

BRADO AB
INTERIM REPORT 2022

Q3



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KEY FIGURES

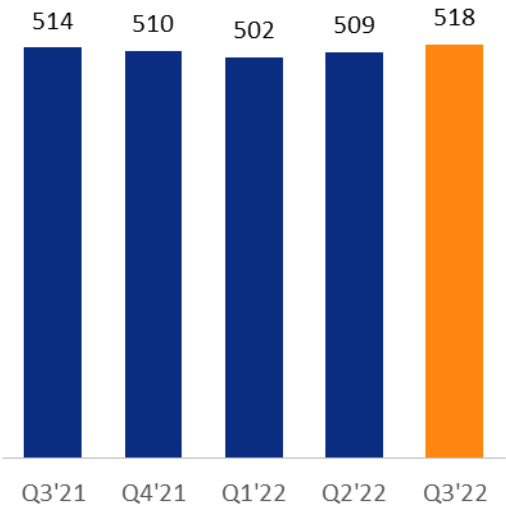
SEK million	Q3 22	Q2 22	YTD 22	Q3 21	Q2 21	YTD 21
Total revenue	517.7	508.7	1 528.4	513.9	512.8	1 537.1
EBITDA	69.2	57.6	177.4	72.7	40.8	162.6
EBITDA (%)	13.4%	11.3%	11.6%	14.1%	8.0%	10.6%
EBITA	35.7	23.7	76.4	40.2	8.4	65.9
EBITA (%)	6.9%	4.7%	5.0%	7.8%	1.6%	4.3%
EBIT - before property sales	35.7	23.7	76.4	40.2	8.4	65.9
EBIT - before property sales (%)	6.9%	4.7%	5.0%	7.8%	1.6%	4.3%
EBIT	35.4	46.5	98.9	40.2	10.4	67.8
EBIT (%)	6.8%	9.1%	6.5%	7.8%	2.0%	4.4%
EBT	15.4	28.0	42.9	20.7	-9.4	9.8
EBT (%)	3.0%	5.5%	2.8%	4.0%	-1.8%	0.6%

Properties within the segment Disability have been through a sales process. The effects of the sales are reported separately in accordance with the Alternative Performance Measure (APM) "EBIT before property sales & impairment results (gain/loss)".

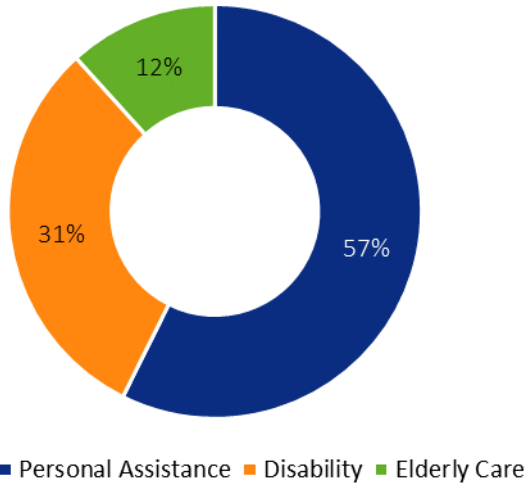
Q3 HIGHLIGHTS

- The Group's total revenues in Q3'22 increased both compared to Q2'22 as well as Q3'21 and ended at SEK 517.7 million, the highest revenues since Q3'20. Revenues increased in all segments compared to Q2'22.
- The growth focus within Personal Assistance is starting to pay off, and the segment shows a revenue growth in Q3'22 both compared to Q2'22 and Q3'21. The revenue within Elderly Care has continued to increase for five consecutive quarters.
- EBITA in Q3'22 ended at SEK 35.7 million (6.9%), a slight decline compared to Q3'21. The reduction is mainly related to the segment Personal Assistance where costs related to marketing and growth opportunities have been recorded. However, YTD'22, the segment has improved its profitability compared to YTD'21.
- The profitability in both Disability and Elderly Care are impacted by the high price increases on electricity and other costs.
- The Group has initiated a process to refinance the outstanding bond loans maturing in 2023. Several alternatives are being considered, including a potential business combination with Norlandia Health & Care Group AS.

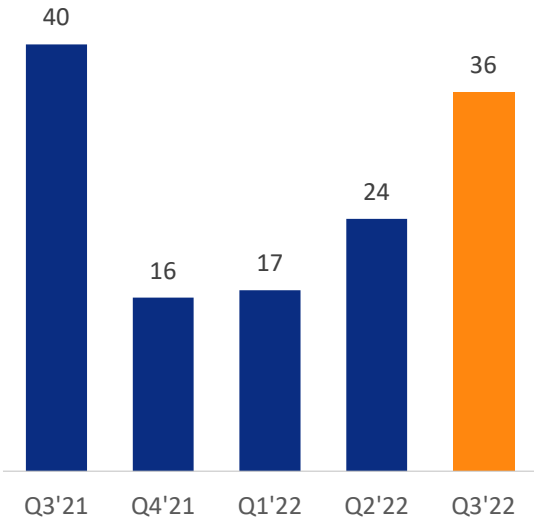
Revenue per quarter (SEKM):



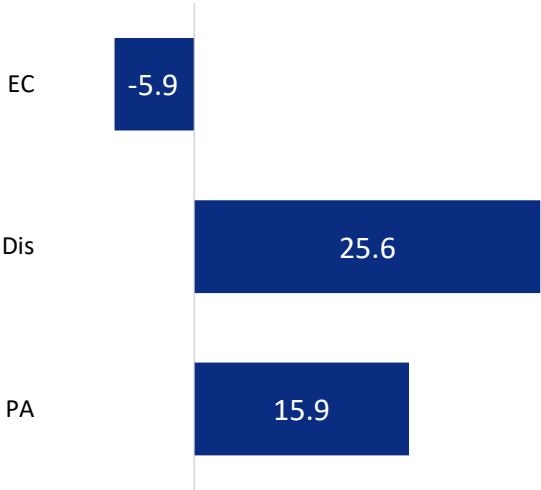
Segment distribution Q3'22 (%):



EBITA per quarter (SEKM):

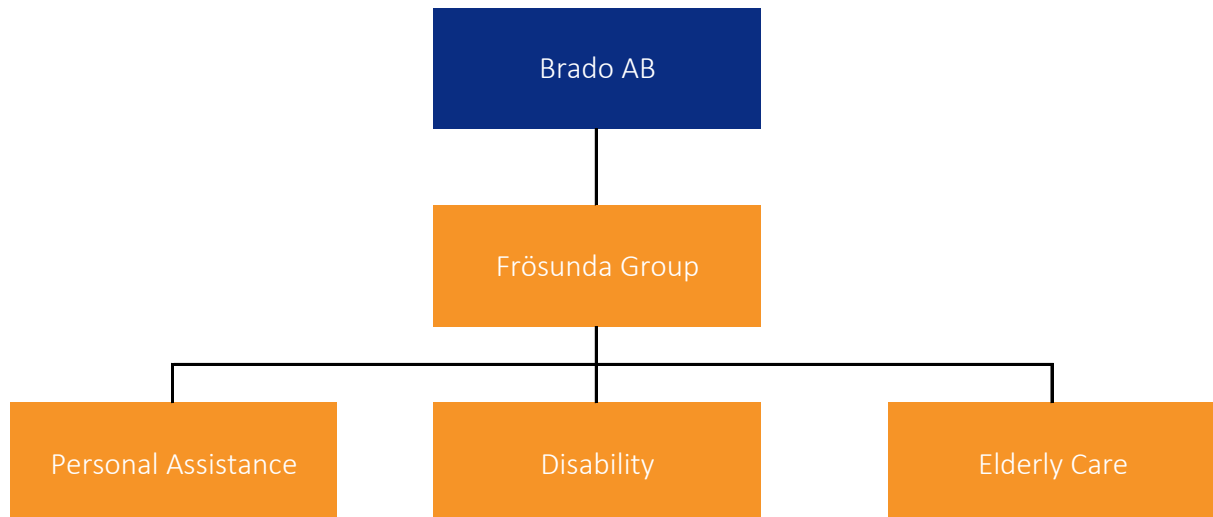


EBITA distribution Q3'22 (SEKM):



BRADO AB (PUBL) / FRÖSUNDA

Frösunda is a leading Swedish provider of care services owned by Brado AB. Frösunda Group consists of a number of companies, where operations are conducted within the three segments; Personal Assistance, Disability and Elderly Care. The illustration below offers an overview of the Group and its segments but shall not be regarded as a legal structure.



Brief description of the three segments:

The Personal Assistance segment provides help in the daily life of its customers. Each customer is supported by an assistance team ensuring availability on short notice around the clock. The services are offered in the homes of the customers or wherever they are.

The Disability segment offers a range of services primarily directed towards disabled people in order to support them in living independent lives. The segment employs experienced staff and has several units with customized facilities to assist customers. The services are offered at operational units or at Frösundas own full responsibility units. The segment is also including family homes for children and youths in the need of stable surroundings, as well as housing for customers with social or psychiatric disabilities.

The Elderly Care segment offers housing for elderly who are unable to live on their own. Staff and units can support different needs related to illness, dementia diagnosis or age weaknesses. Strong environmental focus to create relaxed surroundings is implemented in full responsibility units.

Companies in Frösunda Group (together with Brado AB; the "Group"): Frösunda Holdco AB 556778-0076, Frösunda Bidco AB 556777-9961, Frösunda Group AB 556748-4158, Frösunda Personlig Assistans AB 556386-7398, Frösunda Äldreomsorg AB 556435-4834, Frösunda Omsorg AB 556509-2482, Frösunda Omsorg i Uppland AB 556560-1548, Frösunda Social Omsorg AB 556606-2401, Frösunda Fastigheter Jälla AB 556629-5290, Frösunda IoF AB 556597-2352, Frösunda Omsorg i Gävleborg AB 556106-1853, Frösunda Omsorg Arbetsmarknad AB 559158-4635, Aberia LSS AB 556652-0176, Billbag AB 556426-7440, Frösunda Fastighetsutveckling AB 559205-3549, Frösunda Fastighet Holding 1 AB 559112-7250, Frösunda Omsorg Bergby AB 559160-8228.

GROUP ACTIVITIES

During the previous quarter, the Group moved to its new head office on Kungsholmen in Stockholm. Although the move will lead to lower costs in the long run, there are some one-off costs related to the relocation booked in Q2'22 as well as in Q3'22.

FINANCIALS

Consolidated Income Statement – per 30 September 2022

The Group reported operating revenue of SEK 517.7 million in Q3'22, compared to SEK 508.7 million in Q2'22 and SEK 513.9 million in Q3'21.

Total operating expenses in the period ended at SEK 448.5 million compared to SEK 451.1 million in Q2'22 and SEK 441.2 million in Q3'21. In Q3'22, the effect from IFRS 16 was SEK 36.8 million in lower operating expenses. Staff cost as percent of total operating revenue was 78.6% in Q3'22 compared to 80.6% in Q2'22 and 79.2% in Q3'21.

EBITA in Q3'22 ended at SEK 35.7 million (6.9%) compared to SEK 23.7 million (4.7%) in Q2'22 and SEK 40.2 million (7.8%) in Q3'21. Financial expenses in Q3'22 amounted to SEK -20.4 million compared to SEK -18.9 million in Q2'22 and SEK -19.8 million in Q3'21. The effect on net finance from IFRS 16 was SEK -6.2 million in Q3'22.

Consolidated Balance Sheet per 30 September 2022

Total assets ended at SEK 2,415.8 million per 30 September 2022 compared to SEK 2,448.6 million in Q2'22.

Total liabilities ended at SEK 1,917.4 million. Total equity per end of Q3'22 is SEK 498.4 million. Total cash and equivalents per end of Q3'22 amounted to SEK 177.0 million.

Financing and liquidity

The Group has for a long period been considering a potential business combination with Norlandia Health and Care Group AS ("NHC"). Brado has now decided to formally initiate a process to evaluate alternative routes to a potential transaction in combination with the refinancing of the outstanding bond loans in Brado AB. Such a transaction would be in line with the previously communicated plan to combine the two groups to create a leading Nordic and North-European private health and care provider. The two companies already benefit from several synergies through integration of certain services, however a full combination would allow the combined group to unlock further synergies, including operational, quality and financial.

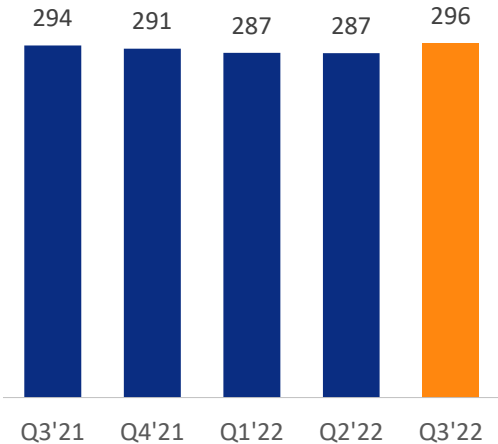
As indicated in note 10, the Group's bond loans are maturing next year and several refinancing opportunities are being considered for the Company, including i) a business combination prior to or in connection with a refinancing of such bonds, ii) stand-alone refinancing of Brado with a new bond issue, iii) stand-alone refinancing of Brado using bank debt, or iv) a combination of the above. Management and the Board are in process of investigating the alternatives described above and estimate to have solved the financing well in advance of the due dates.

Generally, if sufficient financing can not be acquired, there would be a risk that the future operations of the group could be affected. Taken as a whole, this means that there are material factors of uncertainty that could lead to doubt regarding the ability of the company to continue to be a going concern. This may primarily affect the valuation of intangible assets at Group level and shares in subsidiaries at parent level.

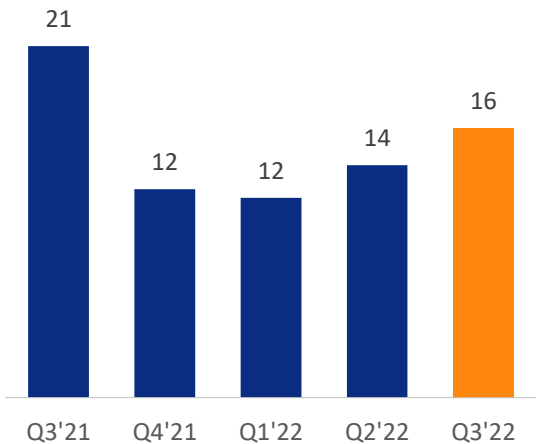
Business Segments

PERSONAL ASSISTANCE

Revenue per quarter (SEKM)



EBITA per quarter (SEKM)



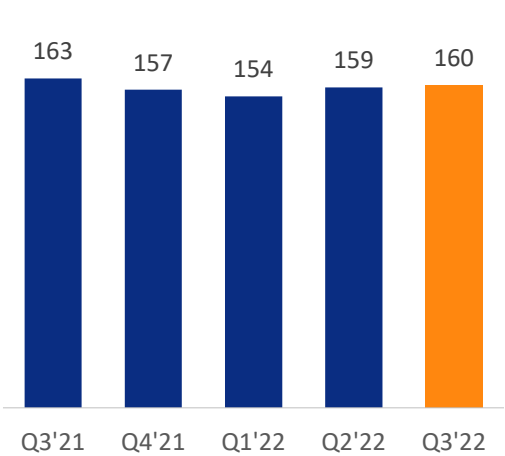
Revenues for Personal Assistance ended at SEK 295.7 million in Q3'22 compared to SEK 287.3 million in Q2'22 and SEK 293.7 million in Q3'21. EBITA for Q3'22 ended at SEK 16.1 million (5.4%) compared to SEK 13.9 million (4.8%) in Q2'22 and SEK 21.0 million (7.1%) in Q3'21.

The segment's revenue in Q3'22 has increased both compared to Q2'22 and Q3'21. The investments in marketing combined with relentless focus on offering quality services have started to show results. The trend during the last years with a declining overall market for personal assistance in Sweden, is expected to change during 2023 and 2024. This is due to the new regulations regarding 'Stärkt Assistans' which is expected to result in an increase of individuals being eligible for personal assistance with approx. 1 500 individuals, i.e. approx. +10 % increase.

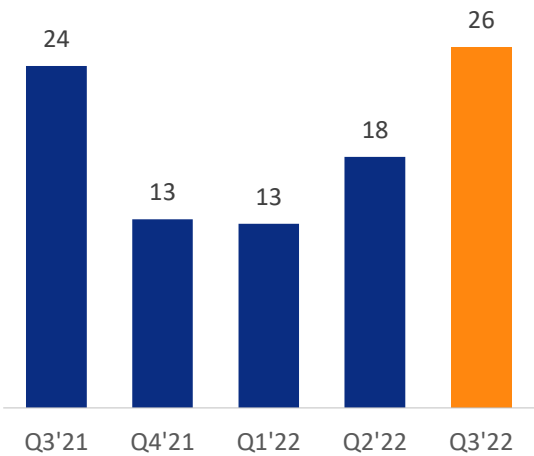
The segment will continue to focus on growth in the segment and expect to see a further improvement in revenues in the coming quarters.

DISABILITY

Revenue per quarter (SEKM)



EBITA per quarter (SEKM)



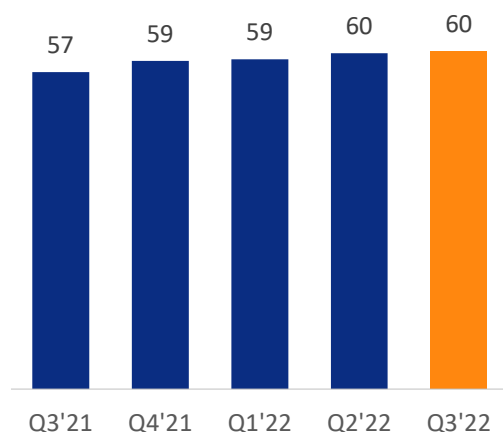
Revenues within Disability ended at SEK 159.5 million in Q3'22 compared to SEK 158.6 million in Q2'22 and SEK 163.0 million in Q3'21. EBITA for Q3'22 ended at SEK 25.6 million (16.1%) compared to SEK 18.0 million (11.3%) in Q2'22 and SEK 24.5 million (15.0%) in Q3'21.

The segment's revenues increased during Q3'22 compared to Q2'22, driven by improved occupancy within existing units. The segment is showing a slight year-on-year improvement in EBITA, despite higher electricity costs and an increase in other costs due to inflation. This proves a general improvement in the underlying operations.

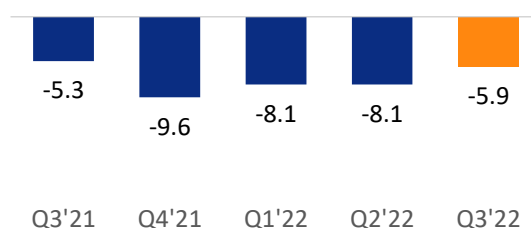
The segment is active in seeking new market opportunities and has built up a healthy pipeline of growth initiatives. As a result of this, the segment has signed three new lease contracts during Q3'22. The operations will start during the coming 18-24 months.

ELDERLY CARE

Revenue per quarter (SEKM)



EBITA per quarter (SEKM)



Revenues for Elderly Care ended at SEK 60.4 million in Q3'22 compared to SEK 60.1 million in Q2'22 and SEK 56.7 million in Q3'21. EBITA for Q3'22 ended at SEK -5.9 million (-9.8%) compared to SEK -8.1 million (-13.4%) in Q2'22 and SEK -5.3 million (-9.3%) in Q3'21.

In the period from Q2'21 until Q3'22, the contract portfolio within Elderly Care has remained unchanged. The positive revenue development observed over the past quarters is driven by a slow but steady increase in occupancy. Several measures have been taken to continue the improvement in occupancy across many of the units.

The EBITA within Elderly Care is impacted by seasonal variations. In Q3'22, the segment had a lower cost base in parts of the operations due to summer holiday. However, due to increased electricity costs and an increase in other costs due to inflation, the segment had a slightly lower EBITA in Q3'22 compared to Q3'21. Relatively high sick leave, leading to high costs for temporary staff, also contributed negatively to the results.

The financial effects from Covid-19 have been substantial for the segment, since the outbreak of the pandemic, resulting in low occupancy combined with a higher cost structure. With the positive development in occupancy, the segment is expected to continue its growth in revenues and gradually improve the profitability.

Key events after Balance Sheet Date

There are no material events after Balance Sheet Date.

Outlook and main risk factors

The general external outlook for the services within Personal Assistance is positive. This is due to a change in legislation from 1st of January 2023, 'Stärkt assistans', leading to an increase of individuals being eligible for personal assistance by approximately 1 500 individuals, representing an increase in market size of about 10%.

The basic and long-term demand for the services within Disability remains stable. Within the segment Elderly Care, the situation around Covid-19 has led to lower occupancy. We see gradually improvements but it is still not certain when the occupancy will return to pre-Covid levels.

In the wake of the pandemic, discussions about the conditions for Swedish elderly care has begun. After the election in Sweden, some of the major municipalities where Frösunda is present have elected new decision makers. At the time of this report, there are no indications that this will have a substantial impact on the operations.

The management is closely following the development of the current inflation rates as well as the negotiations regarding new collective agreements in some of the Group's segments, which are about to start during the coming months. Inflation and the corresponding cost pressure is expected to have some negative impact current year's performance, however, over a longer time period the Group is expected to be compensated through index regulations.

The Group is in a dispute regarding a certain property lease arrangement which has not been realized. There have been negotiations between the parties where the ambition has been to reach a settlement, which have been unsuccessful. The dispute has therefore been referred to a court case, which is yet to be decided. After discussion with legal advisors, no financial provisions have been booked.

For an overview of the general risk factors in more details, please see the Brado AB's annual report 2021. The general risk factors are unchanged.

Use of Alternative Performance Measures (APM)

Alternative Performance Measures (APM) are understood as financial measures of historical or future financial performance, financial position, or cash flows, other than financial measures defined or specified in the applicable financial reporting framework. Brado AB reports the financial measures "EBITDA", "EBITA", "EBIT before property sales & impairment results (gain/loss)" and "EBIT" in its quarterly reports, which are not financial measures as defined in IFRS. The reported numbers are included in the financial statements and can be directly reconciled with official IFRS line items. The APMs are used consistently over time and accompanied by comparatives for the corresponding previous periods.

Statement from the Board of Directors

The interim financial statements are, to the best of our knowledge and based on our best opinion, presented in accordance with International Financial Reporting Standards and the information provided in the financial statements give a true and fair view of the Company's and Group's assets, liabilities, financial position and result for the period. The financial report provides an accurate view of the development, performance and financial position of the Company and the Group, and includes a description of the key risks and uncertainties the Group is faced with.

Stockholm, 18 November 2022

Board of Directors of Brado AB (publ)

Roger Adolfsen
Chairman of the Board

Kristian A. Adolfsen
Member of the Board

Carl Lindstrand
Member of the Board

AUDITOR'S REPORT

Brado AB (publ). reg. no. 559127-5176

Introduction

We have reviewed the condensed interim financial information (interim report) of Brado AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Material Uncertainty Related to Going Concern

We draw attention to page 6 section "Financing and liquidity" and Note 10 in the condensed interim financial information, which states that the company is in process of refinancing its outstanding bond loans. As stated in Note 10, these events or conditions, along with other matters as set forth in Note 10, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 18 November 2022

Öhrlings PricewaterhouseCoopers AB

Martin Johansson
Auditor-in-charge
Authorized Public Accountant

For more information:

Christoffer Herou
CFO Frösunda
+46(0)725828616
christoffer.herou@frosunda.se

Kristoffer Lorck
CEO Brado AB
kristoffer.lorck@adolfsgroup.no

Ticker codes:

Brado AB has issued bond loans with the following names:

Brado AB (publ) Senior Secured Callable Floating Rate Notes 2018/2023, ISIN: NO0010816184
Ticker: The bond was listed on Nasdaq Stockholm on 26 November 2018.

Brado AB (publ) Junior Secured Callable Floating Rate Notes 2018/2023, ISIN: NO0010816192
Ticker: The bond was listed on Nasdaq Stockholm on 26 November 2018.

This report was released on 18 November 2022.

GROUP FINANCIAL STATEMENT

CONSOLIDATED INCOME STATEMENT

All figures in SEK million	Notes	Q3 22	YTD 22	Q3 21	YTD 21
OPERATING INCOME					
Revenue		507.9	1 496.0	504.2	1 508.2
Other operating revenue		9.9	32.5	9.8	28.9
Total operating revenue	4	517.7	1 528.4	513.9	1 537.1
OPERATING EXPENSES					
Cost of goods sold		-16.4	-46.4	-11.9	-35.8
Personnel expenses		-406.7	-1 224.3	-407.2	-1 263.3
Other operating expenses		-25.4	-80.4	-22.1	-75.5
EBITDA		69.2	177.4	72.7	162.6
Depreciation & amortization		-33.6	-101.0	-32.5	-96.7
Operating profit/loss (EBIT)-bef Property Sales & impairment		35.7	76.4	40.2	65.9
Property Sales & impairment results (gain/loss)		-0.2	22.5	-	2.0
Operating profit/loss (EBIT)		35.4	98.9	40.2	67.8
FINANCE					
Financial income	7	0.4	1.2	0.3	1.1
Financial expenses	7	-20.4	-57.2	-19.8	-59.2
Profit/Loss before income tax (EBT)		15.4	42.9	20.7	9.8
Income tax	8	-4.5	1.1	-2.6	-5.7
Profit/Loss for the period		11.0	44.0	18.0	4.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures in SEK million	Notes	Q3 22	YTD 22	Q3 21	YTD 21
OTHER COMPREHENSIVE INCOME					
Profit/Loss for the period		11.0	44.0	18.0	4.1
ATTRIBUTABLE TO					
Equity holders of the parent company		11.0	44.0	18.0	4.1
Non-controlling interest		-	-	-	-
Total compr. income for the period		11.0	44.0	18.0	4.1
ATTR. TO EQUITY HOLDERS, ARISING FROM					
Continuing operations		11.0	44.0	18.0	4.1
Discontinuing operations		-	-	-	-
Equity holders of the parent company		11.0	44.0	18.0	4.1

CONSOLIDATED BALANCE SHEET STATEMENT

ASSETS

All figures in SEK million	Notes	2022-09-30	2021-12-31	2021-09-30
NON-CURRENT ASSETS				
Goodwill		1 101.3	1 101.3	1 101.3
Other intangible assets		6.9	7.8	8.5
Other property, plant & equipment	2	806.4	837.9	840.0
Financial assets		15.5	5.6	5.4
Total non-current assets		1 930.1	1 952.7	1 955.2
CURRENT ASSETS				
Accounts receivables	6	243.7	267.2	248.9
Income tax receivables		30.8	20.1	35.4
Receivables from related parties		0.2	0.2	0.2
Other short-term receivables		34.0	34.0	35.0
Cash and cash equivalents	9	177.0	148.9	145.3
Total current assets		485.6	470.5	464.8
Total assets		2 415.8	2 423.2	2 420.0

EQUITY AND LIABILITIES

All figures in SEK million	Notes	2022-09-30	2021-12-31	2021-09-30
EQUITY				
Share capital		0.5	0.5	0.5
Retained earnings including comprehensive income		497.9	454.0	457.1
Equity attributable to owners of the parent		498.4	454.5	457.6
Total equity		498.4	454.5	457.6
NON-CURRENT LIABILITIES				
Deferred tax liability		3.1	3.1	4.6
Bond loans	10	-	720.8	720.2
Other non-current liabilities	2, 11	732.0	720.1	723.2
Total non-current liabilities		735.1	1 444.1	1 447.9
CURRENT LIABILITIES				
Accounts payable		26.1	42.3	32.0
Bond loans	10	722.8	-	-
Other current liabilities	2	433.4	482.3	482.5
Total current liabilities		1 182.2	524.6	514.5
Total liabilities		1 917.4	1 968.7	1 962.4
Total equity & liabilities		2 415.8	2 423.2	2 420.0

CONSOLIDATED CASH FLOW STATEMENT

All figures in SEK million	Notes	Q3 22	Q2 22	YTD 22
CASH FLOW FROM OPERATING ACTIVITIES				
Operating result		35.4	46.5	98.9
Adjustments for items not included in cash flow		34.6	13.0	77.6
		70.0	59.5	176.5
Financial items, paid net		-13.8	-12.5	-38.0
Net interest lease debt		-6.2	-5.9	-18.0
Taxes paid		-2.1	-8.3	-19.4
Cash flow from operating activities before changes in working capital		47.8	32.7	101.0
Change in net working capital		-22.4	5.1	-48.0
Net cash flow from operating activities		25.4	37.7	53.1
CASH FLOW FROM INVESTING ACTIVITIES				
Gain/loss from sale of assets	13	-0.2	71.5	71.3
Net investment in shares in subsidiaries		-	-	-
Net investment in property, plant and equipment		-3.2	-3.1	-7.3
Net cash flow from investing activities		-3.4	68.4	64.0
CASH FLOW FROM FINANCING ACTIVITIES				
Amortization of lease debt		-30.6	-31.0	-91.0
Repayment of interest-bearing debt		0.7	0.6	1.9
Net cash flow from financing activities		-30.0	-30.3	-89.1
CHANGES IN CASH AND CASH EQUIVALENTS				
Net change in cash and cash equivalents		-7.9	75.8	28.0
Effects of changes in exchange rates on cash				
Cash and cash equivalents at the beginning of period		184.9	109.1	148.9
Cash and cash equivalents at end of period		176.9	184.9	176.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All figures in SEK million	Notes	Share capital	Retained earnings	Total equity to holders of the parent
Opening balance as at 1 January 2022		0.5	454.0	454.5
Profit/Loss for the period		-	44.0	44.0
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	44.0	44.0
Transactions with Company owners				
Shareholder contribution		-	-	-
Total transactions with Company owners		-	-	-
Closing balance as at 30 Sept 2022		0.5	497.9	498.4

FINANCIAL STATEMENT FOR THE PARENT COMPANY

INCOME STATEMENT

All figures in SEK '000	Notes	Q3 22	YTD 22	Q3 21	YTD 21
OPERATING INCOME					
Revenue		-	-	-	-
Other operating revenue		-	-	-	-
Total operating revenue		-	-	-	-
OPERATING EXPENSES					
Other operating expenses		-380	-1 237	-200	-815
EBITDA		-380	-1 237	-200	-815
Depreciation		-	-	-	-
Amortization		-	-	-	-
Operating profit/loss (EBIT)		-380	-1 237	-200	-815
FINANCE					
Financial income	7	13 684	38 743	12 737	37 796
Financial expenses	7	-13 927	-38 964	-12 726	-37 921
Profit/Loss before income tax (EBT)		-623	-1 459	-188	-940
Income tax		-	-	-	-
Profit/Loss for the period		-623	-1 459	-188	-940

BALANCE SHEET STATEMENT

ASSETS

All figures in SEK '000	Notes	2022-09-30	2021-12-31	2021-09-30
NON-CURRENT ASSETS				
Shares in subsidiaries		300 727	300 727	300 727
Loans to group companies		0	586 366	586 366
Total non-current assets		300 727	887 094	887 094
CURRENT ASSETS				
Receivables to group companies		13 908	12 972	12 972
Loans to group companies		586 366	-	-
Other short-term receivables		-	65	87
Cash and cash equivalents	9	31 258	31 441	31 069
Total current assets		631 533	44 479	44 128
Total assets		932 260	931 573	931 222

EQUITY AND LIABILITIES

All figures in SEK '000	Notes	2022-09-30	2021-12-31	2021-09-30
EQUITY				
Share capital		500	500	500
Retained earnings		179 171	180 630	181 104
Equity attributable to owners of the parent		179 671	181 130	181 604
NON-CURRENT LIABILITIES				
Bond loans	10	-	746 824	746 173
Total non-current liabilities		0	746 824	746 173
CURRENT LIABILITIES				
Accounts payable		-	11	-
Bond loans	10	748 757	-	-
Other current liabilities		3 832	3 608	3 445
Total current liabilities		752 589	3 619	3 445
Total liabilities		752 589	750 442	749 618
Total equity & liabilities		932 260	931 573	931 222

NOTES

Note 1 – Accounting policies

The consolidated financial statements of Brado AB comprise the company and its subsidiaries, collectively referred to as the Group. This report and the financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting along with applicable stipulations of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act – Interim Reports. The interim report does not include all the information required for complete annual consolidated financial statements. The financial statements in this interim report are unaudited.

For an overview of the complete accounting principles, please refer to Brado AB's annual report 2021. The principles are unchanged. Debt related to payroll tax on pension premiums is classified as part of the Groups "other current liabilities"

Note 2 – IFRS 16

The effects of the implementation of IFRS 16 leases in the income statement are shown below

All figures in SEK million	Notes	Reported Q3 22	IFRS 16	Q3 22 Ex. IFRS 16	Reported Q3 YTD 22	IFRS 16	YTD 22 Ex. IFRS 16
OPERATING INCOME							
Revenue		507.9		507.9	1 496.0		1 496.0
Other operating revenue		9.9		9.9	32.5		32.5
Total operating revenue		517.7		517.7	1 528.4		1 528.4
OPERATING EXPENSES							
Cost of goods sold		-16.4		-16.4	-46.4		-46.4
Personnel expenses		-406.7		-406.7	-1 224.3		-1 224.3
Other operating expenses		-25.4	36.8	-62.2	-80.4	109.0	-189.4
EBITDA		69.2	36.8	32.4	177.4	109.0	68.4
Depreciation & amortization		-33.6	-31.7	-1.8	-101.0	-95.3	-5.8
Operating profit/loss EBIT bef Property sales		35.7	5.1	30.6	76.4	13.8	62.6
Property Sales & impairment results (gain/loss)		-0.2	-	-0.2	22.5	-43.5	66.0
Operating profit/loss (EBIT)		35.4	5.1	30.4	98.9	-29.7	128.6
FINANCE							
Financial income	7	0.4		0.4	1.2		1.2
Financial expenses	7	-20.4	-6.2	-14.3	-57.2	-18.0	-39.2
Profit/Loss before income tax (EBT)		15.4	-1.1	16.5	42.9	-47.7	90.6
Income tax	8	-4.5	0.2	-4.7	1.1	9.8	-8.7
Profit/Loss for the period		11.0	-0.9	11.8	44.0	-37.9	81.9
OTHER COMPREHENSIVE INCOME							
Profit/Loss for the period		11.0	-0.9	11.8	44.0	-37.9	81.9
ATTRIBUTABLE TO							
Equity holders of the parent company		11.0	-0.9	11.8	44.0	-37.9	81.9
Non-controlling interest							
Total compr. income for the period		11.0	-0.9	11.8	44.0	-37.9	81.9
ATTR. TO EQUITY HOLDERS, ARISING FROM							
Continuing operations		11.0	-0.9	11.8	44.0	-37.9	81.9
Discontinuing operations							
Equity holders of the parent company		11.0	-0.9	11.8	44.0	-37.9	81.9

The effects of the implementation of IFRS 16 leases in the balance sheet are shown below

All figures in SEK million	Notes	Reported Q3 22	IFRS 16	Excl. IFRS 16
NON-CURRENT ASSETS				
Goodwill		1 101.3		1 101.3
Other intangible assets		6.9		6.9
Property, plant & equipment		806.4	784.1	22.3
Financial assets		15.5	14.5	1.0
Total non-current assets		1 930.1	798.6	1 131.5
CURRENT ASSETS				
Property, plant & equipment held for sale				
Accounts receivables		243.7		243.7
Income tax receivables		30.8		30.8
Receivables from related parties		0.2		0.2
Other short-term receivables		34.0	-22.6	56.6
Cash and cash equivalents		177.0		177.0
Total current assets		485.6	-22.6	508.3
Total assets		2 415.8	776.0	1 639.8
EQUITY				
Share capital		0.5		0.5
Retained earnings		497.9	-55.2	553.1
Equity attributable to owners of the parent		498.4	-55.2	553.6
Total equity		498.4	-55.2	553.6
NON-CURRENT LIABILITIES				
Deferred tax liability		3.1		3.1
Bond loans		-		-
Other non-current liabilities		732.0	713.0	19.0
Total non-current liabilities		735.1	713.0	22.1
CURRENT LIABILITIES				
Accounts payable		26.1		26.1
Bond loans		722.8		722.8
Other current liabilities		433.4	118.2	315.2
Total current liabilities		1 182.2	118.2	1 064.1
Total liabilities		1 917.4	831.2	1 086.2
Total equity & liabilities		2 415.8	776.0	1 639.8

Note 3 – Estimations and assessments

Preparation of financial statements in accordance with IFRS requires that company management makes assessments and estimations along with assumptions that affect application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimations and assessments. Estimations and assumptions are reviewed on a regular basis. Changed estimations are reported prospectively.

Note 4 – Revenue by segment

The Group has identified operation segments in accordance with the reporting requirement in IFRS 8. Based on the internal reporting the reportable segments are; “Personal Assistance”, “Disability” and “Elderly Care”.

SEK million	Q3 22	YTD 22	Q3 21	YTD 21
Revenue by segment				
Personal Assistance	295.7	870.5	293.7	878.6
Disability	159.5	472.2	163.0	487.8
Elderly Care	60.4	179.5	56.7	168.7
Other	2.1	6.2	0.5	1.9
Total	517.7	1 528.4	513.9	1 537.1

Note 5 – EBITA by segment

SEK million	Q3 22	YTD 22	Q3 21	YTD 21
EBITA by segment				
Personal Assistance	15.9	41.7	21.0	35.2
Disability	25.6	56.8	24.5	58.5
Elderly Care	-5.9	-22.0	-5.3	-27.8
Total	35.7	76.4	40.2	65.9

Note 6 – Accounts receivable by segment

All figures in SEK million	Reported Q3 22	Reported Q2 22	Reported Q3 21	Reported Q2 21
Personal Assistance	166.4	176.5	145.8	151.8
Disability	56.1	55.2	77.6	74.9
Elderly Care	21.0	18.0	25.0	25.8
Other	0.1	1.3	0.4	0.9
Total accounts receivable	243.7	251.0	248.8	253.4

Following the reporting requirements according to IFRS 8, when it comes to segment follow-up related to the balance sheet, this is mainly focused on monitoring of outstanding accounts receivable, as other assets and liabilities mainly consists of Goodwill and bond loans, reported in the Parent Company.

Note 7 – Financial income and expenses

The financial expenses primarily relates to interest paid on bond loans and other long-term borrowings. Financial income mainly relates to interest income following repurchased bonds; more details are also seen in note 10.

Note 8 – Income tax

The income tax is based on tax calculation, using the tax rate of 20.6%, as will also be presented in the annual report. The tax expense reported in the Balance Sheet is net against preliminary tax paid.

Note 9 – Financial covenants

According to the bond agreements signed 7 March 2018, Brado AB and its subsidiaries (the Group) must be in compliance with a financial undertaking in form of Minimum Liquidity (financial covenant). The Group at all times shall retain liquidity in excess of SEK 20 million.

Note 10 – Bond loans

The Group has two bond loans issued in the market. One bond loan amounting to SEK 600 million (maturity date 7 March 2023) and one bond loan amounting to SEK 150 million (maturity date 7 June 2023). The bond loans were issued 7 March 2018 in Brado AB and are listed on the Nasdaq OMX Stockholm Stock Exchange. The value of the bonds has initially been reduced by listing cost of SEK 13.1 million. The listing cost is accrued over the life of the bonds. Frösunda Omsorg AB owns senior bonds in Brado with a nominal value of SEK 26 million. See the consolidated balance sheet statement for the bonds' reported value.

The Group's bond loans will mature during Spring 2023. Management and the Board are currently working on different solutions for the long-term financing and estimate to have solved the financing well in advance of the due dates. Generally, if sufficient financing can not be acquired, there would be a risk that the future operations of the group could be affected. Taken as a whole, this means that there are material factors of uncertainty that could lead to doubt regarding the ability of the company to continue to be a going concern. This may primarily affect the valuation of intangible assets at Group level and shares in subsidiaries at parent level.

Note 11 – Other non-current liabilities

In connection with Frösunda Omsorg AB's acquisition of the shares in Aberia LSS AB & Billbag AB there is an earn-out mechanism in place, based on the final results of the 12 LSS units in 2021, 2022 and 2023. This is reported as a seller's credit and amounts to SEK 19.0 million.

Note 12 – Related party transactions

Transactions with related parties carried out during the year are mainly related to costs invoiced by the Norwegian company Hospitality Invest AS, owned by Kristian and Roger Adolfsen. The increased cooperation with NHC Sweden has resulted in that all Central functions being shared resources. All transactions taken place are deemed to be based on agreements entered into on an arm's length basis.

Note 13 – Gain from sale of assets

The real estate company Frösunda Fastighet Bredaryd AB was sold on the 28th of June 2022, with gross proceeds of SEK 71.5 million, resulting in a financial gain of SEK 22.8 million.

Brado AB (publ)

Corp. Reg. Nr: 559127-5176

Affärsvägen 3

457 30 Tanumshede

www.brado.se

Frösunda Omsorg AB

Corp. Reg. Nr: 556509-2482

Rålambsvägen 15

112 59 Stockholm

www.frosunda.se