

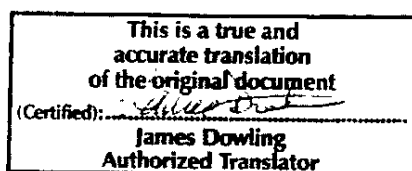
See appendix 1 regarding subsidiary exemption under section 479A of the Companies Act 2006.

Annual Report
and
Consolidated accounts
for
KRY International AB

556967-0820

Financial year

2019



TUESDAY



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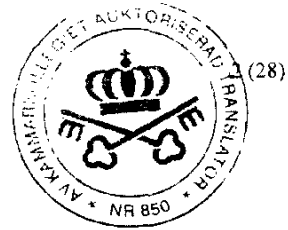
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KRY International AB
Corp. Reg. No



Directors' Report

Directors' Report

The Board of Directors and the Managing Director of the KRY International AB Group ("KRY") hereby present the annual report and consolidated financial statements for the 2019 financial year. The annual report has been prepared in Swedish kronor (SEK). The company's head office is located in Stockholm, Sweden.

Description of the business and future developments

KRY was started to contribute to a more equal and accessible world. Today, we offer patients from all over Sweden care on an equal footing throughout the year and around the clock, with short waiting times.

During the full year, the Group conducted operations in Sweden and Norway under the KRY brand and in France and the UK under the LIVI brand. The service was launched in Germany in December. For the entire year, KRY operated a physical care centre in Lund, which opened a branch in Malmö in May 2019.

In 2019, Bergus Care AB was acquired, including a physical care centre in Nyköping.

During the first quarter of 2019, KRY established collaboration with Region Sörmland for both digital and physical healthcare meetings. In 2019, KRY also worked within the framework of Region Jönköping's care choice agreement for digital appointments and with Region Skåne for physical healthcare appointments.

At KRY/LIVI, healthcare professionals, programmers, designers and product owners work side by side to jointly advance the healthcare sector. KRY/LIVI currently employs over 700 doctors, nurses and psychologists (March 2020) and has provided more than 1,600,000 patient appointments to date. During the year, KRY's operations in Sweden relocated to new premises in Stockholm to gain space for further expansion and the recruitment of more employees.

A new share issue totalling just over EUR 129 million was carried out in December 2019, with new investors and certain existing owners participating.

With a conviction that care needs to be moved closer to the patient and that everyone is entitled to equal care, we know that our work has just begun. By being responsive to existing needs, humble before the challenges we face, determined to make necessary changes and dedicated to a vision of being the first choice among patients, we will continue our journey towards better healthcare for all.

Significant events after the end of the financial year

The spread of COVID-19, which has increased strongly in Sweden and the other markets where KRY operates, had a strong positive impact on demand for the company's services. KRY has worked actively to meet the increased demand by employing and contracting more care staff. KRY has also developed digital tools to enable patients to check themselves daily for corona-related symptoms and receive recommendations for further action – regardless of whether the patient is infected or not. In March 2020, KRY/LIVI also launched a technical platform, designated LIVI Connect, for third parties, which connects care staff and patients remotely via a web portal.

The spread of COVID-19 has also entailed that the company has taken a number of measures to monitor and prevent the effects of the COVID-19 virus, such as health and safety measures for the company's employees, including social distancing and working from home.

At this stage, the effect on the company's operations and earnings is limited. KRY will continue to

comply with the policies and advice of various national institutions and, at the same time, do its utmost to continue operations in the most optimal and safest manner possible, without jeopardising employee health.

On 17 January 2020, the subsidiary Hello Shim AB was merged with KRY International AB.

Risks and risk management

Financial risks

The Group and the Parent Company are exposed to financial risks through their operations and work actively to identify and manage risks.

Exchange-rate risk can arise in the translation of held assets and liabilities, as well as subsidiaries' foreign net assets in SEK and on the sale and purchase of foreign currency.

Credit risk is the risk that a party to a transaction cannot meet its commitment, thereby causing a loss for the counterparty. Based on the business model and the customers of the Parent Company and Group, the credit risk is low.

Although the spread of the COVID-19 infection is considerable in the countries where the company is active and there is uncertainty about the future spread of infection, the company assesses that the effect of COVID-19 will not have a material impact on the Group's financial position or liquidity.

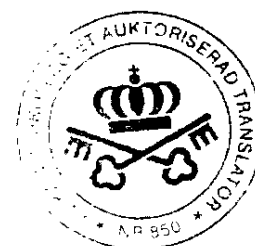
Business and operational risks

The business-related operational risks are connected with the daily operations and comprise, for example, regulatory healthcare-based, contract and other legal risks, technical risks, production risks, development risks and the risk that operations could result in damage to property or persons. In addition, risks occur that are attributable to IT and information security.

Since the company is part of a publicly funded care system in Sweden, France and the UK, policy decisions that lead to changes in regulations and legislation can have a significant impact on the company as well as on all private companies in the healthcare sector.

Environmental impact

KRY continues to work with its environmental policy and bases this on how all employees are to relate to environmental issues, which is highly valued by employees, customers and suppliers. The Group's ambition is that the environment is to be improved as far as technically possible and financially reasonable. Through the digital care conducted by the Group, transport is eliminated, which would otherwise have occurred in attending physical healthcare centres and other such places. The goal is to reduce environmental impact and continuously develop our environmental work, primarily in the areas considered to be of most importance for the operations. KRY International AB nor any of its subsidiaries conduct operations that are subject to permits or reporting in accordance with the Swedish Environmental Code.



Ownership and Group structure

Owners of KRY International AB as of 31 December 2019 with holdings corresponding to more than 10% of the votes and shares in the company:

Creandum IV L.P
Index Ventures VIII (Jersey). L.P
Ontario Limited

KRY International AB is the Parent Company of the Group and owns and controls 100% of the outstanding shares in the wholly owned subsidiary Digital Medical Supply Sweden AB and Hello Shim AB, as well as 100% of the outstanding shares in the dormant company Medical Supply Sweden AB.

Digital Medical Supply Sweden AB owns and controls 100% of the shares in Digital Medical Supply Norway AS, Digital Medical Supply Spain SL, DMS Digital Medical Supply Germany GmbH, Digital Medical Supply France SARL, Digital Medical Supply UK Ltd and DMS Medical AB.

Parent Company

The Parent Company's business consists of developing the "KRY/LIVI" technical platform and providing services to the Group companies, including platform licenses for service, management, marketing and branding.

Multi-year review (kSEK)

Group	2019	2018	2017	2016	
Net sales	358,941	234,227	99,686	14,512	
Loss after financial items	-347,090	-250,681	-73,731	-10,784	
Equity/assets ratio (%)	94	86	87	86	
Parent Company	2019	2018	2017	2016	2015
Net sales	56,448	33,144	13,306	2,668	191
Loss after financial items	-299,529	-206,089	-79,986	-17,817	-5,065
Equity/assets ratio (%)	96	92	93	90	14



Changes in equity (kSEK)

Parent Company	Share capital	Fund for development expenses	Share premium reserve	Retained earnings	Profit/loss for the year	Total
Amount at the beginning of the year	139	7,125	805,072	-84,002	-215,089	513,246
Ongoing new share issue			1,346,007			1,346,007
Issued warrants			2,976			2,976
Appropriation of profits as resolved by the AGM:				-215,089	215,089	0
Transfer of fund for development expenses		8,180		-8,180		0
Loss for the year					-265,442	-265,442
Amount at year-end	139	15,305	2,154,055	-307,271	-265,442	1,596,787

Proposed appropriation of profits

The Board of Directors proposes that the available profits (SEK):

accumulated loss	-307,271,095
share premium reserve	804,308,029
loss for the year	-265,441,893
	231,595,041

be appropriated as follows:
to be carried forward

231,595,041

The Group's and the Parent Company's performance and financial position are presented in the following income statements, balance sheets, cash flow statements and accompanying notes.



**Consolidated
income statement**

	Note	1 Jan 2019 -31 Dec 2019	1 Jan 2018 -31 Dec 2018
Net sales		358,941,369	234,227,003
Other operating income		38,171	1,226,808
Total income		358,979,540	235,453,811
Operating expenses			
Cost of services sold		-244,827,921	-175,174,232
Other external expenses	1	-252,722,023	-200,110,862
Personnel costs	2	-210,533,383	-111,141,862
Depreciation/amortisation and impairment of tangible and intangible assets	3	-12,525,013	-2,336,175
Other operating expenses		-603,232	-2,491,016
Total operating expenses		-721,211,572	-491,254,147
Operating loss		-362,232,032	-255,800,336
Profit/loss from financial items			
Profit/loss from participations in Group companies		105,028	-238,720
Income from other securities and receivables that are non-current assets		1,538,959	0
Interest income and similar profit/loss items	4	13,588,334	5,425,896
Interest expenses		-870,124	-67,862
		14,362,197	5,119,314
Loss after financial items		-347,869,835	-250,681,022
Loss before tax		-347,869,835	-250,681,022
Loss for the year		-347,869,835	-250,681,022
Parent Company's share of loss for the year		-347,869,835	-250,681,022



Consolidated balance sheet

	Not	31 Dec	31 Dec
ASSETS			
Non-current assets			
<i>Intangible assets</i>			
Capitalised expenditure for research and development and similar work	5	17,188,165	7,602,982
Goodwill		3,437,001	0
		20,625,166	7,602,982
<i>Tangible assets</i>			
Equipment, tools, fixtures and fittings	3	35,965,108	6,743,895
<i>Financial assets</i>			
Participations in Group companies	6	0	0
Other non-current holdings of securities		129,024	0
Other non-current receivables	7	641,702	2,669,419
		770,726	2,669,419
Total non-current assets		57,361,000	17,016,296
Current assets			
<i>Current receivables</i>			
Trade receivables		5,030,711	2,462,178
Receivables from associated companies		-85,482	0
Other receivables		13,323,137	6,861,926
Prepaid expenses and accrued income	8	45,598,912	34,757,601
Total current receivables		63,867,278	44,081,705
<i>Cash and bank</i>		1,433,468,516	481,477,707
Total current assets		1,497,335,794	525,559,412
TOTAL ASSETS		1,554,696,794	542,575,708



**Consolidated
balance sheet**

Not

31 Dec

31 Dec

EQUITY AND LIABILITIES

Equity

**Equity attributable to shareholders in the Parent
Company**

Share capital		139,462	139,461
Other contributed capital		2,158,630,801	809,647,470
Reserves		1	0
Other equity, including loss for the year		-689,993,660	-340,755,234
Equity attributable to shareholders in the Parent Company		1,468,776,604	469,031,697

Total equity

1,468,776,604 **469,031,697**

Current liabilities

Trade payables		21,981,705	32,567,565
Current tax liabilities	9	3,307,724	1,167,095
Other liabilities		14,268,512	10,322,336
Accrued expenses and deferred income	10	46,362,249	29,487,015
Total current liabilities		85,920,190	73,544,011

TOTAL EQUITY AND LIABILITIES

1,554,696,794 **542,575,708**



Consolidated statement of changes in equity

	Share capital	Other contribut ed capital	Retained earnings, incl. loss for the year	Total equity
Opening equity 1 Jan 2018	114,329	262,569,619	-90,150,631	172,533,317
New share issue	25,132	544,004,645		544,029,777
Issued warrants		2,472,000		2,472,000
Exercised warrants		-359,398		-359,398
Reversal of impairment of holdings of own warrants		960,604		960,604
Loss for the year			-250,681,022	-250,681,022
Translation differences			76,419	76,419
Closing equity, 31 December 2018	139,461	809,647,470	-340,755,234	469,031,697
Ongoing new share issue		1,346,007,331		1,346,007,331
Issued warrants		2,976,000		2,976,000
Loss for the year			-347,869,835	-347,869,835
Translation differences			-1,368,594	-1,368,594
Closing equity, 31 December 2019	139,461	2,158,630,801	-689,993,663	1,468,776,599

The total capital contributed by the new share issue in 2019 amounted to SEK 1,349,747,331, which has been recognised at a lower amount in this report since external consulting costs of SEK 3,740,000 directly attributable to the implementation of the issue have been offset against other contributed capital instead of being recognised in profit or loss. At the balance sheet date, the new share issue was not registered with the Swedish Companies Registration Office.

The number of shares at 31 December 2019 amounted to 2,789,222, with a quota value of SEK 0.05, distributed by class of shares as follows: 1,033,120 ordinary shares, 800,000 Class A preference shares, 452,966 Class B preference shares and 500,136 Class C preference shares.



**Consolidated
Cash flow statement**

	Note	1 Jan 2019 -31 Dec 2019	1 Jan 2018 -31 Dec 2018
Operating activities			
Loss after financial items		-347,869,835	-250,681,022
Depreciation/amortisation		11,745,604	2,336,175
Capitalised development costs		-13,942,540	-5,882,448
Cash flow from operating activities before changes in working capital		-350,066,771	-254,227,295
Cash flow from changes in working capital			
Change in trade receivables		-2,568,533	-1,481,493
Change in current receivables		-17,217,040	-4,757,579
Change in trade payables		-10,585,860	21,876,647
Change in current liabilities		22,962,039	27,015,592
Cash flow from operating activities		-357,476,165	-211,574,127
Investing activities			
Investments in intangible assets		-3,437,101	0
Investments in tangible assets		-38,097,462	-7,563,835
Investments in financial assets		1,898,693	-2,569
Cash flow from investing activities		-39,635,870	-7,566,404
Financing activities			
New share issue		1,346,007,331	544,029,777
Issued/repurchased warrants		2,976,000	2,834,486
Cash flow from financing activities		1,348,983,331	546,864,263
Cash flow for the year		951,871,296	327,723,732
Cash and cash equivalents at the beginning of the year		481,477,707	153,438,837
Exchange rate differences		119,513	315,139
Cash and cash equivalents at year-end		1,433,468,516	481,477,708



**Parent Company
Income statement**

	Note	1 Jan 2019 -31 Dec 2019	1 Jan 2018 -31 Dec 2018
Net sales		56,448,050	33,143,587
Other operating income		36,725	330,787
Total income		56,484,775	33,474,374
Operating expenses			
Cost of services sold		-2,492,304	-1,243,347
Other external expenses	1	-237,386,660	-172,499,002
Personnel costs	2	-122,125,785	-68,161,524
Amortisation of non-current assets	3	-6,093,887	-2,163,978
Other operating expenses		-670,680	-529,141
Total operating expenses		-368,769,315	-244,596,992
Operating loss	11	-312,284,539	-211,122,618
Profit/loss from financial items			
Interest income and similar profit/loss items	4	13,649,455	5,087,675
Interest expenses		-894,111	-54,503
		12,755,344	5,033,172
Loss after financial items		-299,529,195	-206,089,446
Appropriations			
Group contributions received		34,087,302	0
Group contributions paid		0	-9,000,000
Loss before tax		-265,441,893	-215,089,446
Loss for the year		-265,441,893	-215,089,445



**Parent Company
balance sheet**

Not 31 Dec 31 Dec

ASSETS

Non-current assets

Intangible assets

Capitalised expenditure for development and similar

5 15,783,122 7,602,982

Tangible assets

Equipment, tools, fixtures and fittings

3 19,873,104 1,795,310

Financial assets

Participations in Group companies

6, 12 6,300,000 5,100,000

Receivables from Group companies

234,776,402 81,935,468

Other non-current receivables

7 0 2,666,850

241,076,402 89,702,318

Total non-current assets

276,732,629 99,100,610

Current assets

Current receivables

Trade receivables

23,957 591,925

Other receivables

10,474,755 4,915,840

Prepaid expenses and accrued income

8 11,330,580 4,211,191

21,829,292 9,718,956

Cash and bank

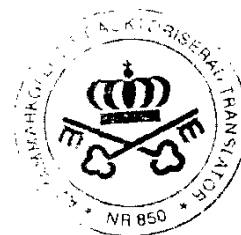
1,351,659,744 447,567,102

Total current assets

1,373,489,036 457,286,058

TOTAL ASSETS

1,650,221,665 556,386,668



**Parent Company
balance sheet**

Not

31 Dec

31 Dec

EQUITY AND LIABILITIES

Equity

13

Restricted equity

Share capital

139,461

139,461

Share capital not registered

1,349,747,331

0

Fund for development expenses

15,305,272

7,125,132

1,365,192,064

7,264,593

Non-restricted equity

Share premium reserve

804,308,029

805,072,029

Retained earnings

-307,271,095

-84,001,509

Loss for the year

-265,441,893

-215,089,445

231,595,042

505,981,075

Total equity

1,596,787,106

513,245,668

Current liabilities

Trade payables

15,043,983

27,543,954

Liabilities to Group companies

10,619,750

0

Current tax liabilities

9

2,497,893

844,183

Other liabilities

5,175,123

3,399,862

Accrued expenses and deferred income

10

20,097,810

11,353,002

Total current liabilities

53,434,559

43,141,001

**TOTAL EQUITY AND
LIABILITIES**

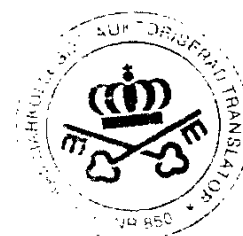
1,650,221,664

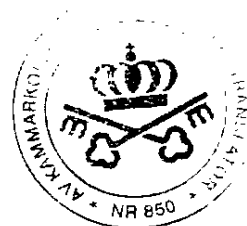
556,386,668



Parent Company
Cash flow statement

	Note	1 Jan 2019 -31 Dec 2019	1 Jan 2018 -31 Dec 2018
Operating activities			
Loss after financial items		-299,529,195	-206,089,446
Adjustments for non-cash items		6,093,887	2,163,978
Tax paid		0	-6,347
Cash flow from operating activities before changes in working capital		-293,435,308	-203,931,815
Cash flow from changes in working capital			
Change in trade receivables		567,968	55,227
Change in current receivables		-14,346,738	4,510,038
Change in trade payables		-12,499,971	19,711,252
Change in current liabilities		22,029,530	9,626,132
Cash flow from operating activities		-297,684,518	-170,029,167
Investing activities			
Investments in intangible assets		-11,464,570	-5,882,448
Investments in tangible assets		-20,887,253	-2,468,369
Investments in financial assets		1,466,850	-50,000
Group contributions received (paid)		34,087,302	-9,000,000
Non-current loans to Group companies		-151,172,500	-49,448,525
Cash flow from investing activities		-147,970,170	-66,849,342
Financing activities			
New share issue		1,348,929,031	546,501,777
Exercised warrants		818,300	-359,398
Cash flow from financing activities		1,349,747,331	546,142,379
Cash flow for the year		904,092,642	309,263,870
Cash and cash equivalents at the beginning of the year			
Cash and cash equivalents at the beginning of the year		447,567,102	138,303,230
Cash and cash equivalents at year-end		1,351,659,744	447,567,100





Notes

Accounting and valuation policies

General information

The annual report and consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

Receivables and liabilities in foreign currencies have been translated at the closing rate. Foreign exchange gains and losses on operating receivables and operating liabilities are recognised in operating profit or loss, while foreign exchange gains and losses on financial receivables and liabilities are recognised in financial items.

The following closing rates (against SEK) at 31 December 2019 have been applied:

EUR	10.4568
NOK	1.06069
GBP	12.2706

The following average rates for 2019 (against SEK) have been applied:

EUR	10.5931
NOK	1.0476
GBP	12.3490

The following closing rates at 31 December 2018 (against SEK) have been applied:

EUR	10.2753
NOK	1.024475
GBP	12.3482

The company's accounting policies are unchanged compared with the preceding year.

Revenue recognition

Revenue is recognised at the fair value of the amount that has been or will be received to the extent that it is probable that the economic benefits will accrue to the company and when the revenue can be reliably estimated.

In the Group, revenue from consultations through partners is recognised in a gross amount, meaning that the Group recognises the full revenue amount and the partner's share as a deductible cost item.

Consolidated accounts

Consolidation method

The consolidated accounts have been prepared in accordance with the acquisition method. This means that the identifiable assets and liabilities of acquired companies are recognised at market value according to the established acquisition analysis.

If the cost of the business exceeds the estimated market value of the expected net assets according to the acquisition analysis, the difference is recognised as goodwill.

Subsidiaries

In addition to the Parent Company, the consolidated accounts comprise all companies in which the Parent Company directly or indirectly holds more than 50% of the votes in the company or otherwise has a controlling influence and thus has the right to design the company's financial and operational strategies in order to obtain economic benefits.

KRY International AB
Corp. Reg. No



A subsidiary's revenue and expenses are recognised in the consolidated accounts as of the acquisition date until the date on which the Parent Company ceases to have a controlling influence over the subsidiary.

Intra-Group transactions

Intra-Group receivables and liabilities, intra-Group transactions and unrealised gains are eliminated in full. Unrealised losses are also eliminated, provided the transaction does not give rise to an impairment requirement.

Changes in intra-Group profit during the financial year have been eliminated in the consolidated income statement.

Translation of foreign subsidiaries

The accounts of foreign subsidiaries are translated in accordance with the current rate method. All balance sheet items are translated at the closing rate. All income statement items are translated at the average rate during the financial year. Differences that arise are recognised directly in equity.

Accounting policies for individual balance sheet items
Intangible assets

The company recognises internally generated intangible assets according to the capitalisation model. This means that all expenses relating to the production of an internally generated intangible asset are capitalised and amortised over the estimated useful life of the asset, provided that the criteria in BFNAR 2012:1 are met.

Non-current assets

Intangible and tangible assets are recognised at cost less accumulated amortisation and depreciation according to plan and any impairment losses.

Depreciation and amortisation are applied on a straight-line basis over the expected useful life with consideration given to any material residual value. The following depreciation and amortisation percentages are applied:

Intangible assets

Capitalised development expenditure	20%
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Tangible assets

Equipment, tools, fixtures and fittings	20-40%
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Financial instruments

Participations in subsidiaries

Participations in subsidiaries are recognised at cost less any impairment losses. The cost includes the purchase price paid for the shares and acquisition costs. Any capital contributions are added to the cost as they arise.

Income tax

Total tax comprises current tax and deferred tax. Tax is recognised in profit or loss, except when the underlying transaction is recognised directly in equity, in which case the related tax effect is recognised in equity.

Current tax

Current tax refers to income tax for the current financial year as well as the portion of income tax for previous financial years that has not yet been recognised. Current tax is calculated using the tax rates prevailing on the balance sheet date.

Deferred tax

Deferred tax is income tax pertaining to future financial years as a result of past events. Deferred tax is recognised according to the balance sheet method. According to this method, deferred tax liabilities and deferred tax assets are recognised on temporary differences arising between the carrying amounts and tax bases of assets and liabilities as well as for other tax deductions or deficits. Deferred tax assets relating to loss carryforwards or other future tax deductions are recognised to the extent that it is probable that the deduction can be offset against future taxable profit. Due to the relationship between accounting and taxation, deferred tax liabilities attributable to untaxed reserves are not recognised separately.

Employee benefits

All costs for employed doctors whose work exclusively comprises performing the primary care services sold by the Group are recognised under the item "Cost of services sold" in profit or loss. This enables better comparability when the costs for employed doctors and doctors contracted through other companies are treated equally in the accounts.

Warrants

The Group has a programme that allows employees to acquire warrants in KRY International AB at market price. The Parent Company issues these warrants to subsidiaries in the Group at market price, and the funds provided are recognised in equity under the item "Share premium reserve" in the Parent Company and "Other contributed capital" in the Group. Any gains and losses on the divestment of the subsidiary to employees are eliminated in the consolidated accounts against equity.

Group contributions

Received and paid Group contributions are recognised as appropriations.

Definitions of key performance indicators

Net sales

Main operating income, invoiced expenses, incidental revenue and revenue adjustments.

Profit/loss after financial items

Profit/loss after financial items and expenses, but before tax.

Equity/assets ratio (%)

Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets.

Convertibles/Convertible loans

Convertible loans are tied to interest-bearing securities (debt instruments), which can be converted to shares after a certain amount of time according to a predetermined conversion rate.

Convertible loans are issued at their nominal value and issued convertible debt instruments that are converted to shares are equal to a new share issue, which entails a dilution of the number of shares in the limited company as new shares are created.

Convertible loans are composite financial instruments that comprise a bond portion and an equity portion (option), where the value of the bond portion is calculated by the convertible debt instrument's cash flow being discounted using the market rate of interest for a corresponding debt instrument that is not convertible, and where the equity portion comprises the residual value.



During the year, the company raised a convertible loan of EUR 25 million, which was classified in its entirety as equity and was converted to shares before year-end.

Estimates and assessments

The preparation of financial statements and the application of accounting policies are often based on management's assessments, estimates and assumptions that are considered reasonable at the time that they are assessed. These estimates and assessments are based on historical experience and a number of other factors considered to be reasonable under the current circumstances. The results of these are used to determine the carrying amounts of assets and liabilities that are not otherwise evident from other sources. *The actual outcome may differ from these estimates and assessments. Estimates and assumptions are reviewed regularly.*

No significant sources of uncertainty in estimates and assumptions on the balance sheet date are expected to cause a significant risk of a material adjustment to the carrying amounts of assets and liabilities during the next financial year.

Note 1 Auditors' fees Group

	2019	2018
Audit engagement	898,568	763,966
Tax advisory services	1,450,000	823,500
Other services		38,695
	2,348,568	1,626,161

Parent Company

Audit engagement refers to the audit of the annual accounts and accounting records and the Board of Directors' and Managing Director's administration, other tasks that the Company's auditors are required to perform as well as advice or other assistance occasioned by observations made in the course of such audits or the performance of such other tasks.

	2019	2018
Öhrlings PricewaterhouseCoopers AB		
Audit engagement	347,748	650,000
Tax advisory services	1,450,000	823,500
Other services		38,695
	1,797,748	1,512,195





Note 2 Employees and personnel costs

Group

	2019	2018
Average number of employees		
Women	164	70
Men	152	69
	316	139
Salaries and other benefits		
Board and Managing Director	3,772,560	2,115,044
Other employees	181,081,173	76,858,465
	184,853,733	78,973,509
Social security expenses		
Pension costs for the Board and Managing Director	538,902	208,302
Pension costs for other employees	9,551,739	4,878,296
Other statutory and contractual social security contributions	44,541,429	23,866,555
	54,632,070	28,953,153
Less personnel costs capitalised as development expenditure	-11,464,569	-5,882,448
Total salaries, benefits, social security expenses and pension costs	228,021,234	102,044,214

Managing Director

The Managing Director has a period of notice in accordance with the regulations contained in the Swedish Employment Protection Act.

Parent Company

	2019	2018
Average number of employees		
Women	56	31
Men	80	51
	136	82
Salaries and other benefits		
Board and Managing Director	3,772,560	2,115,044
Other employees	86,974,456	46,887,091
	90,747,016	49,002,135
Social security expenses		
Pension costs for the Board and Managing Director	538,902	208,302
Pension costs for other employees	6,394,137	3,215,045
Other statutory and contractual social security contributions	29,618,150	15,876,340
	36,551,189	19,299,687
Less personnel costs capitalised as development expenditure	-11,464,569	-5,882,448
Total salaries, benefits, social security expenses and pension costs	115,833,636	62,419,374

Managing Director

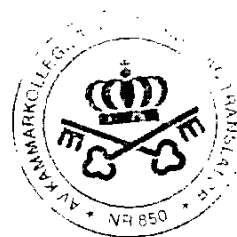
The Managing Director has a period of notice in accordance with the regulations contained in the Swedish Employment Protection Act.

**Note 3 Equipment, tools, fixtures and fittings
Group**

	2019	2018
Opening cost	7,592,683	28,848
Purchases	37,243,821	7,563,835
Reclassifications	107,215	
Closing accumulated cost	44,943,719	7,592,683
Opening amortisation	-848,788	-3,532
Reclassifications	25,031	
Depreciation for the year	-8,154,854	-845,256
Closing accumulated depreciation	-8,978,611	-848,788
Closing carrying amount	35,965,108	6,743,895

Parent Company

	2019	2018
Opening cost	2,468,369	0
Purchases	20,887,251	2,468,369
Closing accumulated cost	23,355,620	2,468,369
Opening amortisation	-673,059	0
Depreciation for the year	-2,809,457	-673,059
Closing accumulated depreciation	-3,482,516	-673,059
Closing carrying amount	19,873,104	1,795,310





Note 4 Interest income and similar profit/loss items
Group

	2019	2018
Other interest income	125	0
Exchange rate differences	13,588,207	5,425,896
	13,588,332	5,425,896

Parent Company

	2019	2018
Interest income from Group companies	2,242,186	
Interest income	8	0
Exchange rate differences	11,407,261	5,087,675
	13,649,455	5,087,675

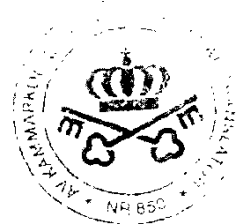
Note 5 Capitalised expenditure for development and similar
Group

	31 Dec 2019	31 Dec 2018
Opening cost	10,648,699	4,766,251
Purchases	11,665,320	5,882,448
Added through acquisitions	2,277,220	
Closing accumulated cost	24,591,239	10,648,699
Opening amortisation	-3,664,543	-1,554,798
Amortisation for the year	-3,738,531	-1,490,919
Closing accumulated amortisation	-7,403,074	-3,045,717
Closing carrying amount	17,188,165	7,602,982

Parent Company

The following expenses pertain to personnel costs for the company's ongoing development of the technical platform.

	31 Dec 2019	31 Dec 2018
Opening cost	10,648,699	4,766,251
Purchases	11,464,569	5,882,448
Closing accumulated cost	22,113,268	10,648,699
Opening amortisation	-3,045,717	-1,554,798
Amortisation for the year	-3,284,429	-1,490,919
Closing accumulated amortisation	-6,330,146	-3,045,717
Closing carrying amount	15,783,122	7,602,982



Note 6 Specification of participations in Group companies

Group	Share of capital	Share of voting rights	Number of shares
Name			
Digital Medical Supply Sweden AB	100%	100%	1,000
Medical Supply Sweden AB	100%	100%	500
Digital Medical Supply Spain SL	100%	100%	3,000
Digital Medical Supply Norway AS	100%	100%	30,000
DMS Digital Medical Supply Germany GmbH	100%	100%	25,000
Digital Medical Supply France SARL	100%	100%	
Digisanté	100%	100%	
Digital Medical Supply UK Ltd	100%	100%	1
DMS Medical AB	100%	100%	500
Hello Shim AB	100%	100%	500

	Corp. Reg. No.	Domicile	Equity	Profit/loss
Digital Medical Supply Sweden AB	559051-2702	Stockholm	2,892,680	275,514
Medical Supply Sweden AB	559145-0191	Stockholm	48,788	-600
Digital Medical Supply Spain SL	B87678421	Spain	-6,650,842	-272,618
Digital Medical Supply Norway AS	918106030	Norway	-18,720,865	-5,364,825
DMS Digital Medical Supply Germany GmbH	HRB192856B	Germany	-5,668,905	-4,753,331
Digital Medical Supply France SARL	830543088	France	-35,227,911	-24,902,774
Digisanté	841464357	France	-8,594,313	-7,572,702
Digital Medical Supply UK Ltd*	11126560	UK	-46,125,890	-35,509,183
DMS Medical AB	556943-7279	Stockholm	50,864	-3,199,136
Hello Shim AB	556841-9088	Stockholm	-177,987	-832,827

The company is exempted from a local statutory audit in accordance with the UK Companies Act 2006, Section 479A, since a parent guarantee has been issued pursuant to the UK Companies Act 2006, Section 479C. The company is encompassed by the audit of the financial statements of the KRY Group.

Parent Company

Name	Share of equity	Share of voting rights	No. of shares	Carrying amount
Digital Medical Supply Sweden AB	100%	100%	1,000	5,050,000
Medical Supply Sweden AB	100%	100%	500	50,000
Hello Shim AB	100%	100%	500	1,200,000
				6,300,000

	Corp. Reg. No.	Domicile	Equity	Profit/loss
Digital Medical Supply Sweden AB	559051-2702	Stockholm	2,892,680	275,513
Medical Supply Sweden AB	559145-0191	Stockholm	48,788	-600
Hello Shim AB	556841-9088	Stockholm	-177,987	-832,827

**Note 7 Other non-current receivables
Group**

	31 Dec 2019	31 Dec 2018
Opening cost	2,669,419	2,666,850
Additional receivables		2,569
Other receivables	-2,027,717	
Closing accumulated cost	641,702	2,669,419
Closing carrying amount	641,702	2,669,419

Parent Company

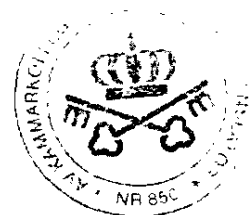
	31 Dec 2019	31 Dec 2018
Opening cost	2,666,850	2,666,850
Additional receivables	253,938,844	0
Closing accumulated cost	256,605,694	2,666,850
Closing carrying amount	256,605,694	2,666,850

**Note 8 Prepaid expenses and accrued income
Group**

	31 Dec 2019	31 Dec 2018
Accrued income	33,443,414	29,267,492
Prepaid expenses	12,155,498	5,490,109
	45,598,912	34,757,601

Parent Company

	31 Dec 2019	31 Dec 2018
Prepaid rent	6,417,765	0
Prepaid insurance premium	1,356,646	0
Other prepaid expenses	3,556,171	4,211,191
	11,330,582	4,211,191





Note 9 Current and deferred tax Group

The Group has tax loss carryforwards of approximately SEK 641 million for which no deferred tax asset has been recognized. These loss carryforwards do not expire.

	31 Dec 2019	31 Dec 2018
Tax on profit/loss for the year		
Current tax	0	0
Adjustment for prior years	0	0
Change in deferred tax pertaining to temporary differences	0	0
Total recognised tax	0	0

Parent Company

Loss carryforwards not recognised as deferred tax assets amounted to SEK 560,836,472 (299,067,691)

	2019	2018
Tax on profit/loss for the year		
Current tax	0	0
Adjustment for prior years	0	0
Change in deferred tax pertaining to temporary differences	0	0
Total recognised tax	0	0

No loss carryforward is measured in the balance sheet.

Reconciliation of effective tax

		2019		2018
	%	Amount	%	Amount
Recognised profit/loss before tax		-265,441,893		-215,089,445
Tax according to current tax rate	21.40	56,804,565	22.00	47,319,678
Non-deductible expenses	-0.30	-788,155	-0.28	-605,964
Non-taxable revenue	0.00	2,107		
Other fiscal adjustments	22.00		22.00	537,152
Recognition of asset pertaining to prior years' loss carryforwards		64,000,486		
Loss carryforwards where the tax value is no longer recognised as an asset	22.00	-120,019,003	22.00	-47,250,866
Recognised effective tax	0.00	0	0.00	0

**Note 10 Accrued expenses and deferred income
Group**

	31 Dec 2019	31 Dec 2018
Accrued salaries and holiday pay	21,475,262	11,897,973
Accrued social security contributions	7,788,344	4,095,789
Other accrued expenses	22,327,043	13,493,253
	51,590,649	29,487,015

Parent Company

	31 Dec 2019	31 Dec 2018
Accrued salaries and holiday pay	10,008,806	5,298,873
Accrued social security contributions	3,144,767	1,664,906
Other accrued expenses	12,172,637	4,389,223
	25,326,210	11,353,002

**Note 11 Intra-Group purchases and sales
Parent Company**

	2019	2018
Share of total purchases during the year from other Group companies	8.00%	1.53%
Share of total sales during the year to other Group companies	100.00%	100.00%

**Note 12 Participations in Group companies
Parent Company**

	31 Dec 2019	31 Dec 2018
Opening cost	5,100,000	5,050,000
Acquisitions	1,200,000	50,000
Closing accumulated cost	6,300,000	5,100,000
Closing carrying amount	6,300,000	5,100,000



**Note 13 Appropriation of profit or loss
Parent Company**

31 Dec 2019

Proposed appropriation of profits

The Board of Directors proposes that the available profit:

accumulated loss	-307,271,095
share premium reserve	804,308,029
loss for the year	-265,441,893
	231,595,041

be appropriated as follows:

to be carried forward	231,595,041
-----------------------	-------------

**Note 14 Profit/loss from participations in Group companies
Group**

31 Dec 2019

31 Dec 2018

Loss on divestment of own warrants	0	-238,720
	0	-238,720

Note 15 Pledged assets

Group

Parent Company

31 Dec 2019

31 Dec 2018

Chattel mortgage	0	0
	0	0



Note 16 Significant events after the end of the financial year

Group

Parent Company

The spread of COVID-19, which has increased strongly in Sweden and the other markets where KRY operates, had a strong positive impact on demand for the company's services. KRY has worked actively to meet the increased demand by employing and contracting more care staff. KRY has also developed digital tools to enable patients to check themselves daily for corona-related symptoms and receive recommendations for further action – regardless of whether the patient is infected or not. In March 2020, KRY/LIVI also launched a technical platform, designated LIVI Connect, for third parties, which connects care staff and patients remotely via a web portal.

The spread of COVID-19 has also entailed that the company has taken a number of measures to monitor and prevent the effects of the COVID-19 virus, such as health and safety measures for the company's employees, including social distancing and working from home.

At this stage, the effect on the company's operations and earnings is limited. KRY will continue to comply with the policies and advice of various national institutions and, at the same time, do its utmost to continue operations in the most optimal and safest manner possible, without jeopardising employee health.

On 17 January 2020, the subsidiary Hello Shim AB was merged with KRY International AB.



KRY International AB
Corp. Reg. No

28 (28)

Stockholm

Rikard Lindström
Chairman

Fredrik Jung Abbou

Fredrik Cassel

Martin Mignot

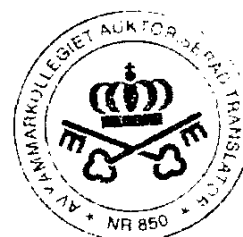
Maggie Fanari

Johannes Schildt
Managing Director

Our audit report was submitted on

Öhrlings PricewaterhouseCoopers AB

Patrik Adolfson
Authorised Public
Accountant



Appendix 1

Audit exemption by UK subsidiaries

The UK registered subsidiary company of Digital Medical Supply UK Limited have taken the exemption available under Section 479A of the UK Companies Act 2006 relating to the audit of their individual financial statements.





KRY International AB has provided a guarantee to its UK subsidiary (Digital Medical Supply UK Limited), under Section 479C of the UK Companies Act 2006. This guarantee is relevant to the liabilities of the UK subsidiaries and it is the belief of the Directors that there is a low probability of the guarantee being used.



Erik Hjelmstedt
Director
Digital Medical Supply UK Limited

TITLE	Undantag från revision
FILE NAME	DMS UK 2019-12-31...- Google Docs.pdf
DOCUMENT ID	fef271bc08f2d17226b236448819528c218acb2b
AUDIT TRAIL DATE FORMAT	YYYY / MM / DD
STATUS	• Slutförd

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