Quality through specialisation

Q4 REPORT
February 21, 2018

Daniel Öhman, CEO
Philip Delborn, CFO
Agenda

- CEO reflections on Q4
- Financials – Q4
- General update
Strong development across all parts of GHP

MSEK

- Almost all clinics improve significantly resulting in GHP’s best fourth quarter so far
- Organic growth of more than 10%
- The profitability program has a part in the improvements even though it is not fully implemented yet
- We have not compromised our important strategic initiatives

Revenues 288.5 (272.8)
Organic growth 10.4% (16.4%)

EBITDA 31.0 (23.6)
Margin 10.7% (8.6%)

EBIT 24.8 (17.0)
Margin 8.6% (6.2%)
Major drivers behind the Q4 results

General

• We are through with the leadership succession in the clinics and the new leaders are now quickly getting up to speed

• New activity planning system

• Sale of OPA Privathospital and Gastro Clinic Helsinki

• Cost reductions at HQ

Specifics

• International continues to improve profitability despite increased costs for business development

• Denmark, Skåne and Västra Götaland improve significantly in the quarter
Agenda

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- General update
Volume increase drives the revenue growth

Revenue, rolling 12 months

EBITDA, rolling 12 months

EBITDA is adjusted for capital loss from divestments of -16.3 Msek
Strong split between revenue sources

Revenue Distribution, quarter

- 2014: 11 (11%) County Councils, 39 (39%) Insurance Companies, 48 (48%) Private, 2 (2%) International
- 2015: 10 (10%) County Councils, 38 (38%) Insurance Companies, 50 (50%) Private, 2 (2%) International
- 2016: 11 (11%) County Councils, 36 (36%) Insurance Companies, 45 (45%) Private, 8 (8%) International
- 2017: 10 (10%) County Councils, 35 (35%) Insurance Companies, 48 (48%) Private, 7 (7%) International
Segment Nordic

- High demand and production in most clinics
- Several clinics have changed their way of working with focus on operating longer days and optimizing the production weeks
- The cost saving initiative has started to give a positive effect
- Strong development in the clinics at Sophiahemmet, Skåne, Gothenburg and Denmark
- A couple of clinics are still in a start-up phase

<table>
<thead>
<tr>
<th>MSEK</th>
<th>Q4 2017</th>
<th>Q4 2016</th>
<th>Change %</th>
<th>Year 2017</th>
<th>Year 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>256,5</td>
<td>242,9</td>
<td>5,6</td>
<td>883,7</td>
<td>846,6</td>
</tr>
<tr>
<td>EBIT</td>
<td>21,0</td>
<td>14,5</td>
<td>7,0</td>
<td>37,5</td>
<td></td>
</tr>
<tr>
<td>EBIT margin, %</td>
<td>8,2</td>
<td>6,0</td>
<td>0,8</td>
<td>4,4</td>
<td></td>
</tr>
</tbody>
</table>
Segment International

- Solid development of the KPI's and the performance of the hospitals
- Extensive Performance and Quality audits performed by GHP in the quarter
- High activity in the fourth quarter is also reflected in our reimbursement
- Business development opportunities in pipeline, but at an early stage

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</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>20,3</td>
<td>21,6</td>
<td>-5,8</td>
<td>66,3</td>
<td>75,6</td>
</tr>
<tr>
<td>EBIT</td>
<td>6,6</td>
<td>4,5</td>
<td></td>
<td>16,6</td>
<td>22,7</td>
</tr>
<tr>
<td>EBIT margin, %</td>
<td>32,4</td>
<td>21,0</td>
<td></td>
<td>25,1</td>
<td>30,1</td>
</tr>
</tbody>
</table>
Segment Vårdsamverkan

- The contract with Trygg Hansa, which started during the summer, drives growth in combination with continued growth in the Skandia collaboration.
- Development and implementation of new e-health solutions in the fourth quarter.
- We have strengthened our management team in the quarter to focus on business development.

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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>11,7</td>
<td>8,3</td>
<td>40,4</td>
<td>40,8</td>
<td>33,2</td>
</tr>
<tr>
<td>EBIT</td>
<td>-2,8</td>
<td>-2,0</td>
<td>-7,4</td>
<td>-3,8</td>
<td></td>
</tr>
<tr>
<td>EBIT margin, %</td>
<td>-23,8</td>
<td>-24,1</td>
<td>-18,2</td>
<td>-11,5</td>
<td></td>
</tr>
</tbody>
</table>
Revenue development – sub-markets fourth quarter

Sub-markets

- Stockholm: +9%
- Finland: -100%
- Västsverige: +12%
- Danmark: -11%
- Skåne: +21%
- UAE: -6%

Q4 2017
Q4 2016
Key figures

Comments

• Improved earnings in the fourth quarter

• The weak start of 2017 impact the full-year figures

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<tr>
<td>EBITDA</td>
<td>31,0</td>
<td>23,6</td>
</tr>
<tr>
<td>EBT</td>
<td>23,9</td>
<td>16,5</td>
</tr>
<tr>
<td>EPS</td>
<td>22 öre</td>
<td>21 öre</td>
</tr>
<tr>
<td>Net Debt</td>
<td>126,8</td>
<td>82,4</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>2,16*</td>
<td>1,02</td>
</tr>
<tr>
<td>Equity Ratio</td>
<td>51</td>
<td>51</td>
</tr>
</tbody>
</table>

* Adjusted for capital loss
Cash flow fourth quarter 2017

<table>
<thead>
<tr>
<th>Cash flow</th>
<th>Fourth quarter</th>
<th>Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating result *</td>
<td>25.1</td>
<td>17.0</td>
</tr>
<tr>
<td>Depreciation/amortisation and write-downs</td>
<td>6.2</td>
<td>6.6</td>
</tr>
<tr>
<td>Other investments</td>
<td>-3.9</td>
<td>-9.5</td>
</tr>
<tr>
<td>Other adjustments – net *</td>
<td>-0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Change in working capital – net</td>
<td>8.8</td>
<td>23.8</td>
</tr>
<tr>
<td>Operating Cashflow</td>
<td>35.9</td>
<td>38.0</td>
</tr>
<tr>
<td>Paid tax and financial net</td>
<td>2.3</td>
<td>1.5</td>
</tr>
<tr>
<td>Free cash flow after financial items and tax</td>
<td>38.2</td>
<td>39.5</td>
</tr>
</tbody>
</table>

* Adjusted for capital loss

Comments

- Positive cash flow in the period.
- The timing of the payments in International varies between the quarters and had a significant positive effect in the fourth quarter previous year.
- The full year cash flow is positive and improving compared to 2016.
Continued focus on profitability

Already implemented:

- New activity planning system
- Sale of OPA Privathospital and Gastro Clinic Helsinki
- Halfway through the realization of the cost savings program

Next steps:

- Continued focus on every day
- Leaner and more efficient internal processes
- Working to improve public reimbursement systems
- Vårdsamverkan
Development projects

- Expansion of Gildhøj
- Urologcentrum Odenplan
- Neuro Center moving into new facilities
- New collaboration with Skandia
- Digital projects
- Education of leaders
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