performed upon agreement or according to contract. Other services not included in the audit engagement such as audit activities related to the acquisition of new clinics are referred to in Note 7 "Other external operating expenses".

NOTE 7 OTHER EXTERNAL OPERATING EXPENSES

	Group		Parent company	
	2022	2021	2022	2021
Premises	-8,540	-3,905	-1,467	-660
IT, communication, markering and administration	-25,210	-14,708	-1,966	-1,555
Consulting fees	-17,163	-9,898	-10,328	-5,825
Audit fees	-1,879	-1,287	-448	-307
Other operation expenses	-13,613	-6,357	-4,345	-1721
Total	**-66,405**	**-36,155**	**-18,554**	**-10,069**

NOTE 8 EMPLOYEES, PERSONNEL, EXPENSES AND REMUNERATIONS TO SENIOR EXECUTIVES

	2022		2021	
	Average number	of which men	Average number	of which men
Board members and CEO	8	7	8	7
Other senior executives	2	1	2	1

	2022		2021	
Total number of employees	Average number	of which men	Average number	of which men
Subsidiaries in Sweden	287	87	188	57
Parent company	13	7	7	4
Total Group	**300**	**94**	**195**	**61**

Salaries and remunerations to the Board of Directors, CEO and other senior executives	Group		Parent company	
	2022	2021	2022	2021
Salaries and remunerations	-3,800	-2,520	-3,800	-2,520
Pension costs	-563	-338	-563	-338
Social security costs	-1,194	-792	-1,194	-792
Total	**-5,557**	**-3,650**	**-5,557**	**-3,650**

Salaries and other remuneration to other employees	Group 2022	Group 2021	Parent company 2022	Parent company 2021
Salaries and remunerations	-125,381	-69,246	-6,298	-2,825
Pension costs	-8,370	-4,928	-943	-193
Social security costs	-37,766	-22,952	-2,289	-991
Other personnel expenses	-5,677	-14,556	-957	-794
Sum	-177,194	-111,682	-10,487	-4,803
Total personnel expenses	**-182,751**	**-115,331**	**-16,044**	**-8,453**

Remuneration to the Board of Directors

In accordance with the resolution of the 2022 Annual General Meeting, no remuneration is to be paid to the Board Members of the Group companies.

Remuneration and terms for the CEO and other senior executives

Remuneration to the CEO of Dentalum comprises of a fixed salary and pension costs.

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During 2022, the CEO was paid an annual salary of SEK 843.9 (780) thousand. A pension premium of SEK 82.8 thousand, equivalent to 10 percent of the fixed annual salary, is retained annually.

The CEO has a mutual 6 months´ notice. Remuneration to other senior executives comprises of a fixed salary of SEK 2 956 thousand (1740) and pension costs of SEK 460 thousand. Pension costs refer to define contribution pension plans.

NOTE 9 FINANCIAL EXPENSES

	Group 2022	Group 2021	Parent company 2022	Parent company 2021
Interest expenses according to the effective interest method	-29,000	-27,130	-32,288	-27,130
Interest expenses	-135	-1,226	-68	-29
Exchange rate losses	-	-18	-	-
Other financial expenses	-5,910	-155	-3,722	-155
Total	-35,045	-28,529	-36,078	-27,314

NOTE 10 INCOME TAX

	Group		Parent company	
	2022	2021	2022	2021
Current tax for the period	-10,695	-4,938	-4,417	-2,370
Adjustments for previous years	-	-66	-	-66
Deferred tax	5,114	4,474	-	-1,285
Total reported tax expense	**-5,581**	**-530**	**-4,417**	**-3,721**
Reconciliation of effective tax				
Profit before tax	-63,534	-38,732	-18,368	-3,154
Tax at current Swedish tax rate 20.6%	**13,088**	**7,979**	**3,784**	**650**
Tax effects regarding:				
Non-deductible expenses	-19,165	-9,522	-11,909	-4,303
Non-taxable revenues	5	360	3,708	-
Standard income for temporaty differences	-4	-8	-	-
Utilization of tax loss carried forward previously not recognized as deferred tax	-23	253	-	46
Increase in tax losses carried forward without corresponding capitalization of deferred tax	25	0	-	-
Revaluation of deferred tax assets and tax liabilities due to changes in tax rates	-232	473	-	-48
Adjustments for taxes attributable to prior years	725	-66	-	-66
Reported tax according to the income statement	**-5,581**	**-530**	**-4,417**	**- 3,721**
Effective tax rate	neg	neg	neg	neg

The Group has no tax items recognized in total comprehensive income (loss) for the year, nor directly in equity.

Tax impact related to non-deductible expenses amounts to a total of kSEK -19,165 (-9, 522). The total amount consists of kSEK -4,860 (-4,120) related to non-deductible interest expense, kSEK -12,995 (-4,338) for non-deductible expenses related to business acquisitions, and kSEK -1,310 (-1,064) are related to other non-deductible expenses.

Tax losses carried forward for the Group, where deferred tax assets have not been recognized in the balance sheet amounts to kSEK 2,159.2 (198) corresponding to a deferred tax asset of kSEK 444.8 (41). The losses carried forward have no time limits in terms of the possibility to be used against future tax surpluses.

In the tables below, tax impact of temporary differences is presented.

Deferred tax assets	Group 2022	Group 2021	Parent company 2022	Parent company 2021
Tax losses carried forward				
Opening balance	-	1,286	-	1,286
Recognized in the income statement	-	-1,286	-	-1,286
Closing balance	-	-	-	-
Lease liability				
Opening balance	4,821			
Business acquisitions	2,253	2,586	-	-
Reclassification	-104	-	-	-
Recognized in the income statement	2,037	2,235	-	-
Closing balance	9,007	4,821	-	-
Total deferred tax assets	**9,007**	**4,821**	-	-

Deferred tax liabilities	Group 2022	Group 2021	Parent company 2022	Parent company 2021
Customer relations				
Opening balance	14,633	13,932	-	-
Temporary differences from business acquisitions	9,152	4,046	-	-
Recognized in the income statement	-4,531	-3,345	-	-
Closing balance	**19,254**	**14,633**	-	-
Right-of-use assets				
Opening balance	4,301	-	-	-
Business acquisitions	2,253	2,471	-	-
Reclassification	308	-	-	-
Recognized in the income statement	1,775	1,830	-	-
Closing balance	**8,637**	**4,301**	-	-
Other assets				
Opening balance	175	-	-	-
Business acquisitions	-	175	-	-
Closing balance	**175**	**175**	-	-
Untaxed reserves				
Opening balance	65	2,012	-	-
Business acquisitions	282	-	-	-
Temporary differences from business acquisitions	-	26	-	-
Recognized in the income statement	-321	-1,973	-	-
Closing balance	**26**	**65**	-	-
Total deferred tax liabilites	**28,092**	**19,174**	-	-

NOTE 11 GOODWILL

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	363,653	198,683	-	-
Adjustment of preliminary PPA	828	2,733	-	-
Reclassifications	-1,563	-	-	-
Divestments during year	-1,000	-	-	-
Business acquisitions	205,412	162,237	-	-
Carrying amount at year-end	**567,330**	**363,653**	-	-

Impairment testing of goodwill is performed on the consolidated Group of cash-generating units that are expected to benefit from the business acquisition to which the goodwill relates and for which goodwill is regularly monitored. The recoverable amount of the cash-generating units (the Group as a whole) to which the goodwill refers is determined on the basis of the calculation of value in use. To determine if the value of the goodwill has decreased, the cash-generating unit to which the goodwill refers must be assessed which takes place through a discounting of its' cash flow. In applying this method, the company bases its assessment on a number of factors, including the results of the unit and financial forecasts. The calculation is based on the estimated future cash flows, while applying forecasts covering a five-year period.

The forecasts comprise the basis of the manner in which the amounts in the significant assumptions are determined. The assumptions are based on previous experience, the current and future situation, of which the most significant assumptions are the expected demand for dental care services, growth rate, operating margin and the discount rate. Revenue during years 2021 and 2022 in some of the dental clinics has seen a certain impact from the Covid-19/Omicron virus spread and for such dental clinics, the assumption of growth is somewhat higher than the average expected growth of three percent for the sector in Sweden. Similar for a few clinics where there is a succession plan, assumptions of growth for the next five years may vary. The factor which has been used to calculate growth in the terminal period after the five-year period is 0.5 percent. The discount rate is comprised of a weighted average cost of capital for borrowed capital and equity and is calculated at 10,65 (12.36) percent pre-tax and 9,75 (11.38) percent after tax.

The impairment testing of goodwill was undertaken during the fourth quarter 2022 and did not evidence any sign of an impairment requirement. The sensitivity in the calculations imply that the goodwill value related to the portfolio of acquired companies could be maintained if the discount rate increased by two percentage points or if the long-term growth rate decreased by one percentage

NOTE 12 CUSTOMER RELATIONS

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	91,605	71,965	-	-
From business acqusitions	44,425	19,640	-	-
Total accumulated cost	**136,030**	**91,605**	-	-
Amortizations				
Opening balance	-20,620	-4,336	-	-
Amortizations for the year	-21,946	-16,284	-	-
Total accumulated amortizations	**-42,566**	**-20,620**	-	-
Net carrying value at year-end	**93,464**	**70,985**	-	-

The value of customer relations is based on the market value of the number of active, recurring patients, that is, patients with recurring visits for 18-24 months periods in the respective clinics. The prevailing market value includes an assessment of future earnings per patient, calculated at present value as per date of contract execution.

NOTE 13 EXPENSES FOR IMPROVEMENTS ON LEASEHOLDS

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	14,337	3,473	-	-
Business acqusitions	1,359	10,667	-	-
Investments	1,242	196	-	-
Reclassification	-30	-	-	
Total accumulated cost	16,908	14,336	-	-
Depreciations				
Opening balance	-1,014	-95	-	-
Depreciations for the year	-1,497	-920	-	-
Total accumulated depreciations	-2,511	-1,015	-	-
Net carrying value at year-end	14,397	13,321	-	-

Expenses for improvements on leaseholds consist of accumulated costs for the renovation of treatment rooms in dental clinics carried out prior to the acquisition of the clinics.

NOTE 14 EQUIPMENT AND TOOLS

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	32,116	10,357	38	13
Business acquisitions	5,235	5,064	-	-
Investments	3,978	2,938	19	25
Reclassifications	-2	-		-
Divestments and disposals	-3,681	-487		-
Total accumulated cost	**37,646**	**17,872**	**57**	**38**
Depreciations				
Opening balance	-22,659	-5,457	-7	-1
Depreciations for the year	-4,378	-3,206	-11	-6
Divestments and disposals	2,996	251	-	-
Total accumulated depreciations	**-24,041**	**-8,412**	**-18**	**-7**
Net carrying value at year-end	**13,605**	**9,460**	**39**	**31**

Equipment and tools consist mainly of dental equipment and are depreciated over the estimated useful life.

NOTE 15 OTHER FIXED ASSETS

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	998	998	-	-
Business acquisitions	7	-	-	-
Reclassifications	2	-	-	-
Divestments and disposals	-998	-	-	-
Total accumulated cost	**9**	**998**	-	-
Depreciations				
Opening balance	-612	-411	-	-
Depreciations for the year	-	-201	-	-
From business acquisitions	-	-	-	-
Divestments and disposals	612	-	-	-
Total accumulated depreciations	-	**-612**	-	-
Net carrying value at year-end	**9**	**386**	-	-

NOTE 16 LEASING

	Equipment and tools		Premises	
Right-of-use assets	**2022**	**2021**	**2022**	**2021**
Cost				
Opening balance	2,700	2,663	34,394	18,262
From business acquisitions	735	-	11,093	16,132
Investments	1,011	37	20,439	-
Reclassifications	-287	-	-1,721	-
Divestments during year	-761		-70	
Total accumulated cost	**3,398**	**2,700**	**64,135**	**34,394**
Depreciations				
Opening balance	-1,308	-236	-8,944	-1,513
Depreciations for the year	-815	-1,072	-12,558	-7,431
Reclassifications	238	-	-493	-
Divestments during year	602	-	70	-
Total accumulated depreciations	**-1,283**	**-1,308**	**-21,925**	**-8,944**

Equipment and tools

Most of the leased equipment relates to dental instruments and equipment used in the dental clinics. The non-cancellable period of the agreements is 2 to 5 years.

Premises

The Group leases office space and premises for dental clinics located in Sweden. The non-cancellable period in the agreement varies but is generally 3 -10 years with an option to extend the rental period. Extension and termination options are only reported if the Group has the right to unilaterally extend/terminate the agreement and it has been assessed that this right can reasonably be exercised.

Net carrying value at year-end	Equipment and tools	Premises	Total
2021-12-31	1,392	25,450	26,842
2022-12-31	2,115	42,210	44,325

Amounts recognized in the income statement and cash flow statement

The amounts stated below, referring to all existing lease agreements, are recognized in the consolidated income statement and consolidated cash flow statement of the Group.

	Group	
Lease liabilities	**2022**	**2021**
Opening balance	23,401	19,320
Reclassifications	-509	-
From business acquisitions	10,936	12,553
Additional agreements	21,451	-
Terminated agreements	-157	-
Interest expenses related to lease liabilities	2,174	1,156
Lease expenses	-13,574	-9,628
Total reported value	**43,722**	**23,401**

Lease liabilities in total kSEK -43,722 (-23,401), of which long-term lease liabilities of kSEK 29,622 (14,535) and short-term kSEK 14,100 (8,866).

For an analyses of the lease liability tenors, see Note 30.

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	Group	
Amounts recognized in the income statement	**2022**	**2021**
Expenses related to lease liabilities:		
Depreciations of lease liabilities	-13,373	-7,431
Interest expenses related to lease liabilities	-2,174	-1,156
Expenses related to:		
Short-term leases	-187	-19
Low value assets	-419	-242
Variable lease expenses	-	-
Total reported value	**-16,153**	**-8,848**

	Group	
Amounts recognized in the cash flow statement	**2022**	**2021**
Payments related to lease liabilities::		
Depreciations of lease liabilities	-11,400	-8,472
Interest expenses related to lease liabilities	-2,174	-1,156
Expenses related to:		
Short-term leases	-187	-19
Low value assets	-419	-242
Variable lease expenses	-	-
Total reported value	**-14,180**	**-9,889**

NOTE 17 PARTICIPATIONS IN GROUP COMPANIES

Specification of the Parent company's direct holdings of shares in Group companies as of December 31, 2022

Company name	Org. no.	Locations	No. of shares	Holding (%)	Reported value 2022	Reported value 2021
Dentalum Dalarna AB	559225-8619	Stockholm	5,000	100	50	50
Moberg- Stenberg AB	556328-3414	Falkenberg	10,000	100	4,156	4,156
Ludvikatandläkarna AB	559199-3463	Ludvika	50,000	100	9,392	9,577
Kungsfors Tandvård AB	559060-7684	Mark	500	100	25,030	25,030
Kinna Tandvård AB	559081-3746	Mark	1,000	100	5,303	5,303
Borås Tandvård AB	559134-4097	Mark	500	100	11,738	11,738
Dentalum Tandvårdsteam AB	559007-1063	Stockholm	100	100	48,569	48,569
STHLM Dental Clinics AB	559040-7374	Stockholm	1,000	100	78,649	109,131
City Dental i Stockholm AB	556680-5478	Stockholm	3,000	100	52,990	76,690
Vesalis Dental AB	559245-8284	Jönköping	250	100	23,098	16,190
Solna Dental AB	556759-7587	Stockholm	1,000	100	94,015	53,230
Solna Dental Arenatandläkarna AB 1)	556980-9915	Stockholm	1,000	100	-	-
Tareqs klinik AB	559081-5030	Hultsfred	500	100	42,998	23,048
Stångå Tandklinik AB	556875-1993	Linköping	1,000	100	45,194	45,194
Erik Lennartsson AB	556969-0737	Nacka	100	100	78,951	78,950
Estetikcenter Göteborg AB	559143-7321	Göteborg	500	100	12,491	8,662
Tandläkarhuset Enköping AB	556945-8648	Enköping	500	100	73,096	-
Swedish Dental AB	556708-2317	Stockholm	2,000	100	48,394	-
Karlatandläkarna AB	556832-0245	Stockholm	500	100	41,701	-
Mälarkliniken AB 2)	556211-8371	Stockholm	1,000	100	-	-
Novo Sweden AB	556978-9265	Stockholm	500	100	40,271	-
Skellefteå Tandvård AB	559158-3181	Skellefteå	100	100	43,456	-
Fritidstandläkarna AB	559102-1992	Umeå	500	100	8,468	-
Tandcenter Lövånger AB	559281-8735	Umeå	500	100	4,670	-
Tandcity Sweden AB	559073-2557	Lomma	500	100	32,124	-
Total					**824,805**	**515,519**

1) Subsidiary of Solna Dental AB
2) Subsidiary of Karlatandläkarna AB

Summary of change in reported value of shares in group companies during financial year 2022

	Parent company 2022	Parent company 2021
Acquisition cost		
Opening balance	515,519	286,425
Business acquisitions	292,180	209,094
Revaluation of contingent considerations	71,473	20,000
Impairments	-54,367	0
Total outgoing reported value	**824,805**	**515,519**

NOTE 18 PARTICIPATIONS IN HOUSING ASSOCIATIONS

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balance	1,838	538	-	-
From business acquisitions	200	1,300	-	-
Total accumulated cost	2,038	1,838	-	-

NOTE 19 OTHER NON-CURRENT RECEIVABLES

	Group		Parent company	
	2022	2021	2022	2021
Acquisition cost				
Opening balances	789	627	-	-
Business acquisitions	-	-	-	-
New receivables	600	162	-	-
Total accumulated cost	1,389	789	-	-
Carrying amount at year-end	1,389	789	-	-

NOTE 20 INVENTORIES

	Group		Parent company	
	2022	2021	2022	2021
Dental implants and consumables	11,808	8,045	-	-
Total	**11,808**	**8,045**	-	-

Inventories in dental clinics consist mainly of dental implants and consumables. No write-down of inventories was made as at the balance sheet date of the respective years. The increase compared with last year refers to the year's executed business acquisitions. No portion of the inventories has been valued at net realizable value.

NOTE 21 ACCOUNTS RECEIVABLE

	Group		Parent company	
	2022	2021	2022	2021
Accounts receivable, gross	14,316	9,515	-	-
Receivables, not overdue	8,890	5,529	-	-
Overdue 1-30 days	411	12	-	-
Overdue 31-60 days	244	2	-	-
Overdue >60 days	4,831	3,991	-	-
Provisions for credit losses	-3,872	-3,720	-	-
Total	10,504	5,814	-	-

Accounts receivables are recognized at the amount expected to be received, less provisions for expected credit losses. A general provision is recognized, with trade receivables older than 12 months valued at 50% of the carrying amount and receivables older than 24 months valued at 0% of the carrying amount. The net change in the credit loss reserve affects the consolidated income statement. Of the total provisions in the Group of -3,872 thousand (-3,720), most of the provisions in the Group company City Dental amount to SEK -3,365 thousand (-3,365).

NOTE 22 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent company	
	2022	2021	2022	2021
Prepaid advertising	625	1,250	-	-
Prepaid insurance expences	1,092	780	11	-
Prepaid acquisition costs	212	236	212	235
Other prepaid costs	3,592	2,273	723	280
Accrued revenue	357	315	0	0
Total	**5,878**	**4,854**	**946**	**515**

NOTE 23 CASH AND CASH EQUIVALENTS

	Group		Parent company	
	2022	2021	2022	2021
Cash and cash equivalents comprise:				
Cash	824	339	-	-
Bank balances	115,596	270,223	7,835	181,190
Total	**116,420**	**270,562**	**7,835**	**181,190**

NOTE 24 EQUITY

Dentalum's share capital is comprised of one class of shares with each share incurring the same voting rights and providing the same right to dividends. The quota value of the share is SEK 10. Changes in the number of shares, share capital and quota value are shown in the table to the right.

	Parent company	
No. of shares	**2022**	**2021**
At the beginning of the year	50,000	5,000
New share issues	-	45,000
Total at year-end	**50,000**	**50,000**

Share capital	**2022**	**2021**
At the beginning of the year	500,000	50,000
New share issues		450,000
Total at year-end	**500,000**	**500,000**
	10	10

NOTE 25 FINANCIAL INSTRUMENTS

	Group		Parent company	
	2022	2021	2022	2021
Assets				
Measured at amortized cost				
Financial non-current assets	3,427	2,627	762	162
Accounts receivable	10,504	5,814	-	-
Cash and cash equivalents	116,420	270,562	7,835	181,190
Total reported value	**130,351**	**279,003**	**8,597**	**181,352**

	Group		Parent company	
	2022	2021	2022	2021
Liabilities				
Measured at amortized cost				
Financial liabilities	398,427	397,718	398,421	397,191
Provisions (contingent considerations)	0	-	70,979	25,700
Accounts payable	15,898	9,178	2,665	1,383
Other liabilities	28,899	3,792	79,165	19,062
Accrued expenses	4,844	10,666	2,332	8,552
Measured at fair value through profit or loss		-	-	-
Contingent considerations	137,278	44,761	-	-
Total reported value	**585,346**	**466,115**	**553,562**	**451,888**

Assets and liabilities measured at amortized cost

Assets and liabilities are measured at amortized cost, where the reported values are substantially consistent with fair value, except for contingent considerations which, according to IFRS, are measured at fair value in the consolidated balance sheet, as described below.

Financial liabilities in the above table consist of a bond issue, including accrued interest expense, with deduction of transaction costs. Differences between the amount of borrowing, net of transaction costs, and the repayment amount are reported in profit or loss for the year, distributed over the loan period using the effective interest method. Information on conditions and repayment periods, as well as the company's exposure to interest rate risk, is presented in the section Financial Risk Management of the Management report.

Fair value measurement

Fair value is the value that, at the time of valuation, would be obtained on the sale of an asset or paid on transfer of a liability through an arranged transaction between market participants.

In accordance with the disclosure requirements of IFRS 13, the classification of liabilities in the fair value hierarchy is described below.

This is done by dividing the valuations into three levels:

- Level 1: Fair value is determined according to prices listed on an active market for identical financial instruments held by the company on the valuation date.
- Level 2: Fair value is determined on the basis of either directly (such as price) or indirectly (derived from prices) observable market data that is not included in level 1.
- Level 3: Fair value is determined based on data that is not observable on the market.

Dentalum's financial instruments, which are measured at fair value, are valued according to level 3.

The contingent considerations are the only instruments that are reported at fair value through profit or loss.

Liabilities related to contingent considerations, measured at fair value

In conjunction with certain acquisitions during 2021 and 2022, agreements regarding future contingent considerations have been established.

Contingent considerations are based on the fulfillment of a number of terms and conditions, whereby the primary condition is future earnings capacity, defined as, operating result (EBITDA). The measurement period for the operating result is to be achieved in order that a contingent consideration can be received, is usually over two financial years, but can vary for various acquisitions. The amount of the contingent consideration is structed in success stages with varying amounts depending on the level of operating results achieved during the measurement period. There are contingent considerations for acquisitions with a total of ten counterparties, of which six were completed during 2022. In conjunction with the connection between the preparation of acquisition analyses and based on the assessment of the possibility to achieve the contractual terms required for a certain contingent consideration to be paid out, an amount of SEK 137,278 thousand (44,761) in total, has been recorded as a financial liability in the balance sheet.

During the year, a current liability was recognized for additional purchase considerations amounting to SEK 66,299 thousand (19,061), related to three clinics that were acquired in 2020-2021. The amounts have also affected the income statement as these were not reserved in the previous year, based on the forecast and probability assessment of reaching the level of results required for the additional purchase consideration to be paid, that was made at the time of the acquisitions. In 2022, these clinics have had a significant increase in earnings, in excess of budget, which means that the assessment for payment of the additional purchase price has changed to occur in 2023.

The liability for the contingent consideration is attributable to level 3 and the change during the year is shown in the table below.

	2022	2021
Acquisition value		
Opening reported value	44,761	23,700
From business acquisitions	48,280	4,970
Compensation paid	-17,092	-3,437
Revaluation at fair value	61,329	19,528
Total reported value at year-end	**137,278**	**44,761**

Contingent considerations parent company

The parent company reports the long-term portion of the contingent considerations as a provision amounting to SEK 70,979 (25,700) thousand and the current portion, amounting to SEK 66,299 (19,061) thousand as part of other current liabilities.

	Koncernen	
	2022	2021
Provisions		
Acquisition value		
Opening reported value	25,700	23,700
From business acquisitions	45,279	2,000
Carrying amount of provisions	**70,979**	**25,700**
Current liabilities		
Opening reported value	19,061	-
From business acquisitions	3,001	2,970
Paid considerations	-17,092	-3,437
Revaluation at fair value	61,329	19,528
Reported value of current liabilities	**66,299**	**19,061**
Total reported value at year-end	**137,278**	**44,761**

For further information regarding the acquired companies and net assets, see Note 4 Business acquisitions.

NOTE 26 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent company	
Accrued expenses	**2022**	**2021**	**2022**	**2021**
Personnel related	17,819	11,791	1,333	888
Audit related	994	335	300	-
Administrative services	2,556	1,189	1,821	821
Interest on bond debt 1)	-	7,363	-	7,363
Other	1,294	1,838	211	368
Total	**22,663**	**22,517**	**3,665**	**9,440**

1) Accrued interest on bond debt included in short term debt in 2022

NOTE 27 ADJUSTMENTS FOR NON-CASH AFFECTING ITEMS

	Group		Parent company	
	2022	**2021**	**2022**	**2021**
Depreciations	41,272	29,157	-	6
Other	34	13		-
Total	**41,306**	**29,170**	**-**	**6**

NOTE 28 CHANGES IN LIABILITIES ATTRIBUTABLE TO FINANCING ACTIVITIES

Interest-bearing liabilities of the Group and in the parent company, primarily consist of a Senior Secured Bond, initially issued at Deursche Boerse (“Boerse Frankfurt”) in an amount of SEK 300,000 thousand, within a total framework of SEK 600,000 thousand. In October 2021, a further bond was issued of a nominal amount of SEK 100,000 thousand within the same framework and the total outstanding bonds were simultaneously listed at Nasdaq Stockholm. The listing at Boerse Frankfurt remains in parallel. The bond loan with a maturity date of October 2, 2023, has a fixed coupon of 7.75 percent.

During 2022, no changes in interest-bearing liabilities have occurred and the cash flow impacting changes have been limited to changes in leasing contracts, as illustrated in the table below.

See Note 30, Financial risk management and Note 31, Pledged assets, for further information on the terms of the bonds.

Liabilities relating to leases consist mainly of long-term rental agreements related to the rental of premises for the Group companies' dental clinics. See also Note 16 Lease contracts for further information.

	Group		Parent company	
	Interest-bearing liabilities	Lease liabilities	Interest-bearing liabilities	Lease liabilities
Opening balance as of January 1, 2021	299,657	19,320	299,083	-
Cash flow for the year	103,954	-8,472	104,000	-
Changes in non-cash affecting items:				-
Acquired balances	-	12,553	-	-
Accrued expenses for credit facility fees	-209	-	-209	-
Accrued interest	-5,683	-	-5,683	-
Changes related to new and terminated lease agreements	-	-	-	-
Total closing balance recognized as of December 31, 2021	**397,719**	**23,401**	**397,191**	-
Opening balance as of January 1, 2022	397,718	23,401	397,191	-
Cash flow for the year	-1,184	-11,400	-375	-1,147
Changes in non-cash affecting items:				
Acquired balances	-	10,936	-	-
Accrued expenses for credit facility fees	-	-	-	-
Accrued interest	1,893	-	1,605	-
Changes related to new and terminated lease agreements	-	21,294	-	4,377
Reclassifications	-	-509	-	-
Total closing balance recognized as of December 31, 2022	**398,427**	**43,722**	**398,421**	**3,230**

NOTE 29 RELATED PARTY TRANSACTIONS

Parent Company

The parent company's income from Group companies consists of revenue from internal invoicing of Group centralized services for accounting and pay-roll administration, amounting to SEK 3,654 thousand (2,661) during 2022. The parent company had no purchases of services during the current nor previous financial year but received Group contributions from subsidiaries amounting to SEK 61,141 thousand (40,019). As of the balance sheet date, the parent company had outstanding receivables from Group companies amounting to SEK 16,309 thousand (41,160), which comprise the net amount of group contributions receivables and inter-company borrowing, incl. accrued interest expense, amounting to SEK – 44,832 thousand (0). During the year, the parent company has received unconditional shareholders contributions from Dentalum AB of SEK 28, 587 (205,325) thousand.

Transactions with senior executives

Remuneration to the CEO and other senior executives who have been compensated as a part of the employment is presented in Note 8.

No other transactions with related physical parties have taken place.

NOTE 30 FINANCIAL RISK MANAGEMENT

Dentalum is, in its operations, exposed to various types of financial risks that may affect profit or loss for the year and equity. These risks are mainly related to financing and liquidity risks, changes in interest rates and counterparty risks.

The Board is responsible for guidelines and frameworks for the Group's financial management. These are centrally managed by the finance function, with the aim of contributing to value creation by managing the financial risks to which the Group is exposed in the acquisition process, as well as optimizing the Group's net financial items. The finance function acts as the Group's internal bank and is responsible for capital raising and financing of the Group, as well as cash management, bank arrangements, including counterparty risk related to financial transactions for which only institutions with solid credit ratings are accepted.

Foreign exchange risk – transaction exposure

Transaction exposure occurs when sales and purchases are transacted in currencies other than the functional currency of the legal entity. Dentalum's income and expenses are limited to SEK, except for limited purchases of dental technology in EUR. The earnings and equity of the Group are not affected by foreign exchange rate fluctuations.

Interest rate risk

Interest rate risk refers to the risk that fluctuations in interest rate levels will have a negative impact on the Group's net financial items. The speed with which a change in interest rates is reflected in net financial items depends on the duration of the assets and liabilities. Interest rate risk arises if the company has invested in interest-bearing assets whose value changes when interest rates change or when the costs of the company's borrowing change when interest rates change.

As described above, the Dentalum Group has, in 2020 and 2021, issued bond loans at a fixed coupon rate throughout the term of the loan, implying that Dentalum has not been exposed to a rise in market interest rates.

As of the maturity of the bond loan in October 2023, Dentalum's interest rate level may be affected negatively or positively in connection with the raising of new financing.

Otherwise, the Group has no interest-bearing investments or interest rate derivatives. A very limited interest rate risk is embedded in rental contracts that are recognized as financial liabilities in the consolidated financial statements.

The table below specifies the conditions and repayment dates for each interest-bearing liability.

			Reported value	
	Maturity	**Interest rate**	**2022**	**2021**
Interest-bearing liabilities (non-current)	2023	7.75%	-	397,191
Interest-bearing liabilities (current)	2023	7.75%	398,421	-
Interest-bearing liabilities (current)	2023	rörlig	6	527
Total reported value			**398,427**	**397,718**

Credit and counterparty risk

Commercial and financial transactions involve credit exposure to counterparties. Credit risk or counterparty risk refers to the risk of loss if the counterparty fails to fulfil its obligations stipulated in executed agreements. Credit risk can be categorized into financial credit risk and credit exposure in trade receivable. The risk of a counterparty not fulfilling its obligations under a binding financial contract is limited by selecting highly creditworthy counterparties and limiting the amount of exposure to each counterparty.

Cash and cash equivalents of the Group is deposited in bank accounts at reputable banks with high credit ratings.

Credit risk related to accounts receivable in Dentalum's dental care services is very limited, as patients generally pay for services at the time of treatment. For planned and more expensive treatments, provided in stages during a longer period, and when patients need funding, the credit risk is transferred to external consumer credit institutions in direct connection with the establishment of treatment agreements.

Financing and liquidity risk

Financing risk is the risk that financing becomes more expensive or that sources of financing are limited when financing requirements arise, when loans are to be refinanced or payment obligations cannot be met as a result of insufficient liquidity or difficulties in obtaining financing. In order to minimize the financing risk, i.e. the risk of not obtaining long-term financing, the Dentalum Group shall maintain good creditworthiness and long-term financing commitments shall be arranged well in advance of the financing need occurs.

In 2021, the capital structure of the Dentalum Operations was strengthened significantly in conjunction with Dentalum undertaking a directed new share issue, a so-called "private placement", in the ultimate company in the Group, Dentalum Group AB.

The amount of the new share issue was SEK 170,000 thousand, of which a total of TSEK 155,000 thousand was contributed to Dentalum Operations AB (publ.) as a shareholder's contribution in December 2021.This strengthening of the capital structure has implied that the net debt level equity/asset ratio and credit worthiness has been enhanced which reduces the financing risk.

The financing risk has also been reduced as during 2020 Dentalum established a three-year bond framework of SEK 600,000 thousand with maturity in October 2023. In 2020 bonds were issued totaling SEK 300,000 thousand and during 2021 a further bond issue took place in an amount of SEK 100,000 thousand. The remaining amount in the framework is SEK 200 million which can be issued to finance future acquisitions.

The bond is senior secured with a fixed coupon rate of 7.75 per cent. Shares of the issuer, Dentalum Operations AB (publ.), and shares in certain subsidiaries are pledged as security. Furthermore, as part of the security package, liquidity in an escrow account, dedicated to finance acquisitions of dental clinics, is pledged. Liquidity on this account was SEK 5,410 thousand (42,715).

See further note 31 Pledged assets and contingent obligations.

The terms and conditions of the bond agreement, include certain financial covenants, tested on an incurrence basis, such as commitments of capital injections in connection with additional acquisitions, as well as certain maximum levels of leverage, (i.e." incurrence tests") The leverage ratio for incurrence tests is computed as net liabilities in relation to EBITDA (Earnings Before Interest, Tax, Depreciations and Amortizations) where the leverage ratio may not exceed 4.5x up until October 2022, and 3.5x during the last 12 months of the term of the bond until October 2023. Furthermore, there are certain maximum leverage commitments, whereby a maximum of 4x decreasing to 3.5x during 2022, applies for raising of new debt, including bond issues. Further information regarding bond terms can be found on Dentalum's website under the heading "Investor Relations/Bond Investors".

Liquidity risk is defined as the risk that Dentalum will not be able to meet its payment obligations on time or at a reasonable cost. The Group's goal for its capital structure aims at maintaining a balance structure between equity and debt financing, with the gain to finance the operating activities at a rational cost of capital. The goal is that the ongoing operations including their investment requirements are financed by own generated cash flows. Liquidity risk is minimized by keeping cash or unutilized committed credit facilities corresponding to at least two months of forecasted operating expenses. The Group's liquidity is closely monitored to ensure expected disbursements.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are presented in the table below. Debt repayments have been included in the period in which repayment can be claimed at the earliest. Provisions for contingent considerations have been recognized for the amount deemed at the closing date to be the most likely outflow at any given time.

See further Note 25 Financial Instruments.

Maturity analysis 2022	<1 year	1-3 years	3-5 years	>5 years	Total
Interest-bearing liabilities	423,422				423,422
Provisions for contingent considerations	66,299	68,365	19033	2015	155,712
Lease liabilities	16,336	24,183	6,454	1,170	48,143
Accounts payable	15,898				15,898
Other liabilities	28,899				28,899
Accrued costs	4,844				4,844
Total	**555,698**	**92,548**	**25,487**	**3,185**	**676,918**

Maturity analysis 2021	<1 year	1-3 years	3-5 years	>5 years	Total
Interest-bearing liabilities	31,057	492,899	113	397	524,466
Provisions for contingent considerations	19,061	25,700	-	-	44,761
Lease liabilities	9,927	9,163	5,118	2,005	26,213
Accounts payable	9,178	-	-	-	9,178
Other liabilities	3,792	-	-	-	3,792
Accrued costs	10,666	-	-	-	10,666
Total	**83,681**	**527,762**	**5,231**	**2,402**	**619,076**

Capital structure

The objective of the group's capital structure is to maintain a balanced structure between equity and debt financing, with the aim of maintaining creditworthiness for investors, lenders, customers, and suppliers

In addition to equity, the group's growth is financed by a senior secured bond loan, for which financial covenants related to capital structure are included. See the section Financing risk above for further information.

NOTE 31 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Dentalum Operations AB (publ.) has according to the terms and conditions of the SEK 400,000 thousand senior secured bond loan taken up in 2020, entered into a security agreement with the security agent Nordic Trustee on behalf of the bond investors. As security, shares in subsidiaries contributing to an EBITDA of at least 5 percent or more of the Group's total EBITDA, and where the company is included in a group of subsidiaries constituting 85 percent of the Group's total EBITDA, are pledged.

As per December 31, 2022, the shares in the subsidiaries Moberg-Stenberg AB, Ludvikatandläkarna AB, Kungsfors Tandvård AB, Sthlm Dental Clinics AB, City Dental i Stockholm AB, Vesalis Dental AB, Tareqs klinik AB, Solna Dental AB, Erik Lennartsson AB, Tandläkarhuset Enköping AB, Swedish Dental AB and Karlatandläkarna AB were pledged.

Pledged assets as of December 31, 2022

	Group		Parent company	
Pledged assets as of December 31, 2022	2022	2021	2022	2021
Shares in subsidiaries	-	-	582,461	365,621
Group holdings in net assets of Group companies	589,895	343,236	-	-
Liquidity on Escrow account designated for financing of business acquisitions	5,410	42,715	-	-
	595,305	**385,951**	**582,461**	**365,621**

As of balance sheet date, the Dentalum Group had no outstanding contingent liabilities related to legal processes.

NOTE 32 PROPOSED APPROPRIATION OF PROFITS

At the disposal of the Annual General Meeting is SEK:

Retained earnings	311,932,480
Profit (loss) for the year	-22,785,288
Total	**289,147,192**

The Board of Directors proposes that the total profit is appropriated as follows:

Carried forward	289,147,192
Total	**289,147,192**

NOTE 33 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

Continued acquisition growth

From the beginning of 2023 up until the publish of this annual report, Dentalum had acquired one additional dental care clinic. Following the acquisition of ABCARE Tandvård AB, with net sales of approximately SEK 12 million, executed on 28 February 2023, Dentalum group now has operations in ten regions.

Covid-19

The dental care market has experienced a recovery after the pandemic. Dentalum's clinics have had a continued stable inflow of patients in pace with a large portion of the population having been vaccinated and with the spread of Covid-19 slowing down. Uncertainty exists in relation to the pandemic in the form of mutated virus variants which could be resistance to vaccines and can arise in Sweden. The development of the situation is monitored by Dentalum to protect the personnel and patients and in order to limit potential negative financial effects.

Macroeconomic uncertainty related to the war in Ucraine

As a consequence of the war in Europe and last year's macroeconomic development, with increased inflation and higher interest costs, households have experienced increased costs. As a result, we see an increased risk that patients may postpone dental treatments to a certain extent. We have also noted higher purchase prices, which has affected the margin for Dentalum's clinics in general. To mitigate the impact of the higher inflation, the clinics have increased their prices at the end of the year as well as at the beginning of Q1 2023. However, we still see that higher procurement costs combined with the fact that some clinics have been affected by rescheduled treatments may have a negative effect on Dentalum's results in 2023. In the long term, Dentalum's clinics are well positioned across the country and dentistry as an industry is a resilient and non-cyclical industry. In line with the effects, we saw from the pandemic, we believe that the patients whose needs are not taken care of in time will result in a pent-up need for care and an increased health care debt.

FINANCIAL TARGETS

Dentalum does not publish financial forecasts. However, the Board of Directors of Dentalum Operations AB (publ.) have determined financial targets for the period 2022-2024. The financial targets presented below have been developed to reflect both the development of the industry and the Company's forecast organic- and acquisition-based growth.

- EBITDA[1)]: Dentalum's target is to reach an EBITDA of 280 MSEK before year-end 2024.
- EBITDA-margin[2)]: Dentalum's target is to continue having a sustainable and high profitability exceeding an average annual adjusted EBITDA-margin of 20 percent.

1) Earnings before Interest Tax Depreciations & Amortizations according to IFRS, adjusted for non-recurring income and expense, identified as not related to the dental operations of the acquired entities and excluding any transaction costs. Pro-forma EBITDA consists of both organic- and acquisition-based growth based on the last twelve months for all new acquisitions.
2) EBITDA as a ratio of net sales.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Dentalum presents certain financial measures ("APM") 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.

APM	Definition	Purpose	
EBITDA:	Earnings before interest, tax, depreciation, and amortization and before write-down of intangible and tangible assets	*Provides management, investors and creditors with information on the development of the group's operating profit before depreciation and amortization.*	1)
EBITDA-margin:	EBITDA as a ratio of net operating revenue	*Provides management, investors and creditors information on the profitability of the business operation*	2)
Net Debt, interest-bearing:	Interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents	*Provides information on the net of interest-bearing bond or bank loans and cash and cash equivalents*	3)
Net Debt incl. IFRS 16 lease liabilities	Interest-bearing debt, including lease liabilities less cash and cash equivalents	*Provides information on net of interest-bearing bond or bank loans, leasing liabilities and cash and cash equivalents*	4)
Pro forma operating revenue, LTM	Last twelve months 12 months revenue, including acquired entities, as if they were part of the Group during the last 12 months ("Last 12 months")	*Used by management to monitor the group's organic growth, as well as for calculating the financial covenant under Dentalum's Bond Terms & Conditions*	5)
Pro forma adjusted EBITDA, LTM:	Last 12 months EBITDA, including acquired entities, as if they were part of the group for the complete period, plus items affecting comparability, identified as not related to the operating activities of acquired companies, excluding items affecting comparability.	*Provides management, investors and creditors with information on the group's development of pro forma operating income before depreciation and amortization, adjusted for non business related items*	6)
Pro forma adjusted EBITDA incl. IFRS 16, LTM	Last 12 months adjusted EBITDA including IFRS 16 adjustments and including acquired entities, as if they were part of the group during the last 12 months ("Last 12 months")	*Used by management, investors and creditors to monitor the Group's organic growth in operating profit, as well as for the calculation of financial covenants under Dentalum's Bond Terms & Conditions*	7)
Pro forma adjusted EBITDA-margin:	Pro forma adjusted EBITDA in relation to pro forma net sales	*Provides management, investors and creditors with information on the development of the profitability of the business, adjusted for non business related items.*	8)
Net Debt as per the definition in the Bond Terms & Conditions	Interest-bearing liabilities, including lease liabilities, contingent considerations related to acquisitions recognized as liabilities in the consolidated balance sheet less related shareholder contributions, and less cash and cash equivalents.	*Used by management and creditors to monitor the development of the Group's net debt and financial covenants as per Dentalum's Bond Terms & Conditions*	9)
Net leverage as per the definition in the Bond Terms & Conditions	Net Debt as per the Bond Terms & Conditions above, in relation to pro forma adjusted EBITDA including IFRS 16 adjustments, LTM	*Used by management and creditors to monitor the development of the Group's net leverage and financial covenants as per Dentalum's Bond Terms & Conditions*	10)

Summary of calculations of above alternative performance measures

Reported financials:

	(kSEK)	2022
	Operating revenue	
	Net revenue	397,384
	Other operating revenue	2,458
	Total operating revenue	**399,842**
	Operating expenses	
	Direct expenses	-76,688
	Other external operating expenses	-66,405
	Personnel expenses	-182,751
1)	**EBITDA**	**73,998**
2)	**EBITDA-marginal**	**18.5%**
	Cash and cash equivalents	116,420
	Interest bearing debt	-398,427
3)	**Net Debt, interest bearing**	**-282,007**
	IFRS 16 lease liabilities	-43,722
4)	**Net Debt, incl. IFRS 16 lease liabilities**	**-325,729**

Pro forma LTM calculations as per the Terms & Conditions of the Bond

	TSEK	LTM 2022
	Operating revenue	
	Net revenue	408,683
	Other operating revenue	64,563
5)	**Totalt pro forma operating revenue**	**473,246**
	Operating expenses	
	Direct expenses	-90,674
	Other external operating expenses	-76,852
	Personnel expenses	-191,040
	Pro forma EBITDA, excl. Parent company	**114,680**
	Adjustments for non-operating expenses	2,800
	Parent company's operating expenses	-30,900
6)	**Pro forma adjusted EBITDA**	**86,580**
	IFRS 16 adjustments	17,004
7)	**Pro forma adjusted EBITDA including IFRS 16**	**103,584**
8)	**Pro forma adjusted EBITDA-margin**	**25.3%**
	Cash and cash equivalents	116,420
	Interest bearing debt, incl. accured interest	-406,177
	IFRS 16 lease liabilities	-43,722
	Liabilities related to contingent considerations for acquisitions	-137,278
	Less shareholders' contributions related to above contingent liabilities	26,000
9)	**Net Debt as per Bond Terms & Conditions**	**-444,757**
10)	**Net Debt / EBITDA as per Bond Terms & Conditions**	**4.29x**

SIGNATURES

Consolidated accounts and annual report have been prepared in accordance with International Financial Reporting Standards (IFRS) referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 2002, on the application of international accounting standards. The consolidated accounts and annual report provide a true and fair view of the Group's and Parent Company's position and earnings.

The Directors' Report for the Parent Company and the Group, provides a true and fair view of the development of the Parent Company's and Group's operations, position and results and describes significant risks and uncertainties that the Parent Company and the companies included in the Group are facing.

The Board of Dentalum Operations AB (publ.) has approved this annual report for publication on April 28, 2023.

The Board of Dentalum Operations AB (publ.) has approved this annual report for publication on April 28, 2023.

Mikael Lönn
Chariman

Gunilla Öhman
Board member

Robin Rutili
Board member

Lars Kvarnsund
Board membert

Marcus Ladow
Board member

Max Dorthé Ladow
CEO

Our auditor's report has been submitted on April 28 2023

Ernst & Young AB

Andreas Nyberg
Certified Public Accountant

FINANCIAL CALENDAR

Annual report 2022	April 28 2023
Interim report 1, January-Mars 2023	May 31 2023
Interim report 2, April-June 2023	August 31 2023
Interim report 3, July-September 2023	November 30 2023

DENTALUM

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