



Year-end report 2017



Broad improvements give strong end of year

- The results for the quarter are GHP's best fourth quarter so far
- Sales growth continues to be good, with organic growth of 10 percent
- Improvement work will continue so as to meet price pressure and further improve profitability
- New strong management structures in all three segments contribute to the positive performance

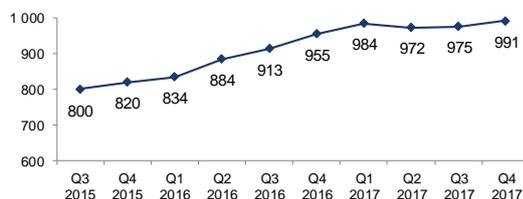
Fourth quarter 2017

- Sales revenues increased to SEK 288.5 million (272.8)
- Organic growth amounted to 10.4 percent (16.4)
- EBITDA amounted to SEK 31,0 million (23.6)
- EBITDA margin amounted to 10.7 percent (8.6)
- Result after tax (EAT) amounted to SEK 17.7 million (14.8)
- Result per share amounted to SEK 0.22 (0.21)

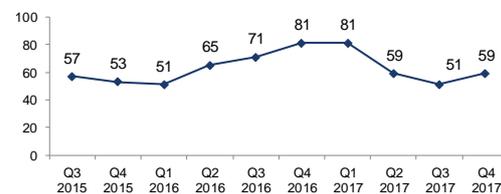
Full year 2017

- Sales revenues increased to SEK 990.8 million (955.4)
- Organic growth amounted to 6.0 percent (14.5)
- Adjusted EBITDA amounted to SEK 58.8 million
- EBITDA amounted to SEK 42.2 million (80.9)
- EBITDA margin amounted to 4.3 percent (8.5)
- Result after tax (EAT) amounted to SEK 9.2 million (45.1)
- Result per share amounted to SEK 0.08 (0.60)
- Board proposes, in order to prioritize efforts in stronger growth, that no dividend will be paid for 2017

Sales revenues, rolling 12 months
SEK millions



EBITDA, rolling 12 months
SEK millions



The operating result in Q2 2017 was impacted by a capital loss of SEK -16.3 million

| Segment summary | | | | |
|-----------------|----------------|--------------|------------------|-------------|
| Sek millions | Sales revenue | | Operating result | |
| | Fourth quarter | | Fourth quarter | |
| | 2017 | 2016 | 2017 | 2016 |
| Nordic region | 256.5 | 242.9 | 21.0 | 14.5 |
| International | 20.3 | 21.6 | 6.6 | 4.5 |
| Vårdsamverkan | 11.7 | 8.3 | -2.8 | -2.0 |
| Total | 288.5 | 272.8 | 24.8 | 17.0 |

CEO's comments



2017 was a challenging year that ended with a show of strength. In the first half of the year we entered the operational phase of running our hospitals in the United Arab Emirates at the same time as we carried out a major generation shift among the managers of our clinics. Furthermore, we also faced headwinds from fewer working days. All in all, this has meant that our main focus during the year was on increasing profitability through better operational planning, the introduction of cost cutting programmes and the divestment of unprofitable units. At the same time, we have continued our strategic initiatives in **Vårdsamverkan** and **International**, where both areas now have organizations of their own. This gives greater focus and opportunities than previously.

During the fourth quarter we took yet another step in the right direction. All in all, this means that we had our best fourth quarter ever and in spite of the Christmas holidays we almost equalled our next best quarter (Q2 2016). This is the result of the fact that largely all parts of the business took a number of steps forward. In the Nordic region the planning is better, demand continues to be strong and parts of the cost-cutting programme have had an impact. In the United Arab Emirates the results of our development work, within the hospitals, has begun to have an impact. This does not mean that we can sit on our laurels; we must continue to have a strong focus on efficiency and the development of costs. This is necessary, not least bearing in mind that we see continuing price pressure and that the County Councils' difficulties in retaining staff result in higher salaries. However, I can see that we are well-equipped to manage these challenges and we have learnt a number of lessons and gained a number of tools from the challenging period that we have been through.

In the **Nordic region** we can see that our work has led to considerably more even planning, which means that every day we use our resources better. Moreover, we can see how all our new and skilled managers – we had a large generation shift during the first half of 2017 – have now warmed to the task and are doing a great job of continuing to develop their businesses. Demand continues to be strong and there are many opportunities, but it is to a cost that place greater demands on efficiency and planning than previously.

In **International** we entered the operational phase, for the hospitals in Ajman, a year ago. Before that we had been evaluated on our preparation work. Now that we have entered the operational phase, we will be assessed on the hospitals' actual results (above all qualitative results). As previously communicated, we knew that it would take a little time before our work actually resulted in measurable changes in the hospitals, but our goal was to return to the profitability we had in the contract during the preparation period. We have now almost reached this goal and even if things will continue to vary somewhat, we are in a considerably stronger position. This also means that we

can spend more time on developing new business in the region. We now recognize that we have great potential to develop our business in the Middle East and are thoroughly evaluating several interesting projects.

We are not only focused on improving the results in our basic business, but we are also continuing with strategically important business activities. In **Vårdsamverkan** it is possible to seek care via an app, with both a video and a message function. We will also shortly be launching an in-house health promotion app together with a partner and we have new collaboration regarding coherent care in Gothenburg together with Skandia. In Stockholm we are now starting GHP's 10th clinic in the form of UrologCentrum at Odenplan. This is our third urology business in Sweden, an exciting area with a lot of development potential and where there is great interest shown by the insurance companies. In Copenhagen, where demand is very strong, we have recently installed our second MRI camera and we have just made a decision regarding a major extension of the premises. In Gothenburg our newly started clinic, GHP Neuro Center, has just moved into new and larger premises at Carlanderska. All these investments have in common that we have strong demand, they make us more attractive for insurance companies and they can be made with retained cost control.

To summarise, the Group has taken large steps forward during the second half of 2017 and we are well-equipped for profitable development in a challenging environment with great opportunities.

Daniel Öhman CEO

Nordic region

During the quarter we focused on planning, cost cutting and efficiency. Together with a successful generation shift, this resulted in good results for the quarter.

While retaining our focus on profitability, we are making a number of investments in new premises and new initiatives in Stockholm, Gothenburg and Copenhagen.

International

In the quarter the hospitals had an even greater impact on the key ratios that govern our remuneration. We have now warmed to the task and are conducting the development work at a faster pace than previously.

Our newly formed business development office is working on several exciting opportunities. Most are in the early stages, however.

Vårdsamverkan

We are continuing our work, in close collaboration with insurance companies, on developing health care so that it achieves greater efficiency through new care chains, new technology and preventive work.

During the quarter we launched digital planning of care, with video, messaging and digital anamnesis. We are working on developing a number of new collaborations.

Financial summary of the fourth quarter and the full year 2017

Sales revenues

Sales growth amounted to 5.8 percent (18.0) for the fourth quarter and to 3.7 percent (16.5) for the year, of which 10.4 percent (16.4) was organic growth for the fourth quarter and 6.0 percent (14.5) for the full year 2017.

Operating result

The operating result before depreciation and amortisation for Q4 2017 amounted to SEK 31.0 million (23.6), corresponding to an EBITDA margin of 10.7 percent (8.7). For the full year 2017 the adjusted operating result before depreciation and amortisation (adjusted for capital losses) amounted to SEK 58.8 million (80.9) and the adjusted EBITDA margin to 5.9 percent (8.5). The EBIT margin during the fourth quarter of the year amounted to 8.6 percent (5.9). For the full year 2017 the adjusted EBIT margin amounted to 3.3 percent. The adjustment is for divestment of the subsidiaries GHP OPA Privathospital Aarhus A/S and GHP Gastro Clinic Helsinki Oy during Q2 2017 and of OPA Plastik during Q4 2017, amounting in total to a capital loss of SEK -16.6 million.

Net financial items

Net financial items amounted to SEK -0.9 million (-0.5) for the fourth quarter of 2017 and to SEK -3.4 million (-2.1) for the full year.

Income tax

The tax expense amounted to SEK -6.2 million (-1.7) for the fourth quarter and to SEK -3.6 million (-9.2) for the full year. The capital loss from the divestment of subsidiaries is a non-tax deductible expense which impacts the tax rate negatively. However, capitalisation of the loss in Denmark had a positive effect during the year.

Result for the period

The result after tax for the fourth quarter of 2017 amounted to SEK 17.7 million (14.8), of which SEK 14.8 million (14.3) was attributable to Parent Company shareholders. For the full year 2017 the corresponding figure was SEK 9.2 million (45.1), of which SEK 5.3 million (40.8) was attributable to Parent Company shareholders.

Current and non-current interest-bearing liabilities

At 31 December 2017 the company had utilised credit of SEK 149.1 million (157.3). Of this sum, SEK 17.0 million (40.2) is current liabilities and SEK 132.1 million (117.1) non-current liabilities.

Cash flow and financial position

The cash flow from operating activities included changes in operating capital of SEK 8.8 million (23.8) for the fourth quarter of 2017 and SEK -19.4 million (-35.3) for the full year.

The cash flow during the year was affected, amongst other things, by successive acquisitions of minority shareholdings in existing clinics and settlement of a purchase consideration previously entered as a liability regarding acquisitions carried out at the end of 2016. Most of these transactions were made during the first quarter. In addition, investments were made in hospital equipment and the rebuilding of existing premises. The cash flow from financing activities during the year was negatively impacted by, amongst other things, dividend to the company's shareholders.

The Group's cash and cash equivalents amounted to SEK 22.3 million (74.9) at 31 December 2017. GHP has a controlling interest in all cash-generating subsidiaries.

Net loan debt amounted to SEK 126.8 million (82.4) at 31 December 2017 and all covenants were met during the period.

Personnel

The average number of employees for the fourth quarter of 2017 amounted to 543 (504). For the full year 2017 the average number of employees amounted to 544 (504).

| Consolidated sales revenues and profits | | | | |
|---|----------------|-------|-------|-------|
| Sek millions | Fourth quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Sales revenues | 288.5 | 272.8 | 990.8 | 955.4 |
| Growth, % | 5.8 | 18.0 | 3.7 | 16.5 |
| whereof organic, % | 10.4 | 16.4 | 6.0 | 14.5 |
| Operating result before depreciation and amortisation (EBITDA) | 31.0 | 23.6 | 42.2 | 80.9 |
| Adjusted operating result before depreciation and amortisation (EBITDA) ¹⁾ | 31.3 | - | 58.8 | - |
| Operating result (EBIT) | 24.8 | 17.0 | 16.2 | 56.4 |
| Adjusted operating result (EBIT) | 25.1 | - | 32.8 | - |

1) Adjusted for capital loss of SEK -16.6 million for 2017, of which SEK -0.3 million relates to the fourth quarter.

| Consolidated cashflow | | | | |
|--|----------------|-------------|--------------|-------------|
| Sek millions | Fourth quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Cash flow from operating activities | 42.6 | 49.7 | 31.2 | 36.6 |
| Cash flow from investing activities | -4.4 | -8.9 | -31.3 | -35.6 |
| Cash flow from financing activities | -29.7 | 28.0 | -51.9 | 15.8 |
| Exchange rate differences in cash and cash equivalents | 0.1 | 0.4 | -0.6 | 0.6 |
| Cash flow | 8.6 | 69.2 | -52.6 | 17.4 |

Segment summary

Nordic Region

In the Nordic Region GHP runs 17 specialist care clinics in the fields of orthopaedics, spine surgery/spine care, obesity surgery and diabetes care, gastroenterology, urology, general surgery, arrhythmia, sports medicine, neurology and specialist dentistry. The businesses focus on quality, continuity, development and efficiency and it is our conviction that this stems from a high degree of specialisation. The clinics' customers consist of County Councils/Regions, insurance companies and to a certain extent private individuals. In the Nordic Region GHP has one clinic in Denmark and the other businesses are in Sweden.

During the quarter, sales in the Nordic businesses increased compared with the same period the previous year. Demand and patient volumes were good and the majority of the clinics increased their sales in the quarter. The clinics in Århus and Helsinki

were divested in the second quarter. These two clinics contributed with sales of SEK 10 million in the fourth quarter the previous year. Two new clinics have been started since the corresponding quarter the previous year, GHP Idrottscentrum and GHP Neuro Center. During the third quarter action programmes were implemented in a number of clinics. The aim of the action programmes is to have a positive impact during the first half of 2018. We can already see a certain positive impact from the implementation of the action programmes in the fourth quarter of 2017.

The businesses at Sophiahemmet in Stockholm developed strongly during the period, with high activity and good cost control. The clinics in Gothenburg, Skåne and Denmark also had a fourth quarter that clearly exceeded the previous year.

That part of the Nordic business that is attributable to Vårdsamverkan is presented as a segment of its own.



Seasonal variations

GHP's business is affected by seasonal variations, in particular round about the summer holiday. As most of the Group's clinics do not carry out any surgical procedures at all during a few summer weeks, sales, the operating result and cash flow are affected negatively during the third quarter. The clinics are closed during this period due to the fact that it is

inefficient to run a clinic at half capacity as certain economies of scale are lost. It is also the case that the demand for operations is considerably lower during the holidays as many people do not want to have recently undergone surgery during the holiday.

International

The International business area conducts business in the United Arab Emirates (UAE). GHP has conducted diabetes care at a clinic in the UAE for a number of years but during 2016 GHP expanded its business operations after having won a procurement process at the end of 2015. The procurement process comprised a management contract for the diabetes clinic, two accident and emergency hospitals and a paediatric and obstetric hospital. During the fourth quarter of 2016 GHP took over the day-to-day running of the hospitals. The hospitals' assets and employees remain under hospital management and GHP's company in the UAE only employs the Group management, which consists of seven people, and the four hospital directors. Through this Group management, GHP will run the hospitals with the aim of improving both their quality and efficiency.

GHP's remuneration from the management contract consists of a number of components, which are mainly based on how well we can deliver a number of predefined criteria and on key performance indicators (KPIs) regarding quality and efficiency. GHP's remuneration and profitability during the course of the agreement may therefore vary from quarter to quarter and also because we invoice in the local AED currency.

A new management organisation was set up earlier in the year and this contributed to the continued positive development of the KPIs during the fourth quarter. In the period GHP carried out both a quality review and a comprehensive business review. This is part of our assignment and a component of the remuneration model.

During the autumn a change was made in the remuneration model in dialogue with our customer. This means that the quarterly remuneration is more clearly tied to activities carried out in each quarter and that a larger part of the annual remuneration will be paid in the fourth quarter each year.

GHP's aim is to have a strong presence in the area so as to be able to develop several similar businesses.

Costs for business development linked to GHP's business development office in Dubai are charged against the results for the segment on a continuous basis.

Sales revenues

Fourth quarter 2017

SEK 20.3 million
(21.6)

Operating result

Fourth quarter 2017

SEK 6.6 million
(4.5)

Operating margin

Fourth quarter 2017

32,4 %
(21,0)

Vårdsamverkan

Vårdsamverkan is GHP's segment that focuses on finding new ways of collaborating with our customers, primarily the insurance companies. We see that, based on detailed knowledge of the insurance population's needs, we can tailor care chains, including digital solutions, so that we raise both the quality and the level of service at the same time as we reduce costs. This is possible by optimising care on the basis of population thinking rather than cost per measure. As this requires comprehensive analysis and development of solutions, we have chosen to structure this as a segment of its own in GHP that can be fully focused on the development of these offerings. We have been in collaboration with Skandia for the first time over the past two years, and there we have population responsibility for everyone insured by them in Stockholm with regard to shoulder, hip and back problems. We have already been able to show that the business that we have built up for this purpose has been able to raise the level of service and reduce costs considerably. Furthermore, the planning of care has been run for Trygg Hansa since the summer of 2017. GHP is responsible for coordination of the care of everyone covered by Trygg Hansa insurance policies.

Development of the digital care service continued during the fourth quarter. Digital anamnesis was introduced, amongst other things, which means that relevant information from the patient can be used to further improve diagnosis and the planning of care. Patients are also offered contact via an app which contains, for example, both a messaging and a video function.

Vårdsamverkan has now run the planning of care for all of Trygg Hansa's customers for a period of six months. The information this gives about the insurance population's consumption of health care, together with other data linked to the insurance market, began to be analysed during the quarter. The knowledge that comes

from these analyses will help GHP to further strengthen the care offered to patients and insurance companies.

GHP already has collaboration with Skandia involving population responsibility for spine, shoulder and hip patients in the Stockholm region. During the fourth quarter Vårdsamverkan further developed the range of services offered to shoulder patients through, for example, ultrasound examinations and specialised physiotherapy. Furthermore, the agreement with Skandia has been extended.

Today the segment consists of the collaboration with Skandia, health care planning for Trygg Hansa and the development of new solutions. Part of the knowledge that we are building up in Vårdsamverkan is used to develop new collaboration with insurance companies at the clinical level. This additional collaboration is not part of the segment reporting, but is rather one further advantage we gain from running Vårdsamverkan. An example of this is our new collaboration with Skandia in Gothenburg, where, as from the beginning of 2018, we will deliver a coherent physiotherapy care chain. Furthermore, the segment buys health care from our own clinics and during the quarter this was one of the largest costs for Vårdsamverkan.

Most of the segment's increase in sales relates to the new agreement with Trygg Hansa. The establishment of the business, together with other investments, has involved costs which mean that the segment initially displays a negative result.



Segment summary

Sales revenues

| Sek millions | Fourth quarter | | | Year | | |
|-----------------------------|----------------|--------------|-------------|--------------|--------------|-------------|
| | 2017 | 2016 | Change % | 2017 | 2016 | Change % |
| Nordic region | 261.6 | 246.3 | 6.2 | 900.8 | 857.4 | 5.1 |
| <i>of wich Sweden</i> | 223.6 | 203.3 | 10.0 | 753.6 | 710.1 | 6.1 |
| Eliminations | -5.1 | -3.4 | 50.0 | -17.1 | -10.8 | 58.3 |
| Nordic region | 256.5 | 242.9 | 5.6 | 883.7 | 846.6 | 4.4 |
| International | 20.3 | 21.6 | -5.8 | 66.3 | 75.6 | -12.2 |
| Vårdsamverkan | 11.7 | 8.3 | 40.4 | 40.8 | 33.2 | 22.9 |
| <i>of wich Sweden</i> | 11.7 | 8.3 | 40.4 | 40.8 | 33.2 | 22.9 |
| Group sales revenues | 288.5 | 272.8 | 90.7 | 990.8 | 955.4 | 74.1 |

Operating result

| Sek millions | Fourth quarter | | Year | |
|-----------------------------------|----------------|-------------|-------------|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| Nordic region | 21.0 | 14.5 | 7.0 | 37.5 |
| International | 6.6 | 4.5 | 16.6 | 22.7 |
| Vårdsamverkan | -2.8 | -2.0 | -7.4 | -3.8 |
| GHP Group operating result | 24.8 | 17.0 | 16.2 | 56.4 |
| Net financial items | -0.9 | -0.5 | -3.4 | -2.1 |
| Result before tax | 23.9 | 16.5 | 12.8 | 54.3 |

Operating margin

| % | Fourth quarter | | Year | |
|-----------------------------------|----------------|------------|------------|------------|
| | 2017 | 2016 | 2017 | 2016 |
| Norden | 8.2 | 6.0 | 0.8 | 4.4 |
| International | 32.4 | 21.0 | 25.1 | 30.1 |
| Vårdsamverkan | -23.8 | -24.1 | -18.2 | -11.5 |
| GHP Group operating margin | 8.6 | 6.2 | 1.6 | 5.9 |

Sales revenues - sub-market

| Sek millions | Fourth quarter | | Year | |
|---------------------------------|----------------|--------------|--------------|--------------|
| | 2017 | 2016 | 2017 | 2016 |
| Stockholm area | 161.2 | 147.9 | 553.6 | 531.5 |
| Finland | 0.0 | 1.2 | 0.6 | 3.2 |
| West of Sweden | 51.7 | 46.3 | 168.8 | 158.8 |
| Denmark | 34.3 | 38.5 | 130.9 | 133.0 |
| Skåne | 21.0 | 17.4 | 70.6 | 53.2 |
| United Arab Emirates | 20.3 | 21.6 | 66.3 | 75.7 |
| GHP Group sales revenues | 288.5 | 272.8 | 990.8 | 955.4 |

Consolidated Income statement and statement of comprehensive income

| Consolidated Income Statement | | | | |
|--|----------------|---------------|---------------|---------------|
| Sek millions | Fourth Quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Sales revenues | 288.5 | 272.8 | 990.8 | 955.4 |
| Other operating revenues | 0.8 | 0.8 | 3.4 | 4.6 |
| Operating revenues | 289.3 | 273.6 | 994.2 | 960.0 |
| Purchase of goods and services | -49.8 | -46.9 | -175.3 | -173.9 |
| Other external costs | -66.7 | -68.0 | -250.3 | -252.9 |
| Personnel costs | -141.4 | -135.1 | -509.7 | -452.3 |
| Depreciation, amortisation and write-downs | -6.3 | -6.6 | -26.0 | -24.5 |
| Other operating costs | -0.3 | 0.0 | -16.7 | 0.0 |
| Operating costs | -264.5 | -256.6 | -978.0 | -903.6 |
| Operating result | 24.8 | 17.0 | 16.2 | 56.4 |
| Interest income and similar items | 0.0 | 0.1 | 0.1 | 0.1 |
| Interest expenses and similar items | -0.9 | -0.6 | -3.4 | -2.1 |
| Other financial income/expenses | 0.0 | 0.0 | -0.1 | -0.1 |
| Net financial items | -0.9 | -0.5 | -3.4 | -2.1 |
| Result before tax | 23.9 | 16.5 | 12.8 | 54.3 |
| Tax on result for the period | -6.2 | -1.7 | -3.6 | -9.2 |
| Result for the period * | 17.7 | 14.8 | 9.2 | 45.1 |
| * Result attributable to: | | | | 0 |
| Parent Company shareholders | 14.9 | 14.3 | 5.3 | 40.8 |
| Non-controlling interests | 2.8 | 0.5 | 3.9 | 4.3 |
| | 17.7 | 14.8 | 9.2 | 45.1 |
| Result per share, SEK: | | | | |
| Before dilution | 0.22 | 0.21 | 0.08 | 0.60 |
| After dilution | 0.22 | 0.21 | 0.08 | 0.60 |

| Consolidated statement of comprehensive income | | | | |
|--|----------------|-------------|-------------|-------------|
| Sek millions | Fourth Quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Result for the period | 17.7 | 14.8 | 9.2 | 45.1 |
| Items that will not be reclassified to income statement | - | - | - | - |
| Items that may be reclassified subsequently to income statement: | | | | |
| Accumulated translation differences reversed to income | 0.0 | - | 0.8 | - |
| Change in translation reserve | 1.0 | 2.2 | -4.5 | 4.4 |
| Total other comprehensive income | 1.0 | 2.2 | -3.7 | 4.4 |
| Comprehensive income for the period * | 18.7 | 17.0 | 5.5 | 49.5 |
| * Attributable to: | | | | |
| Parent Company shareholders | 15.9 | 16.5 | 1.6 | 45.3 |
| Non-controlling interests | 2.8 | 0.5 | 3.9 | 4.2 |

Consolidated balance sheet and statement of cash flow

| Consolidated balance sheet, summarized | | | | |
|--|------|--|----------------|----------------|
| Sek millions | Note | | 31-Dec 2017 | 31-Dec 2016 |
| Assets | | | | |
| Non-current assets | | | | |
| Intangible assets | | | 389.8 | 389.9 |
| Other tangible assets | | | 102.3 | 95.0 |
| Total non-current assets | | | 492.1 | 484.9 |
| Current assets | | | | |
| Trade receivables and other assets | | | 180.1 | 166.4 |
| Cash and cash equivalents | | | 22.3 | 74.9 |
| Total current assets | | | 202.4 | 241.3 |
| Total assets | | | 694.5 | 726.2 |
| Equity and liabilities | | | | |
| Equity pertaining to Parent Company shareholders | | | 352.4 | 369.1 |
| Total equity | | | 352.4 | 369.1 |
| Non-current liabilities | 5 | | 183.6 | 176.0 |
| Current liabilities | 5 | | 158.5 | 181.1 |
| Total liabilities | | | 342.1 | 357.1 |
| Total equity and liabilities | | | 694.5 | 726.2 |

| Consolidated statement of cash flows | | | | | |
|--|------|----------------|-------------|--------------|--------------|
| Sek millions | Note | Fourth quarter | | Full Year | |
| | | 2017 | 2016 | 2017 | 2016 |
| Operating activities | | | | | |
| Operating result | | 24.8 | 17.0 | 16.2 | 56.4 |
| Depreciation/amortisation and write-downs | | 6.2 | 6.6 | 26.0 | 24.5 |
| Paid tax | | 2.8 | 2.2 | -5.4 | -7.4 |
| Other adjustments – net | | 0.0 | 0.1 | 13.8 | -1.6 |
| Change in working capital – net | | 8.8 | 23.8 | -19.4 | -35.3 |
| Cash flow from operating activities | | 42.6 | 49.7 | 31.2 | 36.6 |
| Investing activities | | | | | |
| Acquisition of subsidiary | | - | - | - | -5.0 |
| Divestment of subsidiary | | -0.6 | - | -7.9 | - |
| Other investments | | -3.9 | -9.5 | -23.5 | -31.2 |
| Other disposals | | 0.1 | 0.6 | 0.1 | 0.6 |
| Cash flow from investing activities | | -4.4 | -8.9 | -31.3 | -35.6 |
| Financing activities | | | | | |
| Acquisition of participating interest from non-controlling interests | 4 | -1.0 | - | -10.4 | -22.2 |
| Contribution/reimbursement of contribution non-controlling interests | | 0.0 | - | -0.2 | - |
| Divestment of participating interest to non-controlling interests | | 0.2 | - | 0.2 | 1.0 |
| Dividend to shareholders | | 0.0 | - | -20.5 | -10.2 |
| Dividend to non-controlling interests | | 0.0 | - | -1.4 | -2.7 |
| Repayment of financial lease debt | | -1.7 | -1.5 | -7.2 | -5.7 |
| New borrowings | | 0.0 | 33.3 | 44.4 | 65.0 |
| Repayment of loans | | -27.0 | -3.8 | -56.8 | -9.4 |
| Cash flow from financing activities | | -29.7 | 28.0 | -51.9 | 15.8 |
| Exchange rate differences in cash and cash | | 0.1 | 0.4 | -0.6 | 0.6 |
| Cash flow for the period | | 8.6 | 69.2 | -52.6 | 17.4 |
| Cash and cash equivalents at beginning of period | | 13.6 | 5.7 | 74.9 | 57.5 |
| Cash and cash equivalents at end of period | | 22.3 | 74.9 | 22.3 | 74.9 |
| Interest paid | | -0.6 | -0.7 | -2.3 | -1.7 |
| Interest received | | - | 0.1 | - | 0.1 |

Consolidated statement and changes in equity, summarized

| Consolidated statement of changes in equity, summarized | | | |
|--|---------------------|---|--------------|
| Sek millions | Fourth quarter | | |
| | 2017 | | |
| | Shareholders' share | Attributable to non-controlling interests | Total |
| Opening balance | 338.9 | 0.0 | 338.9 |
| Result after tax | 14.9 | 2.8 | 17.7 |
| Other comprehensive income | 1.0 | 0.0 | 1.0 |
| Total comprehensive income | 15.9 | 2.8 | 18.7 |
| Sales to (+) acquisitions from (-) non-controlling interests | 2.1 | 0.5 | 2.6 |
| Revaluation, liability put option | -7.8 | 0.0 | -7.8 |
| Reclassification of non-controlling interests | 3.3 | -3.3 | 0.0 |
| Closing balance | 352.4 | 0.0 | 352.4 |

| | Fourth quarter | | |
|--|---------------------|---|--------------|
| | 2016 | | |
| | Shareholders' share | Attributable to non-controlling interests | Total |
| Opening balance | 359.9 | 0.0 | 359.9 |
| Result after tax | 14.3 | 0.5 | 14.8 |
| Other comprehensive income | 2.2 | 0.0 | 2.2 |
| Total comprehensive income | 16.5 | 0.5 | 17.0 |
| Sales to (+) acquisitions from (-) non-controlling interests | -7.1 | -0.7 | -7.8 |
| Reclassification of non-controlling interests | -0.2 | 0.2 | 0.0 |
| Closing balance | 369.1 | 0.0 | 369.1 |

| | Year | | |
|---|---------------------|---|--------------|
| | 2017 | | |
| | Shareholders' share | Attributable to non-controlling interests | Total |
| Opening balance | 369.1 | 0.0 | 369.1 |
| Result after tax | 5.3 | 3.9 | 9.2 |
| Other comprehensive income | -3.7 | 0.0 | -3.7 |
| Total comprehensive income | 1.6 | 3.9 | 5.5 |
| Transfer of surplus value between majority owners and non-controlling interests | -0.2 | 0.2 | 0.0 |
| Dividend to shareholders | -20.5 | - | -20.5 |
| Dividend to non-controlling interests | - | -1.4 | -1.4 |
| Re-payment of capital injection from non-controlling interests and other capital injection from NCI | - | -0.1 | -0.1 |
| Sales to (+) acquisitions from (-) non-controlling interests | -0.1 | 7.7 | 7.6 |
| Revaluation, liability put option | -7.8 | - | -7.8 |
| Reclassification of non-controlling interests | 10.3 | -10.3 | 0.0 |
| Closing balance | 352.4 | 0.0 | 352.4 |

| | Year | | |
|---|---------------------|---|--------------|
| | 2016 | | |
| | Shareholders' share | Attributable to non-controlling interests | Total |
| Opening balance | 326.6 | 0.0 | 326.6 |
| Result after tax | 40.8 | 4.3 | 45.1 |
| Other comprehensive income | 4.5 | -0.1 | 4.4 |
| Total comprehensive income | 45.3 | 4.2 | 49.5 |
| Transfer of surplus value between majority owners and non-controlling interests | -0.5 | 0.5 | 0.0 |
| Dividend to shareholders | -10.2 | - | -10.2 |
| Dividend to non-controlling interests | - | -2.7 | -2.7 |
| Conversion of loan to equity | 11.1 | - | 11.1 |
| Issue of convertible instruments | 1.0 | - | 1.0 |
| Sales to (+) acquisitions from (-) non-controlling interests | -1.0 | -3.3 | -4.3 |
| Revaluation, liability put option | -1.9 | - | -1.9 |
| Reclassification of non-controlling interests | -1.3 | 1.3 | 0.0 |
| Closing balance | 369.1 | 0.0 | 369.1 |

Quarterly figures

| Quarterly figures | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Consolidated Income statement | | | | | |
| Sek millions unless otherwise stated | 16Q4 | 17Q1 | 17Q2 | 17Q3 | 17Q4 |
| Sales revenues | 272.8 | 260.8 | 249.6 | 191.9 | 288.5 |
| Other operating revenues | 0.8 | 1.3 | 1.0 | 0.4 | 0.8 |
| Operating revenues | 273.6 | 262.0 | 250.6 | 192.3 | 289.3 |
| Purchase of goods and services | -46.9 | -45.7 | -45.3 | -34.5 | -49.8 |
| Other external costs | -68.0 | -67.8 | -80.9 | -51.2 | -66.7 |
| Personnel costs | -135.1 | -130.3 | -131.2 | -106.8 | -141.4 |
| Depreciation, amortisation and write-downs | -6.6 | -6.8 | -6.8 | -6.2 | -6.3 |
| Other operating costs | 0.0 | 0.0 | -16.3 | 0.0 | -0.3 |
| Operating costs | -256.7 | -250.7 | -264.2 | -198.6 | -264.5 |
| Operating result | 17.0 | 11.4 | -13.6 | -6.4 | 24.8 |
| Interest income and similar items | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest expenses and similar items | -0.6 | -0.8 | -0.9 | -0.8 | -0.9 |
| Other financial income/expenses | 0.0 | 0.0 | 0.1 | -0.1 | 0.0 |
| Net financial items | -0.5 | -0.8 | -0.8 | -0.9 | -0.9 |
| Result before tax | 16.5 | 10.6 | -14.4 | -7.3 | 23.9 |
| Tax on result for the period | -1.7 | -2.3 | 0.4 | 4.5 | -6.2 |
| Result for the period* | 14.8 | 8.2 | -14.0 | -2.8 | 17.7 |
| * Result attributable to: | | | | | |
| Parent Company shareholders | 14.3 | 8.0 | -14.2 | -3.4 | 14.9 |
| Non-controlling interests | 0.5 | 0.2 | 0.2 | 0.6 | 2.8 |
| | 14.8 | 8.2 | -14.0 | -2.8 | 17.7 |
| Key ratios | | | | | |
| EBITDA | 23.6 | 18.2 | -6.8 | -0.2 | 31.0 |
| EBITDA margin, % | 8.6 | 7.0 | -2.7 | -0.1 | 10.7 |
| Adjusted EBITDA ¹⁾ | n/a | n/a | 9.5 | n/a | 31.3 |
| Adjusted EBITDA margin, % ¹⁾ | n/a | n/a | 3.8 | n/a | 10.9 |
| EBIT | 17.0 | 11.4 | -13.6 | -6.4 | 24.8 |
| EBIT margin, % | 6.2 | 4.4 | -5.4 | -3.3 | 8.6 |
| Adjusted EBIT ¹⁾ | n/a | n/a | 2.7 | n/a | 25.1 |
| Adjusted EBIT margin, % ¹⁾ | n/a | n/a | 1.1 | n/a | 8.7 |
| Cash flow from operating activities per share, SEK | 0.73 | 0.22 | -0.06 | -0.41 | 0.62 |
| Cash flow per share, SEK | 1.01 | -0.12 | -0.60 | -0.60 | 0.13 |
| Equity/assets ratio, % | 51 | 52 | 51 | 49 | 51 |
| Net loan debt | 82.4 | 84.1 | 114.2 | 152.1 | 126.8 |
| Equity per share, SEK | 5.41 | 5.49 | 5.06 | 4.96 | 5.16 |

1) Adjusted for one-time expense regarding divestment of subsidiaries

* Key ratio for return on equity is removed due to the organization is not followed up on that

Quarterly figures

| Alternative measures | 16Q4 | 17Q1 | 17Q2 | 17Q3 | 17Q4 |
|---|-------------|-------------|--------------|--------------|--------------|
| Sek millions unless otherwise stated | | | | | |
| EBITDA | | | | | |
| Operating result | 17.0 | 11.4 | -13.6 | -6.4 | 24.8 |
| Reversal: Depreciation and amortization | 6.6 | 6.8 | 6.8 | 6.2 | 6.3 |
| EBITDA | 23.6 | 18.2 | -6.8 | -0.2 | 31.0 |
| Adjusted EBITDA | | | | | |
| EBITDA | 23.6 | 18.2 | -6.8 | -0.2 | 31.0 |
| Reversal exit loss | 0.0 | 0.0 | 16.3 | 17.3 | 0.3 |
| Adjusted EBITDA | 23.6 | 18.2 | 9.5 | 17.1 | 31.3 |
| Sales revenues, change | | | | | |
| Sales revenues | 272.8 | 260.8 | 249.6 | 191.9 | 288.5 |
| Sales revenues compared with corresponding period previous year | 229.9 | 231.5 | 262 | 189.1 | 272.8 |
| Sales revenues, change | 42.9 | 29.3 | -12.4 | 2.8 | 15.7 |
| Acquisitions/divestments | -3.7 | -2.2 | -3.8 | 8.4 | 10.8 |
| Fluctuations in exchange rates | -1.4 | -1.6 | -3.3 | 0.4 | 1.8 |
| Organic growth | 37.8 | 25.5 | -11.8 | 11.6 | 28.3 |
| Acquisitions/divestments, % | 1.6 | 1.0 | -1.5 | -4.4 | -4.0 |
| Organic growth, % | 16.4 | 11.0 | -4.5 | 6.1 | 10.4 |
| Net loan debt | | | | | |
| Interest-bearing provisions and liabilities | 157.3 | 151.0 | 139.9 | 165.7 | 149.1 |
| Minus: Interest-bearing assets | -74.9 | -66.9 | -25.7 | -13.6 | -22.3 |
| Net loan debt | 82.4 | 84.1 | 114.2 | 152.1 | 126.8 |

Definitions etc.

Sales revenues

Revenues from the core business.

EBITDA

Operating result before depreciation and amortisation.

Adjusted EBITDA

Operating result before depreciation and amortisation and one-time expenses/revenues.

EBITDA margin, %

Operating result before depreciation and amortisation as a percentage of sales revenues for the period.

Adjusted EBITDA-margin, %

Adjusted operating result before depreciation and amortisation as a percentage of sales revenues for the period.

EBIT

Operating result.

Adjusted EBIT

Operating result before one-time expenses/revenues.

EBIT margin, %

Operating result as a percentage of the sales revenues for the period.

Adjusted EBT margin, %

Adjusted operating result as a percentage of the sales revenues for the period.

Cash flow from operating activities per share

The cash flow from operating activities for the period divided by the average number of shares before dilution (convertibles).

Cash flow per share

The net cash flow for the period divided by the average number of shares outstanding before dilution (convertibles).

Equity/assets ratio

Total equity as a percentage of the total assets.

Net loan debt

Net of interest-bearing provisions and liabilities minus interest-bearing assets at closing day. A negative figure indicates a net loan receivable.

Equity per share, SEK

Total equity per share outstanding at the end of the period.

Organic growth

Growth adjusted for currency effects and acquisitions/divestments

Share data

Result per share

For the fourth quarter of 2017 the average number of outstanding ordinary shares amounted to 68,282,585 (68,282,585) and for the full year 2017 to 68,282,585 (68,012,069).

With regard to the convertible instrument programme implemented during the second quarter of 2016, there has been no dilution effect pursuant to IAS 33. Convertible liabilities do not give rise to a dilution effect when their

interest per ordinary share that can be obtained upon conversion is greater than the result per share before dilution. As only marginal interest has been charged to the result during 2017, there is no dilution for the period.

Share capital

As of 31 December 2017, there were 68,282,585 outstanding ordinary shares (68,282,585) with a nominal value of SEK 1 per share.

| Quarterly figures | | | | | |
|---|--------|--------|--------|--------|--------|
| Share data | 16Q4 | 17Q1 | 17Q2 | 17Q3 | 17Q4 |
| Result per share before dilution, SEK ¹⁾ | 0.21 | 0.12 | -0.21 | -0.05 | 0.22 |
| Result per share after dilution, SEK ¹⁾ | 0.21 | 0.12 | -0.21 | -0.05 | 0.22 |
| Number of outstanding shares in thousands | 68,283 | 68,283 | 68,283 | 68,283 | 68,283 |
| Average number of shares outstanding before dilution, thousands | 68,283 | 68,283 | 68,283 | 68,283 | 68,283 |
| Average number of shares outstanding after dilution, thousands | 68,283 | 68,283 | 68,283 | 68,283 | 68,283 |

1) The result per share has been calculated by the result after tax attributable to the Parent Company's shareholders being divided by the average number of outstanding ordinary shares during the period.

Note 1 Accounting principles

GHP Specialty Care AB (publ), corporate identity number 556757-1103, is registered in Gothenburg, Sweden, and the head office is located at Södra Hamngatan 45.

The Company's financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union. The preparation of financial statements in compliance with IFRS requires the use of estimates and assumptions that affect the reported values of assets, liabilities, revenues and costs for the reporting period. Although these estimates are based on management's knowledge of the amounts, events and actions taken, actual results may differ from the estimates and assumptions made.

Unless otherwise stated, all amounts are in millions of Swedish kronor (SEK millions).

On 27 April 2016 an incentive programme was approved by the Annual General Meeting. The programme consists of issued convertible bonds. During the period 24 February 2020 until 23 March 2020 bond holders are able to convert these to new shares in GHP at a predetermined conversion rate of SEK 9.67. If conversion does not take place, the loan matures on 14 April 2020. A convertible bond is a so-called compound financial instrument which gives rise to a financial liability for the Company and which contains an option for the owner of the instrument to convert the liability into an equity instrument in the Company. These two parts are recognised separately in accordance with IAS 32, p. 29. IAS 39 deals with the valuation of the financial instrument, which means that the value of the option will form the residual amount after the liability has been valued and deducted from the fair value of the instrument as a whole (IAS 32, p 31, 32). The cost of producing the convertible instrument, SEK 0.5 million, is allocated proportionately to the liability and the option (IAS 39, p 43). That part that has been referred to the liability is distributed over the term of the loan and will then be recognised as an interest expense calculated according to the effective interest method together with the liability. The equity component, that is the value of the option, amounts to the price of the option, SEK 1.38, (according to a calculation received from Swedbank) and GHP received SEK 9,650,000, which corresponds to 958,292 convertible instruments. The loan will initially be recognised at its fair value (present value of payments) and during the term of the loan the present value of the convertible instrument will increase up to its nominal value. The difference is distributed over the term of the loan as an interest expense and increases the liability. The Parent Company of the Group, which applies RFR2, recognises the convertible instruments in the same way as the Group. Costs for the programme of SEK 0.2 million were charged against results for the quarter.

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. The Parent Company applies the Annual Accounts Act and RFR2 for legal entities. Accounting principles that have been applied are in accordance with what is stated in the Annual Report 2016.

For further information on the accounting rules, please refer to GHP's Annual Report for 2016, pages 39-43.

New accounting principles as from 2018

IFRS 9 Financial instruments and IFRS 15 Revenue from Contracts with Customers are applied as from 1 January 2018. Neither of the new standards will have any significant impact on GHP's reporting.

Rounding up/down

The rounding up/down of figures may mean that in some cases the figures presented in this interim report do not add up exactly to the total and percentages may deviate from the exact percentages.

ESMA's guidelines for alternative performance measures

As from 3 July 2016, GHP has applied the guidelines issued by ESMA regarding alternative performance measures. Figures for alternative performance measures are presented on page 14 of this report. Alternative performance measures are used in addition to GAAP key ratios, as company management has assessed that they are relevant for both internal and external stakeholders in their assessment of the company's financial performance.

Seasonal variations

For information on seasonal variations, please refer to the segment summary.

Note 2 Risks and uncertainties

GHP is exposed to various types of risk in its business. In general, these can be divided into market-related risks, business-related risks and risks related to financing activities. A more detailed description of these risks is to be found in GHP's Annual Report for 2016, page 31.

During the fourth quarter of 2016 Ilmar Reepalu, who led the government enquiry Ordning och reda i välfärden (Order and Control in Social Welfare), presented its findings, including a proposal for a profit ceiling for companies offering welfare services. It cannot be completely ruled out that any legislation that arises from this may have a certain negative impact on GHP and/or its owners.

In the company's assessment, no further significant risks arose during 2017, apart from those described in "Events after closing day" in GHP's Annual Report for 2016, page 57 (in Swedish only).

Note 3 Transactions with related parties

During 2017 dividend of SEK 1.4 million was paid to non-controlling interests.

During 2017 a purchase consideration of SEK 5 million entered as a liability for an acquisition in December 2016 was paid to non-controlling interests in GHP Arytmi Center Stockholm AB. In addition, successive acquisitions of outstanding shares in GHP Stockholm Gastro Center, GHP Kirurgkliniken, GHP Ortho Center Stockholm and GHP Orthocenter Göteborg were carried out to the tune of SEK 5.4 million in total. Of this sum, SEK 1.0 million was paid during the fourth quarter. Shares were divested during the quarter to new partners in GHP Specialistandläkarna and GHP Spine Center Göteborg. This had a total impact of SEK 0.1 million on cash and cash equivalents.

A consultant's fee of SEK 1.7 million was paid during the year to a doctor who is the husband of the CEO of GHP Gastro Center Skåne. Remuneration was in line with market rates.

There were no other significant transactions with related parties in 2017.

Note 4 Acquisitions and divestments

A purchase consideration of SEK 5 million entered as a liability was paid to interests in GHP Arytmi Center during the year.

Successive acquisitions of outstanding shares in GHP Kirurgkliniken Stockholm AB, GHP Stockholm Gastro Center AB, GHP Ortho Center Stockholm AB and GHP Orthocenter Göteborg were carried out to the tune of SEK 5.4 million in total, of which SEK 1.0 million was during the fourth quarter.

On 30 June 2017 the subsidiaries GHP OPA Privathospital Aarhus A/S and GHP Gastro Clinic Helsinki Oy were divested. During the fourth quarter OPA Plastik was also divested and a small capital loss was incurred. The impact on cash and cash equivalents is partly in the third quarter. Effects on the Group's income statement and balance sheet are summarised below.

| Acquisition/divestment of subsidiaries and bolt-on acquisition | | 31-Dec 2017 |
|---|--|----------------|
| Sek millions | | Total |
| Transaktioner med innehavare utan bestämmande inflytande - påverkan på koncernens likvida medel: | | |
| a) Payment of supplementary consideration previously entered as a liability, GHP Arytmi Center Stockholm AB | | -5.0 |
| b) Acquisition of 3.5 per cent of shares outstanding in GHP Stockholm Gastro Center AB from non-controlling interests | | -2.3 |
| c) Acquisition of 2.9 per cent of shares outstanding in GHP Kirurgkliniken AB from non-controlling interests | | -0.7 |
| d) Acquisition of 3.0 per cent of shares outstanding in Orthocenter Stockholm AB from non-controlling interests | | -1.4 |
| e) Acquisition of 7.3 per cent of shares outstanding in GHP Orthocenter Göteborg from non-controlling interests | | -1.0 |
| Effect on Group's cash and cash equivalents, total net cash flow | | -10.4 |
| a) Effects on Group's financial position of settlement of purchase price in GHP Arytmi Center Stockholm AB previously entered as a liability | | |
| Total net value of divested assets and liabilities: | | |
| Purchase price entered as a liability, current portion | | -5.0 |
| Effect on Group's cash and cash equivalents, total net cash flow | | -5.0 |
| b) Effects on Group's financial position of settlement of put option in GHP Stockholm Gastro Center AB previously entered as a liability: | | |
| Total purchase consideration | | 2.3 |
| Total net value of divested assets and liabilities: | | |
| Put option entered as a liability | | -2.5 |
| Value adjustment put option | | 0.2 |
| Effect on Group's cash and cash equivalents, total net cash flow | | -2.3 |
| c) Effects on Group's financial position of settlement of put option in GHP Kirurgkliniken AB previously entered as a liability: | | |
| Total purchase consideration | | 0.7 |
| Total net value of divested assets and liabilities: | | |
| Put option entered as a liability | | -0.1 |
| Value adjustment put option | | -0.6 |
| Effect on Group's cash and cash equivalents, total net cash flow | | -0.7 |
| d) Effects on Group's financial position of settlement of put option in GHP Orthocenter Stockholm AB previously entered as a liability: | | |
| Total purchase consideration | | 1.4 |
| Total net value of divested assets and liabilities: | | |
| Value adjustment put option | | -1.4 |
| Effect on Group's cash and cash equivalents, total net cash flow | | -1.4 |
| e) Effekter på koncernens finansiella ställning vid reglering av tidigare skuldförd put option i GHP Orthocenter Göteborg AB: | | |
| Summa köpeskilling | | 1.0 |
| Summan av värdet av avyttrade tillgångar och skulder: | | |
| Skuldförd put option | | -3.5 |
| Värdereglering put option | | 2.5 |
| Påverkan på koncernens likvida medel, summa kassaflöde netto | | -1.0 |

Acquisition/divestment of subsidiaries and bolt-on acquisition

| | 31-Dec 2017 |
|--|----------------|
| Sek millions | Total |
| Transactions with external party at divestment/acquisition of subsidiaries - effect on Group's cash and cash equivalents: | |
| a) Divestment of subsidiary GHP Admira Kvinnohälsa AB (Q1) | 0.4 |
| b) Divestment of GHP OPA Privathospital | -7.3 |
| c) Divestment of GHP Gastro Clinic Helsinki | -0.4 |
| d) Divestment of OPA Plastik | -0.6 |
| Effect on Group's cash and cash equivalents, total net cash flow | -7.9 |
| a) Effects on the Group's financial position of the divestment of GHP Admira Kvinnohälsa: | |
| Total purchase consideration | 0.5 |
| Total net value of divested assets and liabilities: | |
| Current receivables | 0.4 |
| Cash and cash equivalents | 0.1 |
| Current liabilities | -0.4 |
| Total net assets | 0.1 |
| Effect on Group's cash and cash equivalents, total net cash flow | 0.4 |
| Capital gain of divestment of Group Company | |
| | 0.4 |
| b) Effects on the Group's financial position of the divestment of GHP OPA Privathospital: | |
| Total purchase consideration (negative) | -7.3 |
| Total net value of divested assets and liabilities: | |
| Tangible assets | 0.9 |
| Deferred tax asset | 1.9 |
| Current receivable | 6.2 |
| Inventory | 0.6 |
| Non-controlling interests | 6.4 |
| Cash and cash equivalents | 0.0 |
| Current liabilities | -5.0 |
| Liability against creditor | -3.5 |
| Total net assets | 7.5 |
| Effect on Group's cash and cash equivalents, total net cash flow | -7.3 |
| Accumulated translation differences to be reclassified to income statement at divestment | -0.7 |
| Selling expenses | -0.2 |
| Capital loss of divestment of Group company | -15.7 |
| c) Effects on the Group's financial position of the divestment of GHP Gastro Clinic Helsinki: | |
| Total purchase consideration | 0.3 |
| Total net value of divested assets and liabilities: | |
| Tangible assets | 0.1 |
| Current receivable | 0.1 |
| Inventory | 0.2 |
| Non-controlling interests | 0.1 |
| Cash and cash equivalents | 0.7 |
| Current liabilities | -0.1 |
| Liability to shareholder's (non-controlling interests) | -0.3 |
| Total net assets | 0.8 |
| Effect on Group's cash and cash equivalents, total net cash flow | -0.4 |
| Accumulated translation differences to be reclassified to income statement at divestment | -0.1 |
| Capital loss of divestment of Group company | -0.6 |
| d) Effects on the Group's financial position of the divestment of OPA Plastik: | |
| Total purchase consideration (negative) | -0.2 |
| Total net value of divested assets and liabilities: | |
| Current receivable | 0.4 |
| Non-controlling interests | -0.1 |
| Cash and cash equivalents | 0.4 |
| Current liabilities | -0.6 |
| Total net assets | -0.1 |
| Effect on Group's cash and cash equivalents, total net cash flow | -0.6 |
| Capital loss of divestment of Group company | -0.3 |

Note 5 Financial instruments

Information is given in the table below on the measurement of fair value for the financial instruments valued at fair value in the report on the financial position.

Measurement of fair value is divided up into three levels:

Level 1: in accordance with prices in an active market for identical instruments

Level 2: on the basis of direct or indirect observable market data not included in level 1

Level 3: on the basis of inputs that are not observable in the market

The liability for put options and any supplementary considerations entered as a liability have been valued at fair value. The liability is dependent on assessments of the subsidiaries' future profitability. There is also an uncertainty factor regarding when the liability will be settled.

| Financial assets and liabilities | | | | |
|---|---------|---------|-------------|----------------|
| | | | | 31-Dec 2017 |
| Sek millions | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | |
| Financial assets available for sale | - | - | 0.0 | 0.0 |
| Total financial assets | - | - | 0.0 | 0.0 |
| Financial liabilities | | | | |
| Put options entered as a liability, long-term portion | - | - | 34.6 | 34.6 |
| Put options entered as a liability, current portion | - | - | 6.1 | 6.1 |
| Additional purchase price entered as a liability, long-term portion | - | - | 0.0 | 0.0 |
| Additional purchase price entered as a liability, current portion | - | - | 4.2 | 4.2 |
| Total financial liabilities | - | - | 44.9 | 44.9 |

| Financial assets and liabilities | | | | |
|---|---------|---------|-------------|----------------|
| | | | | 31-Dec 2016 |
| Sek millions | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | |
| Financial assets available for sale | - | - | 0.0 | 0.0 |
| Total financial assets | - | - | 0.0 | 0.0 |
| Financial liabilities | | | | |
| Put options entered as a liability, long-term portion | - | - | 35.1 | 35.1 |
| Put options entered as a liability, current portion | - | - | 3.8 | 3.8 |
| Additional purchase price entered as a liability, long-term portion | - | - | 4.4 | 4.4 |
| Additional purchase price entered as a liability, current portion | - | - | 0.0 | 0.0 |
| Total financial liabilities | - | - | 43.3 | 43.3 |

Parent Company income statement and statement of comprehensive income

GHP Specialty Care AB (publ) has a limited central organisation which gives expert support within areas such as business development, finance, IR, communication, IT, marketing and agreement processes. Steering and control are carried out via corporate governance and the following up of results.

A considerable part of the costs for the central organisation are aimed at generating new business within the selected diagnostic areas and at analysing and researching other expansion opportunities within the health care sector.

The operating result for the fourth quarter of 2017 amounted to SEK -9.7 million (-8.9) and to SEK -39.8 million (-33.0) for the full year.

Shares in subsidiaries amounted to SEK 692.5 million (690.9) at 31 December 2017 while cash and cash equivalents were SEK 0.0 million (59.6).

At 31 December 2017 the Parent Company had invested SEK 0.4 million (0.1) in property, plant and equipment).

| Parent company - Income statement summarized | | | | |
|--|----------------|-------------|--------------|--------------|
| Sek millions | Fourth quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Operating revenues | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating costs, incl. depreciation and amortisation | -9.7 | -8.9 | -39.8 | -33.0 |
| Operating result | -9.7 | -8.9 | -39.8 | -33.0 |
| Net financial items | 0.6 | 0.6 | 5.0 | 3.1 |
| Result before tax | -9.1 | -8.3 | -34.8 | -29.9 |
| Allocations | 60.0 | 54.5 | 60.0 | 54.5 |
| Result after allocations | 51.0 | 46.2 | 25.3 | 24.6 |
| Tax on result for the period | -10.6 | -1.1 | -5.0 | -1.1 |
| Result for the period | 40.3 | 45.1 | 20.3 | 23.5 |

| Parent company - Statement of comprehensive income | | | | |
|---|----------------|-------------|-------------|-------------|
| Sek millions | Fourth quarter | | Year | |
| | 2017 | 2016 | 2017 | 2016 |
| Result for the period | 40.3 | 45.1 | 20.3 | 23.5 |
| Items that will not be reclassified to income statement | - | - | - | - |
| Items that may be reclassified subsequently to income statement | - | - | - | - |
| Total other comprehensive income | 0 | 0 | 0 | 0 |
| Comprehensive income for the period | 40.3 | 45.1 | 20.3 | 23.5 |

Parent Company balance sheet

| Parent company - Balance sheet, summarized | | |
|---|----------------|----------------|
| Sek millions | 31-Dec 2017 | 31-Dec 2016 |
| Assets | | |
| Non-current assets | | |
| Intangible assets | 0.1 | 0.1 |
| Tangible assets | 0.4 | 0.1 |
| Financial assets | | |
| Shares and participations in Group companies | 692.5 | 690.9 |
| Receivables from Group companies | 0.0 | 0.0 |
| Deferred tax assets | 4.7 | 9.8 |
| Other financial assets | 0.9 | 1.3 |
| Total non-current assets | 698.5 | 702.2 |
| Current assets | | |
| Current receivables from Group companies | 220.7 | 170.8 |
| Other assets | 0.9 | 3.0 |
| Cash and cash equivalents | 0.0 | 59.6 |
| Total current assets | 221.6 | 233.4 |
| Total assets | 920.1 | 935.7 |
| Shareholder's equity and liabilities | | |
| Shareholder's equity | 702.2 | 702.5 |
| Non-current liabilities | | |
| Current liabilities to Group companies | 187.6 | 207.9 |
| Other current liabilities | 20.3 | 10.8 |
| Total liabilities | 217.9 | 233.2 |
| Total shareholder's equity and liabilities | 920.1 | 935.7 |

Important events after closing day

No important events have occurred after closing day.

Proposed dividend

GHP's dividend policy is that "Dividend shall in the long-term amount to 50% of the net result for the year (after income tax and minorities). However, the annual decisions on dividend shall take into account the implementation of the company's strategy for growth, the company's financial position and other financial objectives." For 2017 the Board proposes that no dividend be paid. The Board considers that there are many exciting opportunities that the company needs to invest in in the time ahead. This and the fact that the

company had weak financial performance and capital losses in the first half of 2017 have resulted in the Board electing not to propose any dividend. The Board anticipates that next year the company will again be able to pay a dividend in accordance with the company's dividend policy.

Certification

The Board and the CEO certify that the interim report gives a true and fair view of the company's and the Group's business activities, financial position and results, and describes the essential risks and uncertainty factors facing the company and the companies which are part of the Group.

21 February 2018
Gothenburg
GHP Specialty Care AB (publ)

Carsten Browall
Chairman of the Board

Bo Wahlström
Member of the Board

Mikael Olsson
Member of the Board

Johan Wachtmeister
Member of the Board

Elisabeth Hansson
Member of the Board

Daniel Öhman
CEO

This report has not been the subject of review by the company's auditors.

Annual General Meeting and Annual Report

The Annual General Meeting of GHP Specialty Care AB will be held on Wednesday 25 April 2018 at 3.30 p.m. on SE Banken's premises at Östra Hamngatan 24, 405 04 Gothenburg. Shareholders will be given notice of the Annual General Meeting through an announcement in the Swedish Official Gazette (Post och Inrikes Tidningar) and on the company's website no earlier than six weeks and no later than four weeks before the meeting. An announcement will be made in Dagens Industri that notice has been given.

It is estimated that GHP's Annual Report for 2017 will be available at the company's head office in Gothenburg in the beginning of week 14. The Annual Report will be published on the company's website.

Financial calendar

| | |
|---------------------------------------|------------------|
| Interim report January-March 2018 | April 24, 2018 |
| Annual general Meeting 2018 | April 25, 2018 |
| Interim report January-June 2018 | July 13, 2018 |
| Interim report January-September 2018 | October 25, 2018 |

Contact details

| | |
|---------------------|------------------|
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| Philip Delborn, CFO | +46 702 12 52 64 |

GHP Specialty Care AB (publ) is required to publish the information here in pursuant to the Swedish Securities Market Act.

This information was published, through the agency of the contact persons set out above, on 21 February 2018 at 08:00.

This is a translation of the Swedish version of the Year-end report. When in doubt, the Swedish version prevails.



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GHP is an internationally active health care provider that operates specialist clinics in a select number of diagnostic areas through the application of a business model that is unique in the health care industry, where leading doctors become partners and shareholders. Each clinic specialises in a particular patient group, and this leads to increased efficiency and higher quality. This is the cornerstone of GHP's business philosophy – "Quality through specialisation".