



Quality through specialisation

# Q1 REPORT

April 24, 2018

Daniel Öhman, CEO

Philip Delborn, CFO



# Agenda



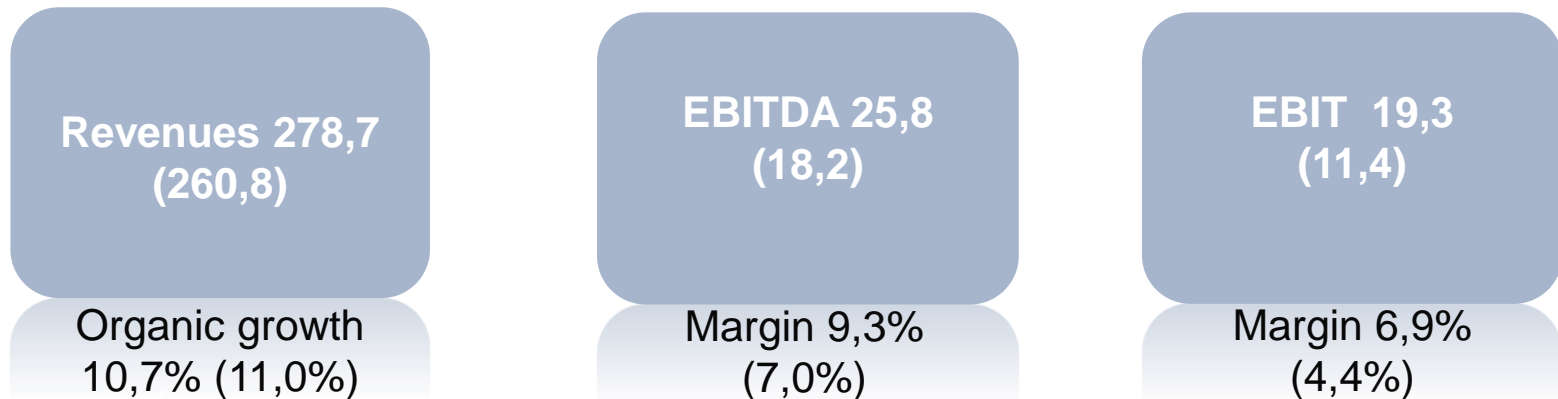
● **CEO reflections on Q1**

● **Financials – Q1**

● **Vårdsamverkan**

# Record quarter for the second time in a row

MSEK



- For the second time in a row GHP has it's highest quarterly results for respective quarter
- The results are driven by a combination of better activity planning, cost savings, successful start-ups and sale of non-profitable clinics
- Organic growth of 10,7% and a turnover of more than 1 billion on rolling 12-months



# Major drivers behind the Q1 results

## General

- All markets improved compared to last year
- Continued effort necessary to combat price and salary pressure
- Small negative effect from Easter being partly in Q1

## Specifics

- Our specialist dentistry business is improving significantly
- Strong start from our second urology clinic in Stockholm



# Agenda



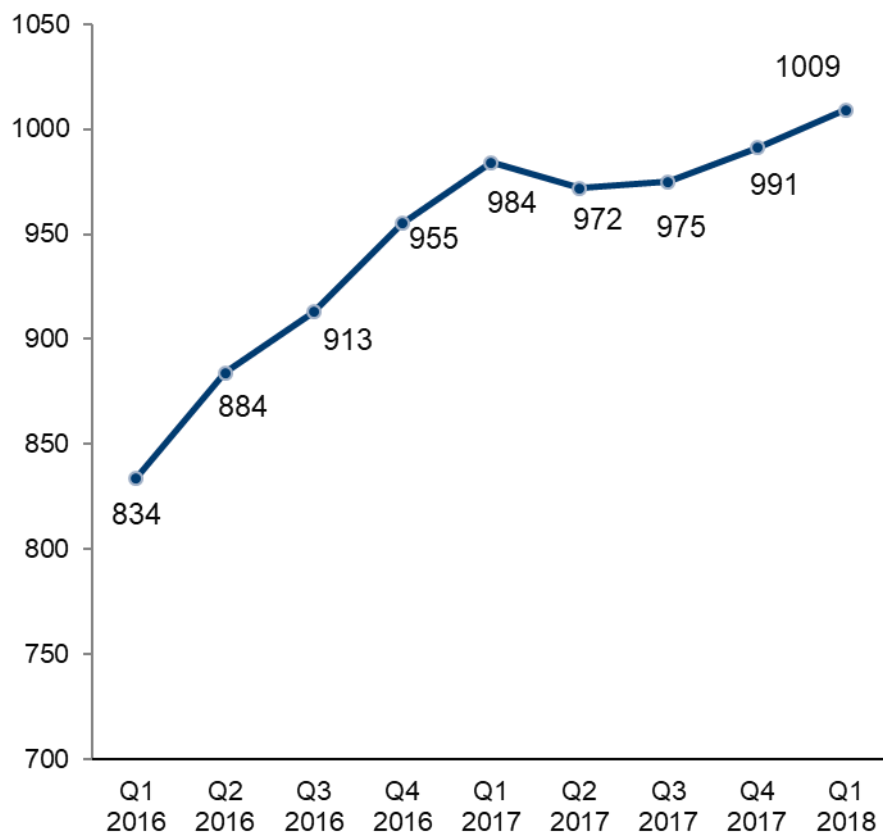
● CEO reflections on Q1

● **Financials – Q1**

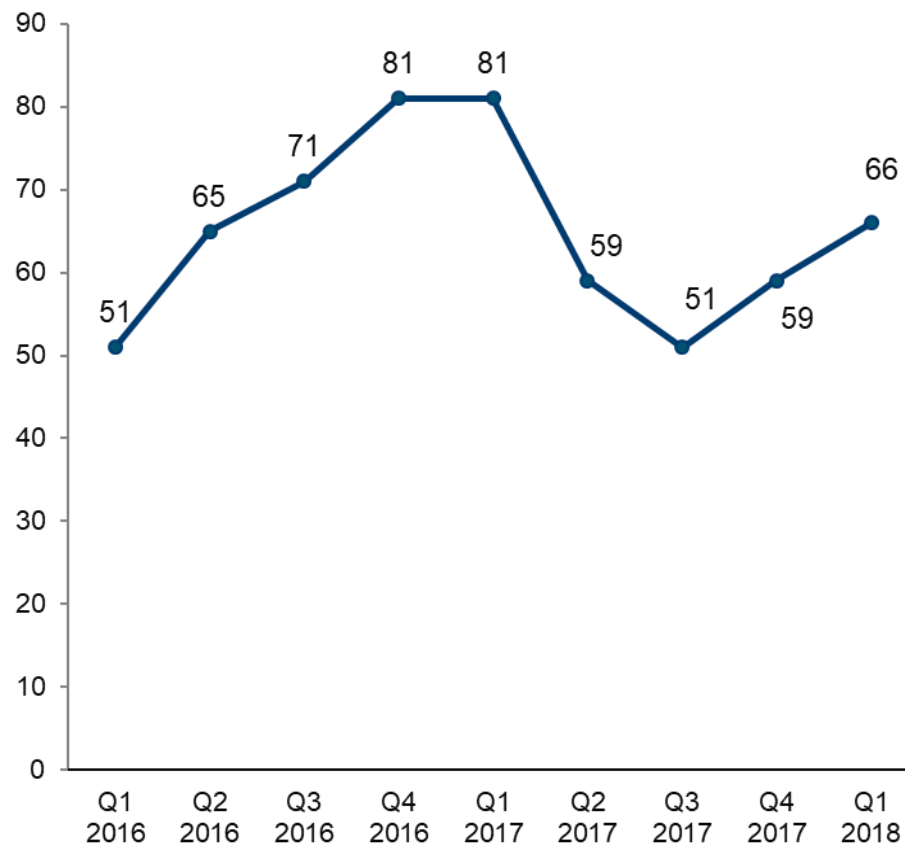
● Vårdsamverkan

# Revenues breaking 1 billion and strong EBITDA trend

## Revenue, rolling 12 months



## EBITDA, rolling 12 months

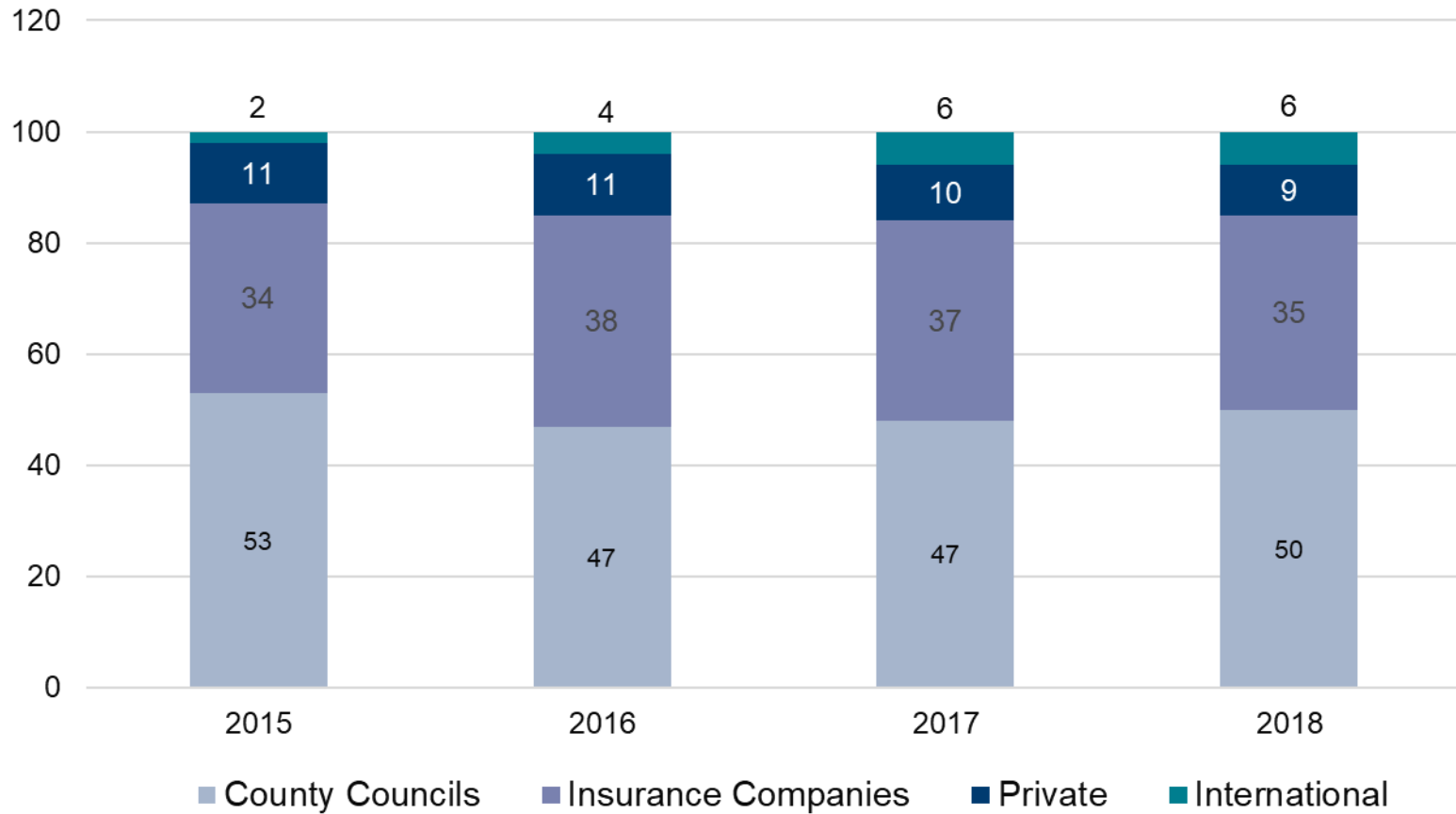


EBITDA is adjusted for capital loss from divestments of -16,3 Msek



# Strong split between revenue sources

Revenue Distribution %, quarter





## Segment Nordic

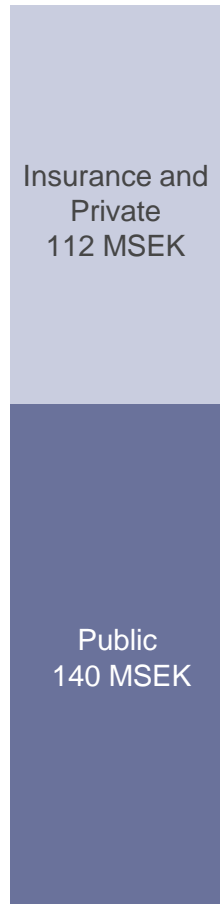
- High demand and production in most clinics gives an organic growth of 9,8%
- EBIT increase of almost 50%
- The cost saving initiatives continue to have a positive effect
- Positive development in the clinics at Sophiahemmet and in the Dental area
- Strong start for the new urology clinic in Stockholm

<b>MSEK</b>	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>Change %</b>	<b>Year 2017</b>
Revenue	251,8	237,1	6,2	883,8
EBIT	17,0	11,4		7,1
EBIT margin, %	6,7	4,8		0,8



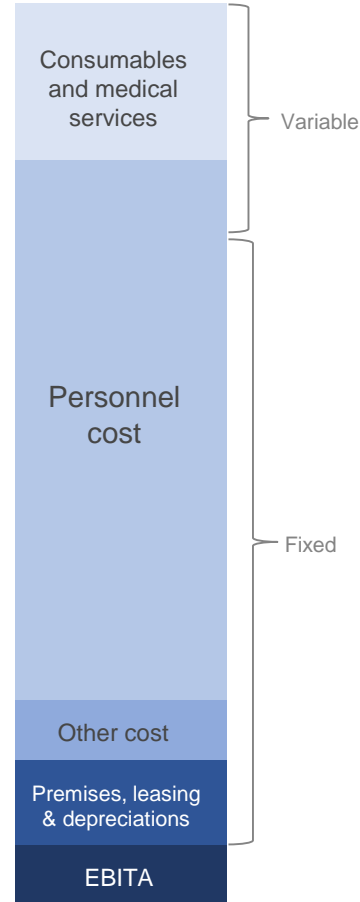
# Nordics – financial fundamentals

## Revenues



Q1 2018

## Cost



## Profit drivers

- Efficient use of resources
- Attracting patients and staff
- Price development



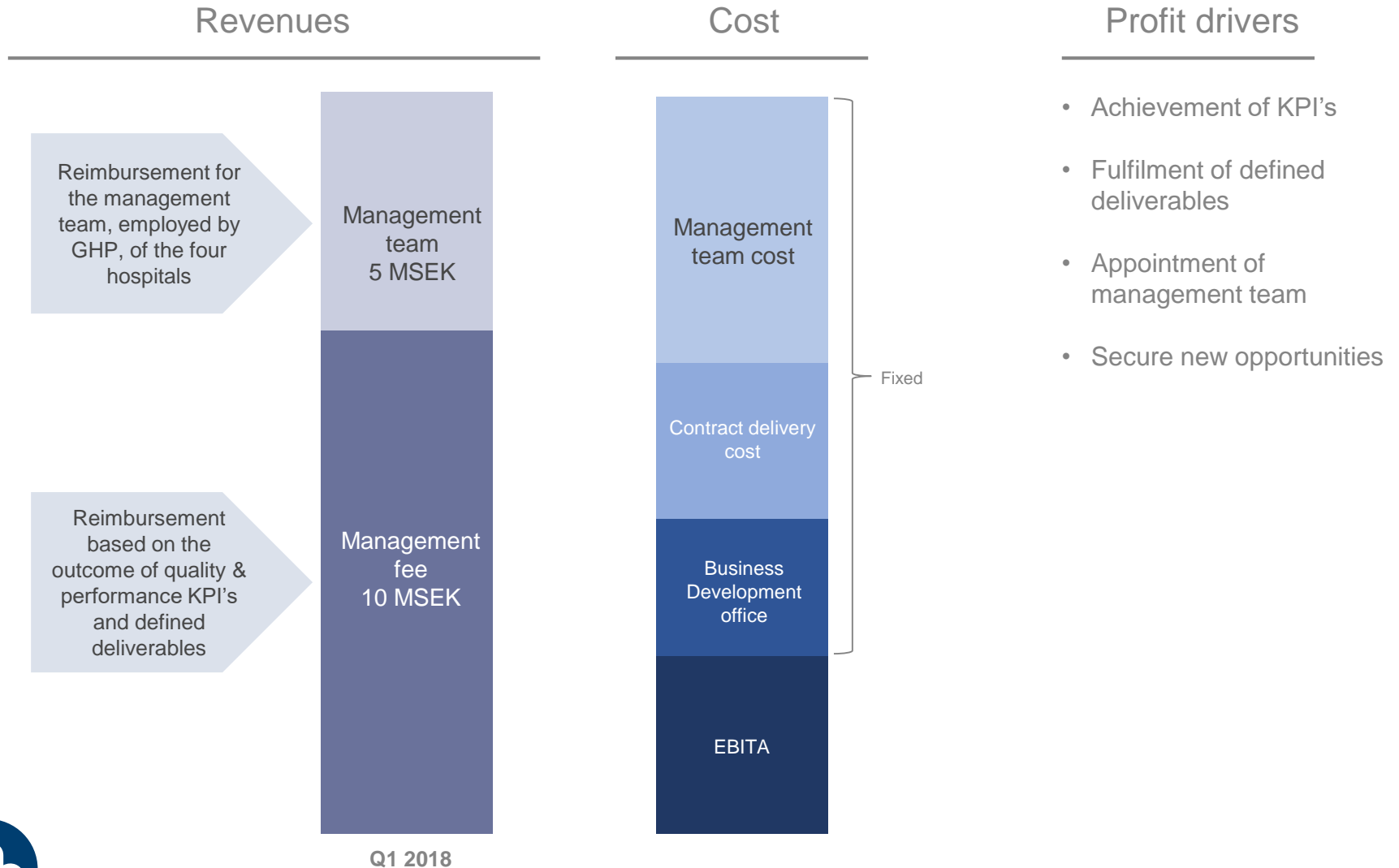
# Segment International

- The KPI's and the performance of the hospitals have developed positively in the last quarters. The agreed outcome for Q4 has had a positive effect on Q1 of 1,7 Msek
- In line with the agreed reimbursement model, the phasing of deliverables and revenues are lower in Q1
- Changes in currencies has had a negative impact on revenues and EBIT of 1,5 Msek and 0,4 Msek, respectively
- Business development opportunities in pipeline, but at an early stage

<b>MSEK</b>	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>Change %</b>	<b>Year 2017</b>
Revenue	15,3	15,5	-0,8	66,2
EBIT	3,7	1,7		16,6
EBIT margin, %	24,4	10,9		25,0



# International – financial fundamentals



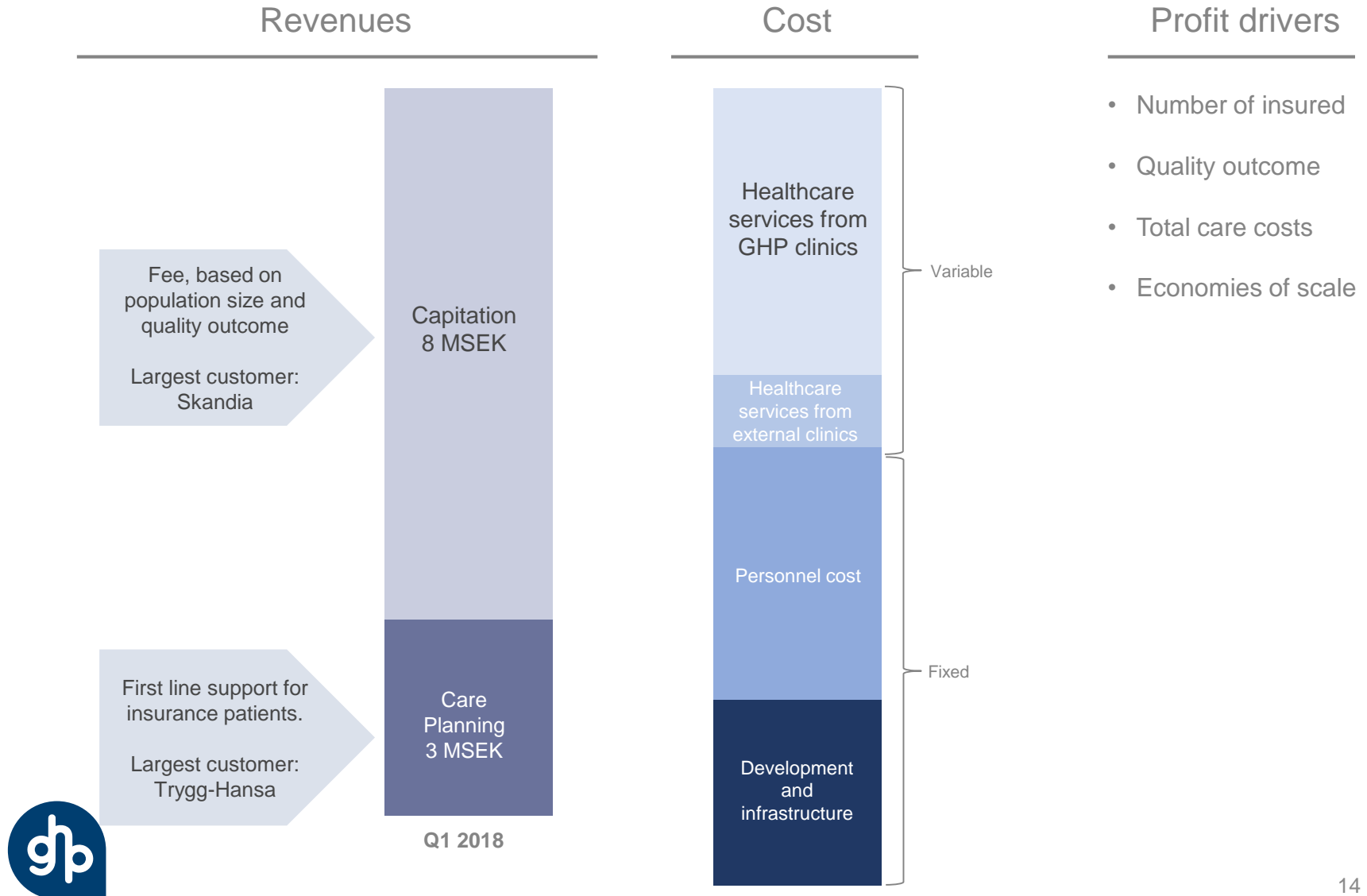
# Segment Vårdsamverkan

- The care planning contract with Trygg-Hansa, which started during the summer, is the main driver behind the growth in the quarter
- Increased focus on business development and new e-health solutions in the quarter
- The new agreement with Trygg-Hansa, signed in April 2018, has potential to double the size of Segment Vårdsamverkan

<b>MSEK</b>	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>Change %</b>	<b>Year 2017</b>
Revenue	11,6	8,2	41,0	40,8
EBIT	-1,4	-1,6		-7,4
EBIT margin, %	-12,2	-20,0		-18,2



# Vårdsamverkan – financial fundamentals



# Key figures

## Comments

- Improved earnings in the first quarter
- Stronger balance sheet compared to year-end 2017

MSEK	Q1 2018	Q1 2017	Year 2017
EBITDA	25,8	18,2	58,8*
EBT	18,5	10,6	12,8
EPS	18 öre	12 öre	8 öre
Net Debt	117,2	84,1	126,8
Net Debt / EBITDA	1,76*	1,04	2,16*
Equity Ratio	52	52	51

\* Adjusted for capital loss



# Cash flow first quarter 2018

Cash flow			
Sek millions	First quarter		Full Year
	2018	2017	2017
<b>Operating result *</b>	<b>19,3</b>	<b>11,4</b>	<b>32,8</b>
Depreciation/amortisation and write-downs	6,5	6,8	26,0
Other investments	-3,7	-9,6	-23,5
Other adjustments – net *	-0,8	-0,6	-2,8
Change in working capital – net	-5,7	2,7	-19,4
<b>Operating Cashflow</b>	<b>15,7</b>	<b>10,7</b>	<b>13,1</b>
Paid tax and financial net	-2,5	-3,8	-7,6
<b>Free cash flow after financial items and tax</b>	<b>13,2</b>	<b>6,9</b>	<b>5,5</b>

\*Adjusted for Capital loss full year 2017

## Comments

- Improved, positive cash flow in the period
- Low investment level in the quarter
- The changes in working capital between the years are mainly linked to the payments in International





# Agenda

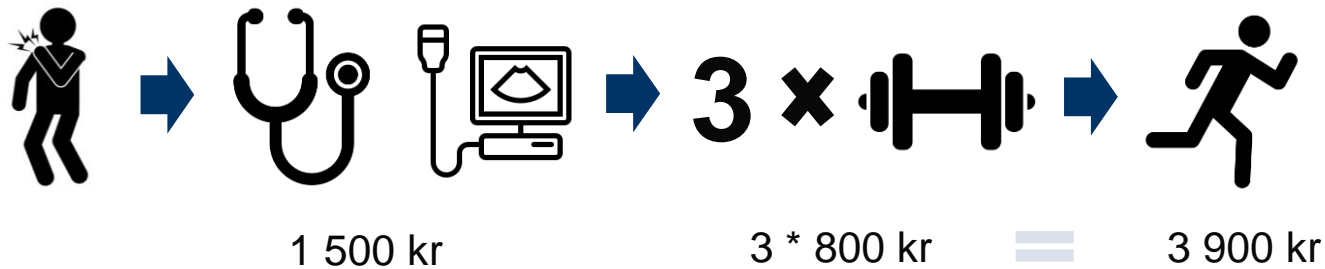
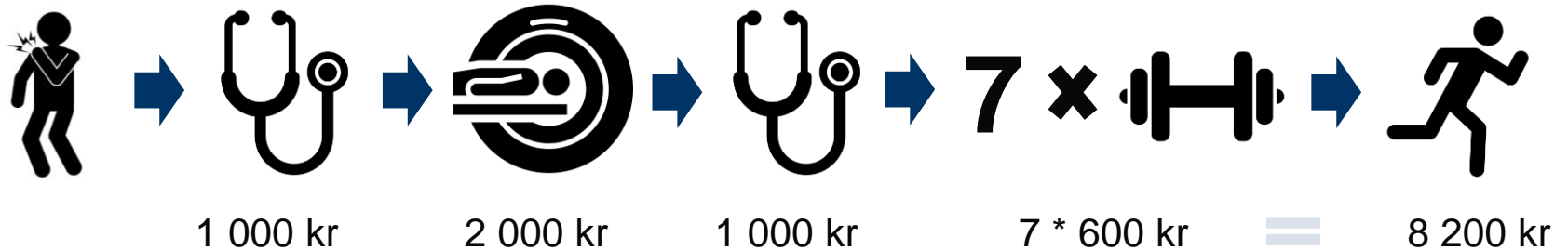


● CEO reflections on Q1

● Financials – Q1

● **Vårdsamverkan**

# Vårdsamverkan – today's systems have wrong focus



By changing focus we can realize considerable savings which can be shared with our customers



# New agreement with Trygg-Hansa

## Exclusive collaboration regarding all ortho and spine patients

The screenshot displays the Trygg-Hansa mobile application interface. At the top left, the 'TRYGG HANSA' logo is visible. A red notification banner reads: 'Nu finns ett nytt träningspass för dig. Hoppas du gillar det!'. Below this is a card from 'GHP Idrottscentrum' featuring a photo of a locker room and the text: 'Hur du motiverar dig att träna regelbundet. Du som tagit beslutet att börja träna och som dessutom kommit igång med träningen - Grattis! Du har lyckats med den första'. At the bottom left, there are three icons: 'Inspiration' (house), 'Min träning' (heart with pulse), and 'VO2max' (circular arrow). The main content area shows a video player for an exercise titled 'Övning'. The video shows a person in a blue shirt performing a quadrupedal exercise on a green mat. The video player includes a play button, a progress bar (0:02 / -0:10), and a volume icon. Below the video, a green header 'Beskrivning:' is followed by the text: 'Sets: 5, Reps: 5. Stå på alla fyra med knäna axelbrett isär. Sträck ut diagonalt så långt du kan, kom in och möt knä med armbåge under dig och sträck ut igen'. At the bottom of the video player, there are navigation arrows labeled 'Föregående' and 'Nästa'.

To succeed with increasing the service and lowering the cost we focus on three aspects:

- Preventive care
- Coordination of all care
- Develop care chains

Digital tools and data analysis are important factors

# Reimbursement structures

- Once the new agreement is up and running Vårdsamverkan should have a yearly turnover of approximately 100 msek
- The reimbursement structures are set up to give us financial incentives and means to develop the complete care structures and new tools
  - Skandia – fixed per insured and year
  - Trygg-Hansa – fee per procedure with a fixed base and volume rebates
  - Trygg-Hansa care planning – fixed per insured and year



[www.ghp.se](http://www.ghp.se)

*Contact.*

Daniel Öhman, CEO | +46 708 55 37 07 | [daniel.ohman@ghp.se](mailto:daniel.ohman@ghp.se)

Philip Delborn, CFO | +46 702 12 52 64 | [philip.delborn@ghp.se](mailto:philip.delborn@ghp.se)

