



Quality through specialisation

Q4 REPORT

February 19, 2020

Daniel Öhman, CEO

Philip Delborn, CFO



Agenda



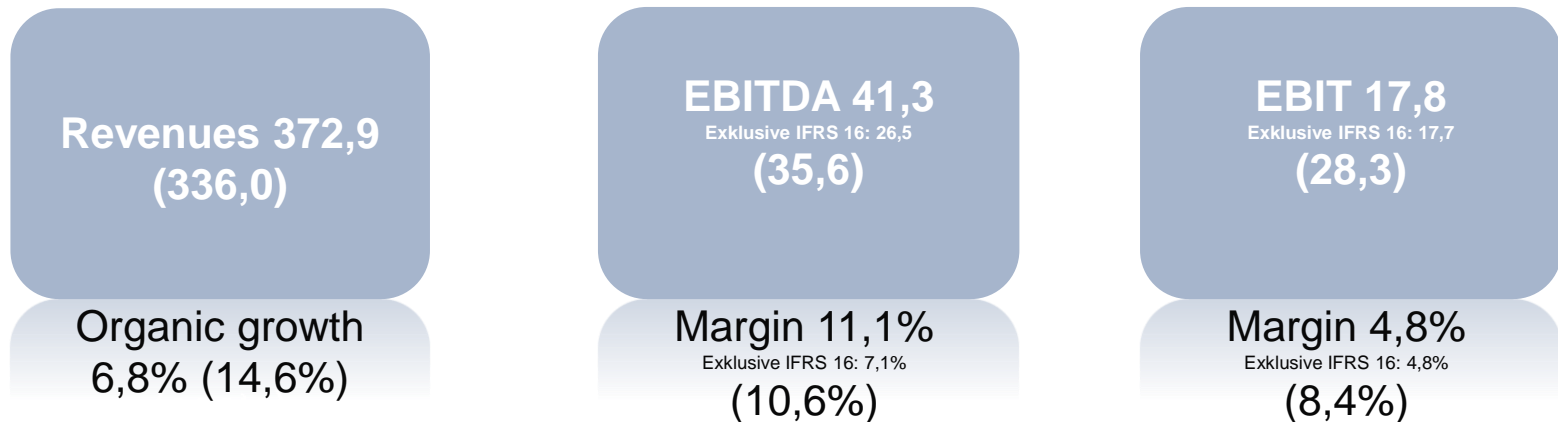
● **CEO reflections on Q4**

● **Financials – Q4**

● **New management structure**

Strong demand but temporary effects impacts results

MSEK



- Continued strong demand means all our Nordic clinics are in a good position to deliver results and grow
- Overall we are in a good position but our important start-ups in Kuwait and Storängsbotten have high costs in the quarter in addition to costs from the changes in management
- Vårdsamverkan has improved significantly
- Changes in revenue recognition at SKMCA hurt growth and bottom line



General comments

Nordics

- Our recent efforts in Urology and Skin continues to develop well
- Continued high losses from our start-up in orthopedics

International

- Continued focus on delivering on present contracts and establishing diabetes centers in Saudi
- High cost in the quarter from start up in Kuwait

Vårdsamverkan

- Management of care in our most recent contract profitable
- Aim to half the number of visits to spine surgeon



Agenda



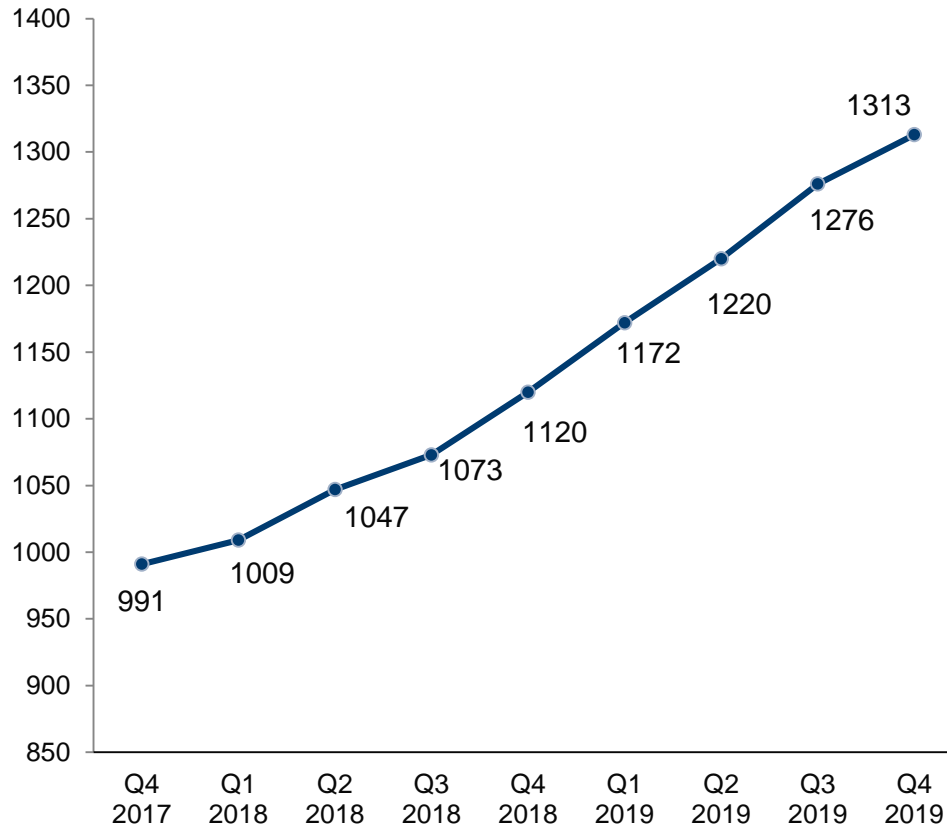
● CEO reflections on Q4

● **Financials – Q4**

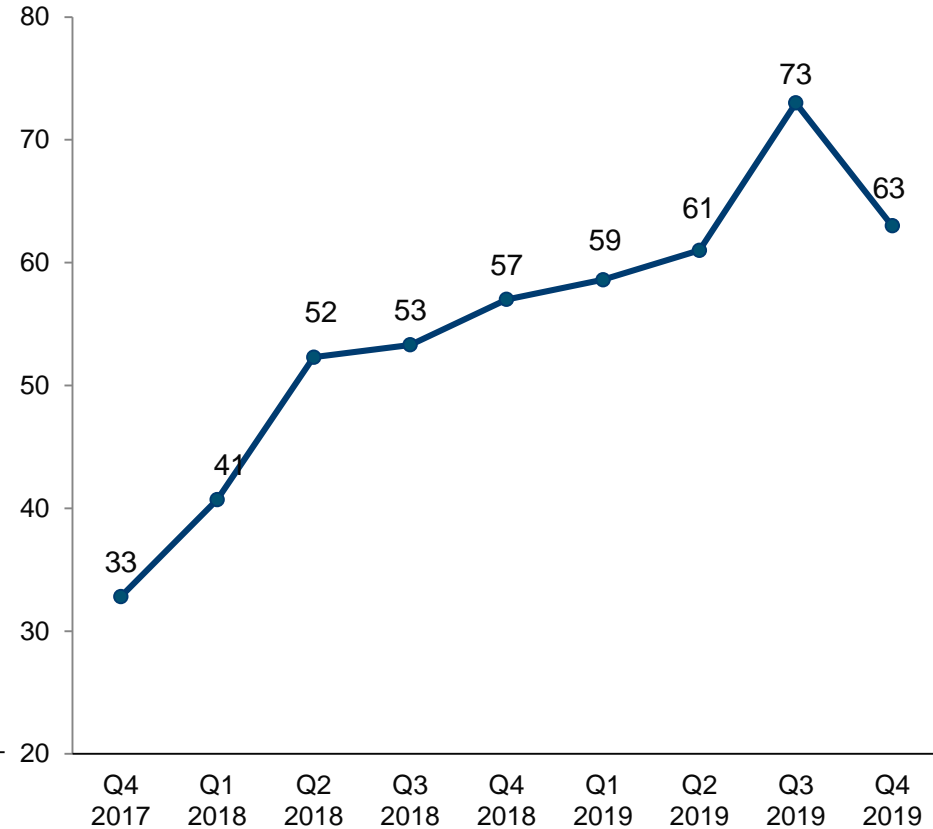
● New management structure

Continued growth and EBIT effect from UAE

Revenue, rolling 12 months

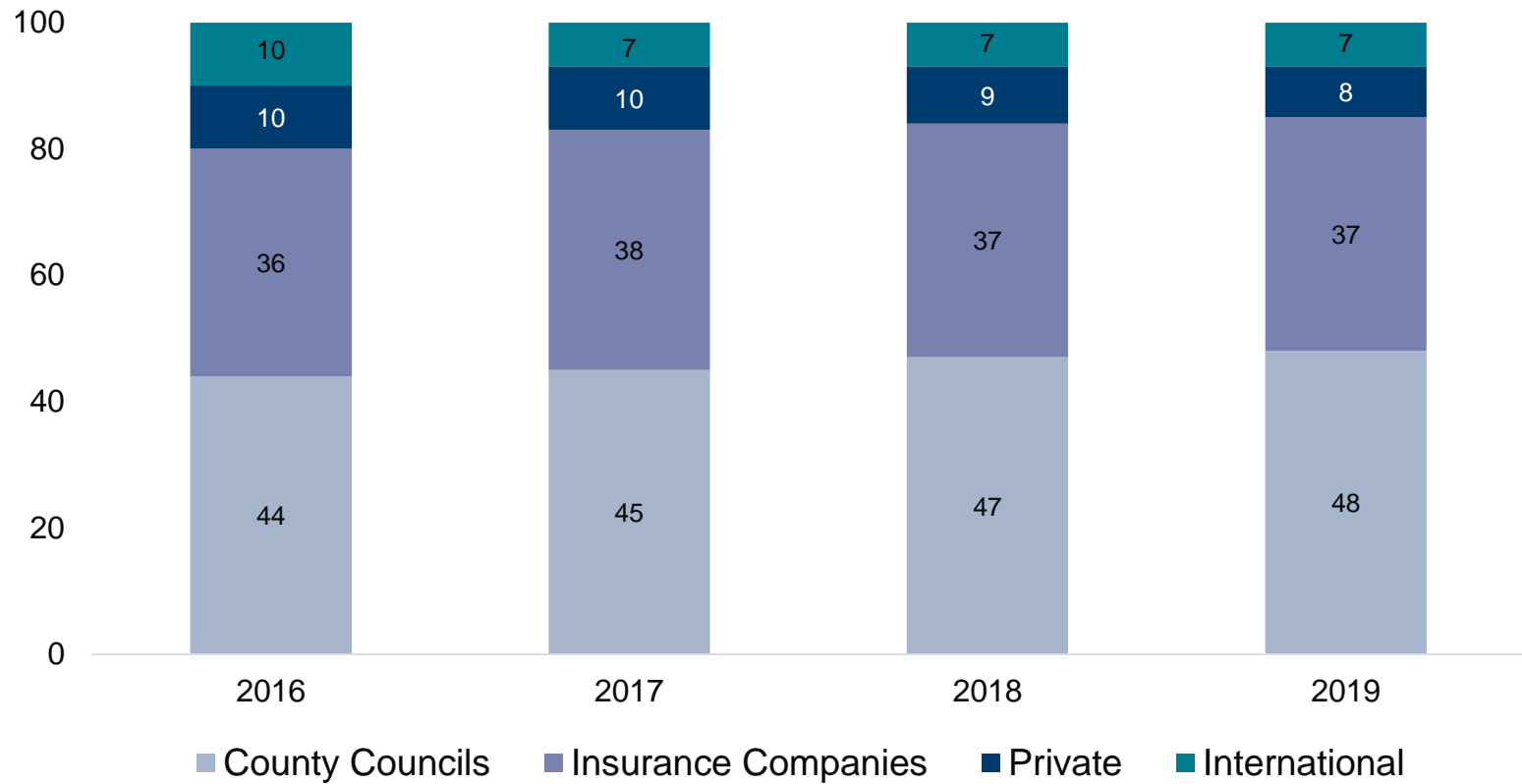


EBIT, rolling 12 months



Split between revenue sources

Revenue Distribution %, quarter



Segment Nordic

- Organic growth 7%
- The new orthopaedic clinic in Stockholm is still in a start-up phase
- Expansion in Gildhøj (Denmark) enables further growth. Some additional costs in Q4
- New Business Area Manager appointed

MSEK	Q4 2019	Q4 2018	Change %	Year 2019
Revenue	311,9	280,0	11,4	1 097,1
EBIT	25,0	29,4		81,2
EBIT margin, %	8,0	10,5		7,4



Segment International

- The work of scaling up the hospital in Kuwait intensified during the fourth quarter leading to higher costs than normal
- Kuwait, Saudi and the United Arab Emirates are focus areas for the business development team
- New Business Area Manager appointed
- Changed reporting of revenues in UAE has negative impact on results for the quarter compared with the previous year of 10 MSEK

MSEK	Q4 2019	Q4 2018	Change %	Year 2019
Revenue	27,8	25,8	7,8	94,3
EBIT	5,8	13,2		27,2
EBIT margin, %	20,9	51,0		28,9



Segment Vårdsamverkan

- Continued strong organic growth
- Improved results which is largely due to the continuous work of controlling and analysing what care is purchased
- Strategic collaboration partner identified to take next step in GHP's digital initiatives

MSEK	Q4 2019	Q4 2018	Change %	Year 2019
Revenue	33,2	30,1	10,3	121,9
EBIT	-0,5	-3,8		-2,0
EBIT margin, %	-1,6	-12,5		-1,6



Key figures

Comments

- Our key figures are affected by the implementation of IFRS 16
- Q4 results impacted by changed reporting of revenues in UAE
- Full-year EBIT improved from 56 MSEK to 63 MSEK
- Board proposes a dividend of 30 öre per share

MSEK	Q4 2019	Q4 2019, exkl. IFRS 16	Q4 2018	Year 2019
EBITDA	41,3	26,5	35,6	150,4
EBIT	17,8	17,7	28,3	63,0
EPS	16 öre	16 öre	27 öre	53 öre
Net Debt	279,5	138,8	107,4	279,5
Net Debt / EBITDA	1,86	1,46	1,27	1,86
Equity Ratio	41	48	51	41



Cash flow fourth quarter 2019

Cash flow			
Sek millions	Fourth quarter		Full Year
	2019	2018	2019
Operating result *	17,8	28,3	62,4
Depreciation/amortisation and write-downs *	8,7	7,3	33,0
Other investments	-13,1	-14,4	-50,0
Other adjustments – net	-0,1	0,1	1,1
Change in working capital – net	26,5	-4,9	-7,5
Operating Cashflow	39,8	16,4	39,0
Paid tax and financial net *	-7,0	1,3	-19,3
Free cash flow after financial items and tax	32,8	17,7	19,7

* Excl. IFRS 16 effect

Comments

- Strong operating cashflow mainly due to payments from International
- Various investments in medical equipment



Agenda



● CEO reflections on Q4

● Financials – Q4

● **New management structure**

GHP strengthens the management structure

The last 3 years GHP has grown with 40%, almost entirely organic. In order to be able to take the next steps we have had to adjust the organization.



Hans Persson
Business area manager Nordics

Former CEO of Previa, Global Medical Investment and Welzorg Sweden



Robert Ball
Business area manager International

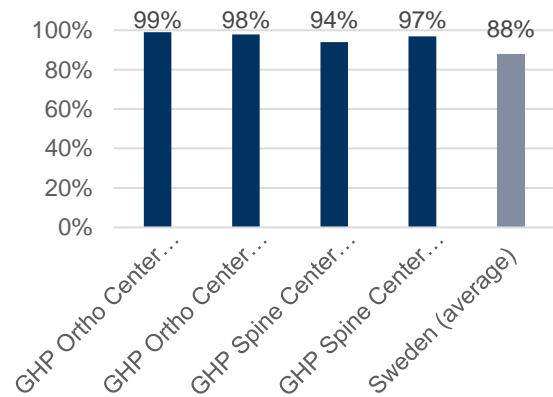
Former CEO of National Ambulance in UAE



Patient satisfaction and quality

High patient satisfaction compared to country average

Share of patients overall satisfied/very satisfied

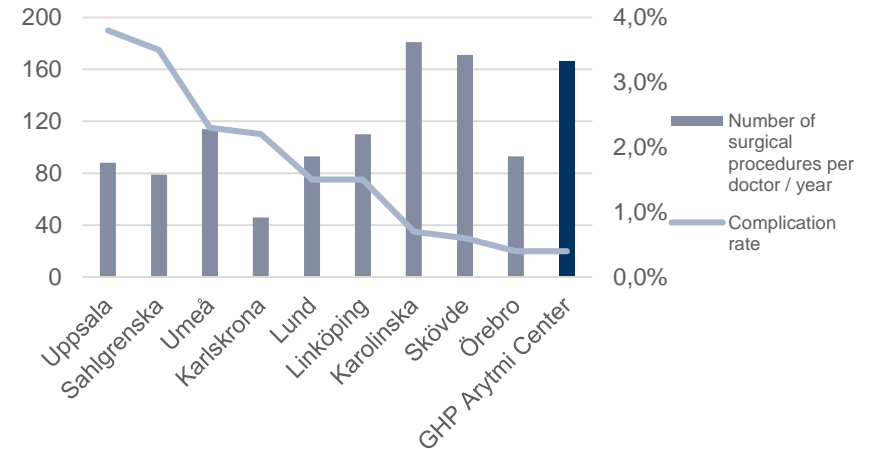


3 GHP clinics on Sweden's top-12-list

Source: National Patient Survey (2018). 476 specialised inpatient care clinics participated in the survey.

High volume – high quality

Number of surgical procedures (catheter ablations) per doctor vs complication rate



Source: National Quality Register for Catheter Ablations – Annual report 2018.

www.ghp.se

Contact.

Daniel Öhman, CEO | +46 708 55 37 07 | daniel.ohman@ghp.se

Philip Delborn, CFO | +46 702 12 52 64 | philip.delborn@ghp.se

