

Dentalum Operations AB (publ.) Interim Report

SECOND QUARTER AND FIRST SIX MONTHS 2021
unaudited

Dentalum Operations AB (publ.) Interim Report

FINANCIAL OVERVIEW

Second quarter April-June 2021

- Reported operating revenues amounted to SEK 58.2 million (8.9). The increase in quarterly revenues compared to the same quarter in 2020, is driven by the eleven additional dental clinics that were acquired since the same quarter 2020. Three of the clinics were acquired during the second quarter of 2021.
- EBITDA reached SEK 12.7 million (0.6) where SEK 16.9 million (3.1) was generated in the dental clinics and a loss of SEK 4.2 million (-2.6) in the Parent company, Dentalum Operations AB (publ.). Expenses in the Parent company consist of expenses for the head office of the Dentalum group, including transaction expenses related to M&A activities.
- Consolidated operating profit, corresponds to an operating profit margin of 21.8% (6.2%).
- Cash flows from operations amounted to SEK 12.6 million (0.8). Net cash flows after investing and financing activities, was SEK -64.0 million (5.8).
- Continued delivery of the growth strategy led to execution of acquisition of three dental clinics during the quarter, financed by equity contributions and cash on balance sheet.
- As per June 30, 2021, total equity amounts to SEK 101.5 million (41.1), cash balance of SEK 110.5 million (13.1) and interest-bearing debt of SEK 300.8 million (19.8).

January-June 2021

- Reported operating revenues amounted to SEK 107.9 million (10.3). The increase in revenues compared to the same period in 2020, is driven by acquisitions of eleven additional dental clinics.
- EBITDA reached SEK 22.3 million (0.02) where SEK 29.6 million (3.7) was generated in the dental clinics and a loss of SEK 7.2 million (-3.6) in the Parent company, Dentalum Operations AB (publ.). Expenses in the Parent company consist of expenses for the head office of the Dentalum group, including transaction expenses related to M&A activities.
- Consolidated operating profit, corresponds to an operating profit margin of 20.7% (0.2%).
- Cash flows from operations amounted to SEK 19.1 million (0.6). Net cash flows after investing and financing activities, was SEK -70.9 million (9.1).

Dentalum Operations AB (publ) Financial Overview – Consolidated Group

(kSEK)	2021 Q2	2020 Q2	2021 H1	2020 H1
Operating revenues	58,185	8,867	107,873	10,305
EBITDA	12,660	550	22,339	18
% of revenues	21.8%	6.2%	20.7%	0.2%
Net financial expenses	-7,564	-206	-14,289	-207
Earnings before tax / EBT	-823	68	-5,174	-484
% of revenues	-1%	1%	-5%	-5%
Income tax expenses	429	-	1,361	-
Net Earnings	-394	68	-3,813	-484
Net Cash flow	-63,974	5,758	-70,881	9,117
Cash flow from operations	12,597	767	19,149	582
Cash flow from investing activities	-62,873	-34,242	-74,361	-34,847
Cash flow from financing activities	-13,698	39,232	-15,669	43,382
	30/06/2021	30/06/2020		
Net Cash/-Debt	-190,318	-6,698		
Cash & cash equivalents	110,515	13,102		
Interest bearing debt	300,834	19,800		
Total Assets	496,866	75,997		
Equity	101,496	41,120		

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

MANAGEMENT 'S COMMENTS

During the second quarter, Dentalum clinics have seen a general recovery in patient inflow and revenues, as the roll-out of Covid-19 vaccination for the population has accelerated. With the purpose to meet a pent-up demand for dental care, the clinics have continued to strengthen their care teams through recruitment of skilled and experienced personnel.

To mitigate the effects of Covid-19 and keep margins intact, Dentalum's clinics have continued to work proactively with cost control, increasing the profitability margin.

Dentalum has recruited an experienced Chief Dentist Officer ("CDO"), responsible for the Group's odontological guidelines as well as for quality assurance of our clinics and their compliance of laws and regulations. The CDO is also responsible for the development and utilization of clinical best practice within Dentalum as well as to development of the platform for education and competence growth within the group.

Dentalum has continued to deliver on its growth strategy through M&A, executing the acquisitions of three additional clinics during the second quarter thereby strengthening Dentalum's presence in the Stockholm region with two new clinics in Solna - Solna Dental and Arenatandläkarna – with combined annual revenues of SEK 32 million and 22 employees. Dentalum also expanded into region Kalmar by the acquisition of Tareqs clinic with annual revenues of 15 million and 5 employees.

We are confident in our focus on exploring growth opportunities and we have further strengthened the M&A pipeline in additional regions.

SIGNIFICANT EVENTS

During the second quarter

- On May 7, Dentalum announced the recruitment of a Chief Dental Officer ("CDO") with extensive experience, both as practitioner and as founder and former CEO of the dental service organization Oral Care in Sweden. The CDO starts full-time employment on August 16, 2021.
- On May 18, Dentalum Operations completed the acquisition of Tareqs klinik AB, a clinic operating in the Kalmar region, with annual revenues of SEK 15 million in 2020
- On June 1, the acquisitions of the two clinics Solna Dental and Solna Dental Arenatandläkarna were completed. The clinics had annual revenues of SEK 32 million and 22 no of employees combine.

After the second quarter

- On July 19, Dentalum Operations AB (publ) held an Extraordinary General Meeting to appoint Mikael Lönn as an independent member of the Board of Directors.
- On August 17, Dentalum Operations AB (publ) published a Prospectus regarding admission to trading on the corporate bond list of NASDAQ Stockholm of the SEK 300 million Senior Secured Callable Fixed Rate Bonds, maximum SEK 600 million, (ISIN: SE0013914462), initially issued and listed on the Frankfurter Börse in October 2020.
Nasdaq Stockholm AB has, pursuant to Chapter 13, Section 3 of the Securities Market Act (2007:528), approved the admission to trading of the Dentalum bonds and Dentalum Operations AB (publ) has undertaken obligations to comply with the rules applicable to the listing.

FINANCIAL REPORTS SUMMARY AND COMMENTS

This interim report is presented, based on the information available to management and to the best of their knowledge at the time of issue. For further information, please see section significant estimates and assumptions.

The second quarter interim report of Dentalum Operations AB (publ.) includes consolidation of fifteen dental clinics, operating in twelve legal entities in six regions in Sweden – the regions of Halland, Dalarna, Stockholm, Västra Götaland, Jönköping and Kalmar.

One clinic was acquired in Q4 2019, eleven clinics were acquired during 2020, of which seven during the second half of the year. Three additional clinics were acquired during the second quarter of 2021.

ACQUISITIONS

Summary of acquisitions executed during the last 12 months

2020	Company/clinics	Closing Date	Annual Revenues (SEK million)	No. of employees
Q3	"Kungsforsbolagen", three entities	August 4, 2020	20 (2019)	16
	Kungsfors Tandvård AB			9
	Borås Tandvård AB			5
	Kinna Tandvård AB			2
Q4	Sthlm Dental Clinics AB, three clinics	November 2, 2020	38 (2019)	15
	City Dental i Stockholm AB	December 1, 2020	90 (2019)	62
	Vesalis Dental AB	December 29, 2020	14 (2019)	11
2021				
Q2	Tareqs klinik AB	May 18, 2021	15.1 (2020)	5
	Solna Dental and Solna Dental Arenatandläkarna	June 1, 2021	32.6 (2020)	22

Acquisitions executed in previous periods

2020	Company/clinics	Closing Date	Annual Revenues (SEK million)	No. of employees
Q2	Ludvikatandläkarna AB, two clinics	April 8, 2020	22.9 (2019)	20
	Dentalum Tandvårdsteam AB	June 1, 2020	29.9 (2019)	23
2019				
Q3	Moberg-Stenberg AB	Sept. 2019	5.5 (2019)	4

GROUP CONSOLIDATED INCOME STATEMENT

Second quarter April- June 2021

Revenues and earnings for the second quarter

Net operating revenues

Reported operating revenue during the second quarter 2021 amounts to SEK 58.2 million (8.9). The increase in quarterly revenues compared to the same quarter in 2020, is driven by the eleven additional dental clinics that were acquired since the same quarter 2020. Three of the clinics were acquired during the second quarter of 2021.

Dentalum's clinics have seen a general recovery in patient inflow and revenues during the second quarter, as the Covid-19 vaccination of the population has accelerated. Revenues in the clinics have increased by approximately 11% compared to the second quarter of last year.

Operating expenses

Operating expenses during the second quarter of 2021 amounts to SEK 45.5 million (8.3), of which the major part constitutes personnel expenses of SEK 27.6 million (4.9). Direct expenses for material utilized in the dental care service amounts to 9.3 million (1.1). SEK 8.6 million (2.3) are other external expenses including expenses for marketing, insurance, premises, and administration.

The increase in operating expenses compared to the same quarter in 2020, is mainly related to expenses in the eleven clinics acquired during the last twelve months.

The overall operating expense ratio to revenues improved to 78.2% (93.8%) on a reported basis

Financial expenses

Net financial expense of SEK 7.6 million (0.2) consists of interest expense and financing fees. The increase in interest expense compared to the same period last year, relates to raising of debt to finance growth through acquisitions, initially through bank facilities and as from October 2020, through a debt capital market transaction - a SEK 300 million senior secured bond issue at a fixed coupon rate of 7.75%.

Earnings for the period

EBITDA (earnings before interest, tax, depreciation and amortization) amounts to SEK 12.7 million (0.6).

Second quarter net earnings after financial items and tax amounts to SEK -0.4 million (0.1).

Dentalum Operations AB (publ) Consolidated Income Statement

<i>Amounts in kSEK</i>	2021 Q2	2020 Q2	2021 H1	2020 H1
Operating revenues				
Net revenues	57,889	7,787	107,050	9,225
Other operating revenues	296	1,080	823	1,080
Total operating revenues	58,185	8,867	107,873	10,305
Operating expenses				
Direct expenses	-9,273	-1,072	-17,865	-1,184
Other external operating expenses	-8,629	-2,348	-15,485	-2,726
Personnel expenses	-27,624	-4,898	-52,185	-6,377
EBITDA	12,660	550	22,339	18
Depreciations and amortizations	-5,919	-276	-13,224	-295
Earnings before financial items and tax / EBIT	6,741	274	9,115	-278
Financial items				
Income/expenses from shares in Associated companies	-844	-	-844	-
Interest income/expenses and similar items	-6,720	-206	-13,445	-207
Profit after financial items	-823	68	-5,174	-484
Appropriations	-	-	-	-
Earnings before tax / EBT	-823	68	-5,174	-484
Income tax expenses	429	-	1,361	-
Net Earnings	-394	68	-3,813	-484

Other Comprehensive Income

<i>(kSEK)</i>	2021 Q2	2020 Q2	2021 H1	2020 H1
Net Earnings	-394	68	-3,813	-484
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-394	68	-3,813	-484

BALANCE SHEET AND CASH FLOW

Net operating cash flow generated during the second quarter amounts to SEK 12.6 million (0.8) of which 16.9 million (3.2) was generated from operations in the dental clinics. Changes in working capital had a positive impact on cash flow by SEK 2.5 million (0.5).

Operational cash conversion continues to be high at a level of 99.5% in the second quarter.

Free operating cash flow, including capex, before financial items and paid tax, amounts to SEK 14.0 million (0.9). Cash flow used for investing activities was SEK - 62.9 million (-34.2), which consist of investments in tangible assets of SEK 1.2 million (-) and 61.7 million, related to payments of purchase price for acquisitions, including deferred purchase price related to acquisitions executed during 2020.

Cash flow related to financing and debt service of SEK -13.7 million (19.8) consist of payment of a semi-annual fixed coupon on the bond debt of SEK 11.6 million, financing fees and net change in financial liabilities. Total cashflow for the second quarter amounts to SEK -64.0 million (5.8).

Net working capital utilized in Dentalum´s operations is generally low, supported by efficient cash management cycles. Net working capital amounted to SEK -4.2 million (-2.2) at the end of the second quarter.

Liquid assets as per June 30, 2021, was SEK 110.5 million (13.1) and interest-bearing liabilities SEK 300.8 million (19.8). Including IFRS reclassification of lease contracts of SEK 19.9 million (2.7), Net interest-bearing debt amounted to SEK 210.2 million (9.4).

The increase in interest-bearing liabilities compared to last year reflects the debt financing through a Senior Secured Fixed Rate Bond issuance of SEK 300 million in October 2020, with a maximum frame of SEK 600 million. The purpose of the bond financing was to refinance bank debt and to finance Dentalum´s growth through acquisitions.

Net interest-bearing debt, including IFRS reclassification of lease contracts, amounted to SEK 210.2 million at the end of the second quarter. The increase in net debt of SEK 72.6 million compared to year-end is due to cash utilized for acquisitions. (Cash flow statement for additional details)

Overview of Dentalum consolidated Net Debt

<i>(kSEK)</i>	30/06/2021	30/06/2020	31/12/2020
Interest bearing liabilities	300,834	19,800	299,657
Cash and cash equivalents	110,515	13,102	181,396
Net Cash/- Interest bearing debt	-190,318	-6,698	-118,260
IFRS adjusted debt			
Lease liabilities	19,896	2,700	19,320
IFRS Net interest bearing debt	-210,214	-9,398	-137,580
Net debt to equity ratio	-2.1	-0.2	-1.6

Total equity in the group as increased to SEK 101.5 million as per June 30 compared to SEK 87.8 million at the year-end 2020.

During the second quarter, Dentalum Operation AB (publ) received shareholder contributions of SEK 17.5 million in connection with acquisitions executed during the period.

Dentalum Operations AB (publ) Consolidated Balance Sheet

(kSEK)

	30/06/2021	30/06/2020	31/12/2020
ASSETS			
Intangible assets	321,278	54,522	266,312
Improvements on leasehold	11,040	1,170	3,378
Equipment and tools	6,297	1,127	4,900
Other fixed assets	486	2	587
Right of use assets	19,569	2,471	19,176
Tenant owned appartments	538	538	538
Non-current receivables	1,127	-	627
Deferred tax assets	1,286	0	1,286
Total non-current assets	361,620	59,830	296,803
Inventories	8,684	214	8,350
Accounts receivables	6,436	875	2,452
Other current receivables	2,246	1,231	1,567
Current tax assets	3,803	-	1,818
Prepaid expenses and accrued income	3,561	744	1,374
Cash and cash equivalents	110,515	13,102	181,396
Total current assets	135,246	16,166	196,957
TOTAL ASSETS	496,866	75,997	493,760
EQUITY AND LIABILITIES			
Share capital	500	500	500
Shareholders contributions	114,092	41,017	96,517
Retained earnings	-9,284	88	88
Profit/loss for the period	-3,813	-484	-9,371
Total Equity	101,496	41,120	87,733
Deferred tax	17,225	95	15,943
Other provisions	25,700	6,000	23,700
Total provisions	42,925	6,095	39,643
Long term liabilities			
Non-current interest bearing liabilities	300,283	15,840	299,083
Long term (IFRS) lease liabilities	11,142	2,028	11,515
Total long term liabilities	311,425	17,868	310,599
Short term liabilities			
Prepayments from customer	2,138	0	1,597
Accounts payables	7,244	1,424	4,668
Current interest bearing liabilities	550	3,960	573
Current (IFRS) lease liabilities	8,754	672	7,805
Current liabilities group companies	1	0	1
Current tax liabilities	724	1,020	3,094
Other current liabilities	8,951	904	28,641
Accrued expenses and prepaid income	12,659	2,934	9,406
Total short term liabilities	41,021	10,913	55,785
TOTAL EQUITY AND LIABILITIES	496,866	75,997	493,760

Changes in consolidated equity

<i>(kSEK)</i>	Share capital	Shareholder contributions	Retained earnings	Profit/loss for the period	Total Equity
Opening equity January 1, 2020	50	5,642	-4	91	5,779
Transfer of profit from previous year			87		
New share issue	450	-	-	-	450
Shareholder contributions	-	90,875			90,875
Profit/loss for the period				-9,371	-9,371
Closing balance December 31, 2020	500	96,517	87	-9,371	87,733
Opening balance as of January 1, 2021	500	96,517	87	-9,371	87,733
Transfer of profit from previous year			-9,284		
New share issue	-				0
Shareholder contributions		17,575			17,575
Profit/loss for the period				-3,813	-3,813
Closing balance as of June 30, 2021	500	114,092	-9,284	-3,813	101,495

Dentalum Operations AB (publ) Consolidated Cash Flow Statement

<i>(kSEK)</i>	2021 Q2	2020 Q2	2021 H1	2020 H1
Cash flow from operating activities				
Income before financial items (EBIT)	6,741	255	9,115	-297
<i>Adjustments for non cash affecting items</i>	5,919	294	13,224	314
Net interest paid on operating receivables/liabilities	-308	-180	-620	-181
Income tax paid	-2,293	-86	-4,894	-370
Cash flow from operations before changes in working capital	10,059	283	16,825	-534
Cash flow from changes in working capital				
Change in inventories	259	-	400	-
Change in operating receivables	-798	-1,215	-2,952	-1,330
Change in operating liabilities	3,077	1,699	4,876	2,446
Cash flow from changes in working capital	2,538	484	2,324	1,116
Net cash flow from operations	12,597	767	19,149	582
Cash flow from investing activities				
Acquisition of tangible assets	-1,194	-	-1,884	-
Acquisition of companies and shares	-61,679	-34,241	-72,477	-34,847
Cash flow from investing activities	-62,873	-34,241	-74,361	-34,847
Cash flow after investing activities	-50,276	-33,474	-55,212	-34,265
Cash flow from financing activities				
New share issue	-	-	-	450
Shareholders contributions received	-	19,600	-	23,300
Net change in interest-bearing debt, incl. interest coupon	-13,698	19,800	-15,669	19,800
Amortization, lease liabilities	-	-168	-	-168
Cash flow from financing activities	-13,698	39,232	-15,669	43,382
Total cash flow for the period	-63,974	5,758	-70,881	9,117
<i>Changes in cash and cash equivalents</i>				
Cash and cash equivalents at the beginning of the period	174,486	7,344	181,393	3,985
Cash and cash equivalents at the end of the period	110,512	13,102	110,512	13,102
<i>Summary</i>				
Cash flow from operations	12,597	767	19,149	582
Cash flow from investing activities	-62,873	-34,241	-74,361	-34,847
Cash flow from financing activities	-13,698	39,232	-15,669	43,382
Total cash flow	-63,974	5,758	-70,881	9,117

PARENT

Second quarter April- June 2021

Dentalum Operations AB (publ) Financial Overview – Parent

<i>(kSEK)</i>	2021 Q2	2020 Q2	2021 H1	2020 H1
Operating revenues	705	-	1,369	-
EBITDA	-4,223	-2,576	-7,220	-3,646
Net financial expenses	-6,449	-147	-12,889	-148
Earnings before tax / EBT	-10,673	-2,723	-20,111	-3,797
Income tax expenses	-	-	-	-
Net Earnings	-10,673	-2,723	-20,111	-3,797
Net Cash flow	-83,649	166	-97,877	4,335
Cash flow from operations	-4,283	-2,437	-7,373	-1,813
Cash flow from investing activities	-67,741	-36,796	-78,879	-37,402
Cash flow from financing activities	-11,625	39,400	-11,625	43,550
	30/06/2021	30/06/2020		
Net Cash/-Debt	-255,726	-9,641	-255,726	-9,641
Cash & cash equivalents	44,557	6,199	44,557	6,199
Interest bearing debt	300,283	15,840	300,283	15,840
Total Assets	414,378	60,015	414,378	60,015
Equity	82,860	38,586	82,860	38,586

Revenues and earnings
Operating revenues

Dentalum Operations AB, the Parent company, serves as head office and acquisition vehicle of Dentalum. The head office functions were established in the beginning of 2020. Functions for HR, Finance and Marketing are centrally managed and the operating revenues of SEK 0.7 million (0) in the second quarter of 2021, consist of intercompany invoicing for parts of these administrative services.

Operating expenses

Operating expenses, amounting to SEK 4.9 million (2.6), includes costs for the head office, certain M&A related transaction costs as well as costs for finance and HR support to the clinics, not fully re-invoiced to the clinics. The increase in expenses compared to the second quarter previous year, is due to the establishment of the head office, including increase in number of employees from four to seven, increased costs for lease of office space, as well as expenses for administrative support to a larger number of clinics – from four clinics in the second quarter of 2020 to supporting fifteen clinics.

Financial expenses

Net financial expense of SEK 6.4 million (0.1) consists of interest expense on the SEK 300 million bond debt and amortizing of financing expenses related hereto.

Earnings for the period

The Parent company had a net loss after tax of SEK 10.6 million in the second quarter of 2021 (-2.7), of which SEK 6.4 million financial expense.

Dentalum Operations AB (publ) Income Statement – Parent

(kSEK)	2021 Q2	2020 Q2	2021 H1	2020 H1
Operating revenues				
Net revenues	705	0	1,369	0
Other operating revenues	-	-	-	-
Total operating revenues	705	0	1,369	-
Operating expenses				
Direct expenses	-	-	-	-
Other external operating expenses	-3,011	-1,145	-4,975	-1,342
Personnel expenses	-1,916	-1,431	-3,614	-2,304
EBITDA	-4,223	-2,576	-7,220	-3,646
Depreciations and amortizations	-1	1	-2	-2
Earnings before financial items and tax / EBIT	-4,224	-2,575	-7,222	-3,648
Financial items				
Income/expenses from shares in Associated companies	-	-	-	-
Interest income/expenses and similar items	-6,449	-147	-12,889	-148
Profit after financial items	-10,673	-2,723	-20,111	-3,797
Appropriations	-	-	-	-
Earnings before tax / EBT	-10,673	-2,723	-20,111	-3,797
Income tax expense	-	-	-	-
Net Earnings	-10,673	-2,723	-20,111	-3,797

BALANCE SHEET AND CASH FLOW

Cash used in the operations of the Parent company was SEK -4.3 million (-2.4).

Net cash flow used in investing activities was SEK -67.7 million (-36.8), which consists of payments of purchase price for acquisitions during the second quarter, including deferred purchase price related to acquisitions executed during 2020. (To be noted that the amount used for acquisitions is higher in the Parent cash flow statement compared to the Consolidated cash flow statement. The difference represents the part of deferred purchase price that correspond to settlement of acquired cash on balance sheet in certain acquired companies, where this amount, as per IFRS accounting standards, is deducted in the final purchase price allocation.)

Cash flow related to financing and debt services of SEK -11.6 million (19.8) consist of payment of a semi-annual fixed coupon on the bond debt. In the second quarter of previous year, the financing cash flow was positive due to raised bank debt.

Total cashflow in the Parent company, during the second quarter of 2021 was negative SEK 83.6 million (0.02) of which 81% was used for acquisitions, 14% for debt service and 5% used in the operations.

Liquid assets as per June 30, 2021, amounted to SEK 44.6 million (6.2) and interest-bearing liabilities, including accrued interest and amortized financing expenses, amounted to SEK 300.3 million (19.8),

Financing is centralized to Dentalum Operations AB (publ), also acting as the acquisition vehicle. The increase in interest-bearing liabilities year-on-year reflects the debt financing through a Senior Secured Fixed Rate Bond issuance of SEK 300 million in October 2020, with a maximum frame of SEK 600 million.

Cash generated in the acquired entities, is upstreamed to the Parent for treasury and tax efficiencies. As from the 2021 annual closing, tax consolidation and upstreaming of cash via the group contribution scheme, will be eligible for all entities, acquired during 2020.

Equity in the Parent company amounts to SEK 82.9 million (38.6) as per June 30. During the second quarter, Dentalum Operation AB (publ) received shareholder contributions of SEK 17.5 million in connection with acquisitions that closed during the period.

The decrease in other current liabilities to SEK 2.4 million from SEK 23.1 million at year end, is due to payment of the major part of deferred purchase price related settlement of acquisitions closed in 2020. Other provisions of SEK 25.7 million consist of contingent considerations for acquisitions.

Dentalum Operations AB (publ) Balance sheet - Parent

(kSEK)

ASSETS	30/06/2021	30/06/2020	31/12/2020
Intangible assets	-	-	-
Equipment and tools	10	11	12
Shares in group companies	364,027	53,117	286,425
Deferred tax assets	1,286	-	1,286
Total non-current assets	365,323	53,128	287,722
Inventories	-	-	-
Accounts receivables	-	-	-
Receivables associated companies	3,439	-	1,800
Other current receivables	1,019	318	440
Prepaid expenses and accrued income	40	370	157
Cash and cash equivalents	44,557	6,199	142,434
Total current assets	49,055	6,887	144,830
TOTAL ASSETS	414,378	60,015	432,553
EQUITY AND LIABILITIES			
Share capital	500	500	500
Shareholders contributions	114,092	41,017	96,517
Retained earnings	-11,621	865	865
Profit/loss for the period	-20,110	-3,797	-12,487
Total Equity	82,860	38,586	85,396
Deferred tax	-	-	-
Other provisions	25,700	-	23,700
Total provisions	25,700	-	23,700
Long term liabilities			
Non-current interest bearing liabilities	300,283	15,840	299,083
Total long term liabilities	300,283	15,840	299,083
Short term liabilities			
Accounts payables	1,284	590	3
Current interest bearing liabilities	-	3,960	-
Current liabilities group companies	824	-	642
Current tax liabilities	-	-	-
Other current liabilities	2,377	149	23,115
Accrued expenses and prepaid income	1,049	891	615
Total short term liabilities	5,535	5,589	24,374
TOTAL EQUITY AND LIABILITIES	414,378	60,015	432,553

Dentalum Operations AB (publ) Cash Flow Statement – Parent

<i>(kSEK)</i>	2021 Q2	2020 Q2	2021 H1	2020 H1
Cash flow from operating activities				
Income before financial items (EBIT)	-4,223	-2,575	-7,221	-3,648
Adjustments for non cash affecting items	2	-1	3	2
interest paid	-36	-147	-42	-148
Income tax paid	-	-	-	-
Cash flow from operations before changes in working capital	-4,257	-2,723	-7,260	-3,794
Cash flow from changes in working capital				
Change in inventories	-	-	-	-
Change in operating receivables	-260	-347	-2,124	545
Change in operating liabilities	234	633	2,011	1,436
Cash flow from changes in working capital	-26	286	-113	1,981
Net cash flow from operations	-4,283	-2,437	-7,373	-1,813
Cash flow from investing activities				
Acquisition of tangible assets	-	-	-	-
Acquisition of companies and shares	-67,741	-36,796	-78,879	-37,402
Cash flow from investing activities	-67,741	-36,796	-78,879	-37,402
Cash flow after investing activities	-72,024	-39,233	-86,252	-39,215
Cash flow from financing activities				
New share issue	-	-	-	450
Shareholders contributions received	-	19,600	-	23,300
Net change in interest-bearing debt, incl. interest coupon	-11,625	19,800	-11,625	19,800
Amortization, lease liabilities	-	-	-	-
Cash flow from financing activities	-11,625	39,400	-11,625	43,550
Total cash flow for the period	-83,649	167	-97,877	4,335
<i>Changes in cash and cash equivalents</i>				
Cash and cash equivalents at the beginning of the period	128,206	6,032	142,434	1,864
Cash and cash equivalents at the end of the period	44,557	6,199	44,557	6,199
<i>Summary</i>				
Cash flow from operations	-4,283	-2,437	-7,373	-1,813
Cash flow from investing activities	-67,741	-36,796	-78,879	-37,402
Cash flow from financing activities	-11,625	39,400	-11,625	43,550
Total cash flow	-83,649	167	-97,877	4,335

ACCOUNTING AND VALUATION PRINCIPLES

The interim financial information for the Group for the period has been prepared in accordance with IFRS, applying International Accounting Standard (IAS) 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB). The same accounting principles and methods, as used in the annual report 2020, are valid for this interim report.

The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act in line with standard RFR 2 reporting, issued by the Swedish Financial Reporting Board.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

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

TRANSACTIONS WITH RELATED PARTIES

Dentalum has not had any transactions with related parties that significantly affected the company's position and result.

IMPACT ON THE FINANCIAL REPORTING DUE TO COVID-19

As of June 30, 2021, there has not been any significant impact on the financial reporting due to Covid-19, related to valuation of goodwill, expected credit losses, valuation of inventory or government grants.

IMPACT FROM COVID-19

During the second quarter, Dentalum clinics have seen a general recovery in patient inflow and revenues, as the Covid-19 vaccination of the population have accelerated. However, despite the improved situation, risk of an additional forth phase of the virus reaching Sweden remains and is closely monitored by Dentalum to protect employees, patients as well as to mitigate potential negative financial impact.

Signature page

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

Stockholm, August 30, 2021

Roberto Rutili
Chairman of the Board

Saeid Esmailzadeh
Board member

Marcus Ladow
Board member

Mikael Lönn
Board member

Max Dorthé Ladow
CEO

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