



Quality through specialisation

Q2 REPORT

July 10, 2020

Daniel Öhman, CEO

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Agenda



● **CEO reflections on Q2**

● **Financials – Q2**

● **Corona update**

Engaged co-workers and quick actions yield results above expectations

MSEK

Revenues 317,0
(335,7)

Organic growth
-8,2% (15,8%)

EBITDA 45,2
(38,1)

Margin 14,3%
(11,4%)

EBIT 20,5
(17,1)

Margin 6,5%
(5,1%)

- The strength of the decentralized organization combined with focused central resources allows GHP to achieve a strong result during these difficult times.
- In the Nordics the clinics with lower demand has handled costs and the clinics with extra high demand have been able to reach new heights.
- Within International we have had to lower reimbursement in Kuwait and in UAE covid-19 has had no effect on the financial result event though there has been difficult times.
- Vårdsamverkan have one-time gains from the lower demand combined with underlying improvements.



Agenda



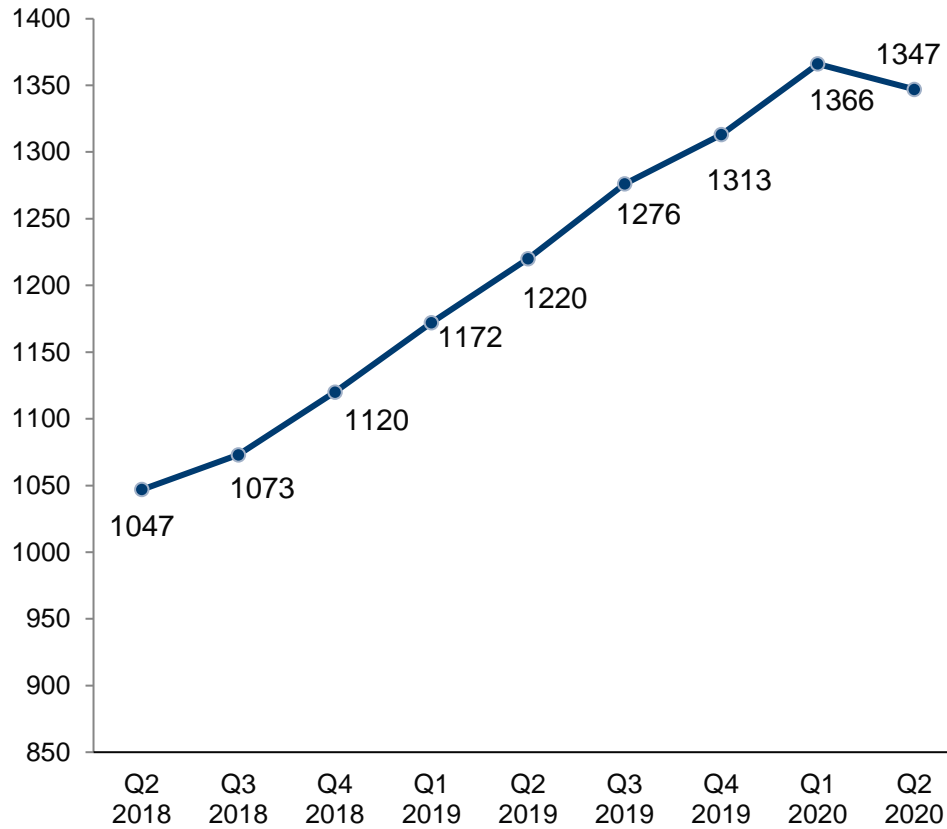
● CEO reflections on Q2

● **Financials– Q2**

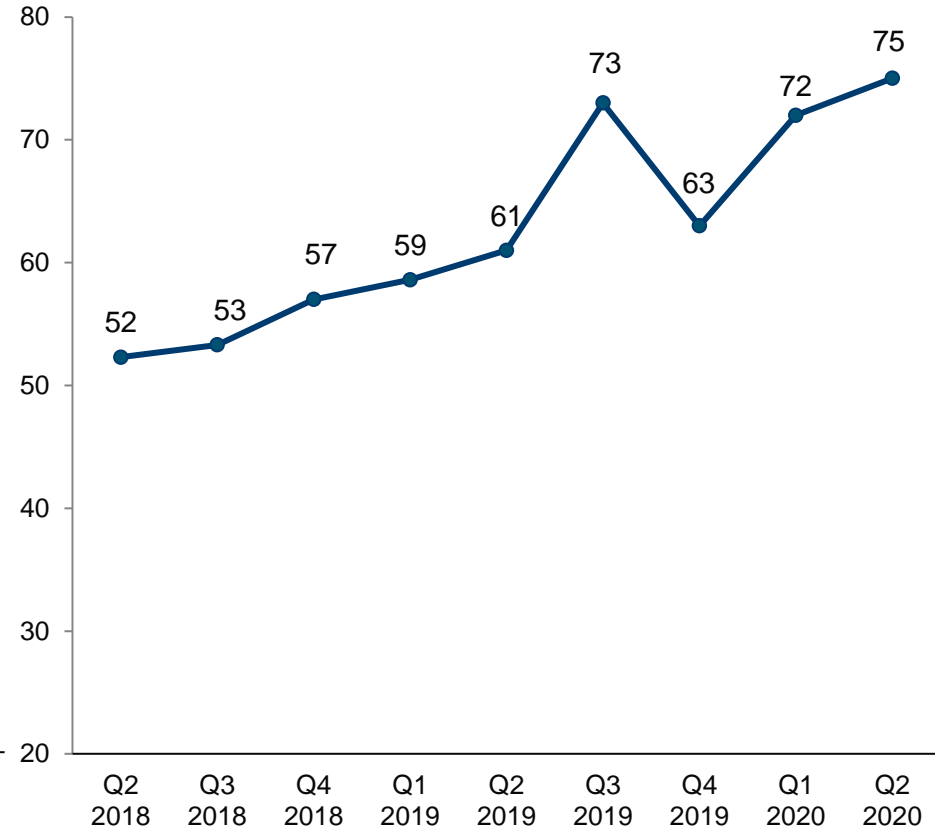
● Corona update

Revenues were affected by covid-19, but earnings are increasing

Revenue, rolling 12 months



EBIT, rolling 12 months



Segment Nordic

- Most of the clinics had lower revenues as a result of covid-19. Partly because several clinics have not received patients from risk groups, and partly because the clinics' resources have been lent out to support public care.
- The clinics in Stockholm and Copenhagen are the clinics that have been most affected by covid-19 during the second quarter.
- All the Nordic clinics have made adjustments to deal with the effects of the pandemic. This has resulted in lower costs and a positive result for the segment during the period.

MSEK	Q2 2020	Q2 2019	Change %	Year 2019
Revenue	262,5	276,9	-5,2	1 097,1
EBIT	21,2	22,8		81,2
EBIT margin, %	8,1	8,2		7,4



Segment International

- Some growth in the quarter, mainly linked to the Kuwait agreement which started Q3 2019.
- As GHP's normal work cannot continue during the pandemic, compensation in Kuwait was halved during the quarter, which affected revenues by approximately SEK -5 million in the quarter. The same will apply for the third quarter.
- Changes in revenue reporting from 2019 affect earnings by SEK -6 million compared with the same period last year.

MSEK	Q2 2020	Q2 2019	Change %	Year 2019
Revenue	26,5	25,5	3,7	94,3
EBIT	5,0	8,4		27,2
EBIT margin, %	18,7	32,8		28,9



Segment Vårdsamverkan

- Revenue for the quarter decreased compared to the corresponding quarter last year, mainly due to our efforts to achieve smarter and less resource-intensive care chains.
- Part of the positive result comes from the short-term effects of covid-19, which resulted in lower purchasing of care, but also from the work we do in managing and analyzing care that is purchased.
- Vårdsamverkan's digital solutions are used to reduce the number of physical visits within GHP.

MSEK	Q2 2020	Q2 2019	Change %	Year 2019
Revenue	28,0	33,3	-15,8	121,9
EBIT	3,6	-2,4		-2,0
EBIT margin, %	12,8	-7,4		-1,6



Key figures

Comments

- Most of GHP's key figures improved during the quarter
- Focus on strengthening the balance sheet
- The Group's cash amounted to 187 MSEK on June 30, 2020. In addition, the Group has granted, unutilized credit at the bank of 70 MSEK

MSEK	Q2 2020	Q2 2019	Year 2019
EBITDA	45,2	38,1	150,4
EBIT	20,5	17,1	63,0
EPS	13 öre	17 öre	53 öre
Net Debt	173,5	243,5	279,5
Net Debt / EBITDA	1,02	2,07	1,86
Equity Ratio	41	42	41



Cash flow second quarter 2020

Cash flow			
	Second quarter		Full Year
Sek millions	2020	2019	2019
Operating result	20,5	17,1	38,5
Depreciation/amortisation and write-downs	24,7	21,0	41,8
Operating investments	-3,0	-16,5	-27,0
Other adjustments – net	0,0	1,2	1,2
Change in working capital – net	36,1	9,7	7,4
Repayment of financial lease debt	-17,5	-14,5	-29,0
Operating Cashflow	60,8	18,0	32,9

Comments

- Strong cash flow
- Deliberately low investments
- Focus on working capital including transfer to monthly rents during covid-19



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How GHP is affected

- Initially many patients postponed their medical visits. In addition some counties closed their agreements for patients from other counties. This is now almost back to normal.
- GHP has chosen not to treat risk groups. Difficult for dental and hip/knee replacements.
- GHP lets out staff within anesthetics to the regions, which lowers our possibilities to perform surgery and creates imbalance in staff composition.
- In Denmark, all elective care was halted for a couple of weeks.
- In UAE we are almost only treating corona patients and in Kuwait the start up of Kuwait hospital is very difficult, hurting revenues.





What we do

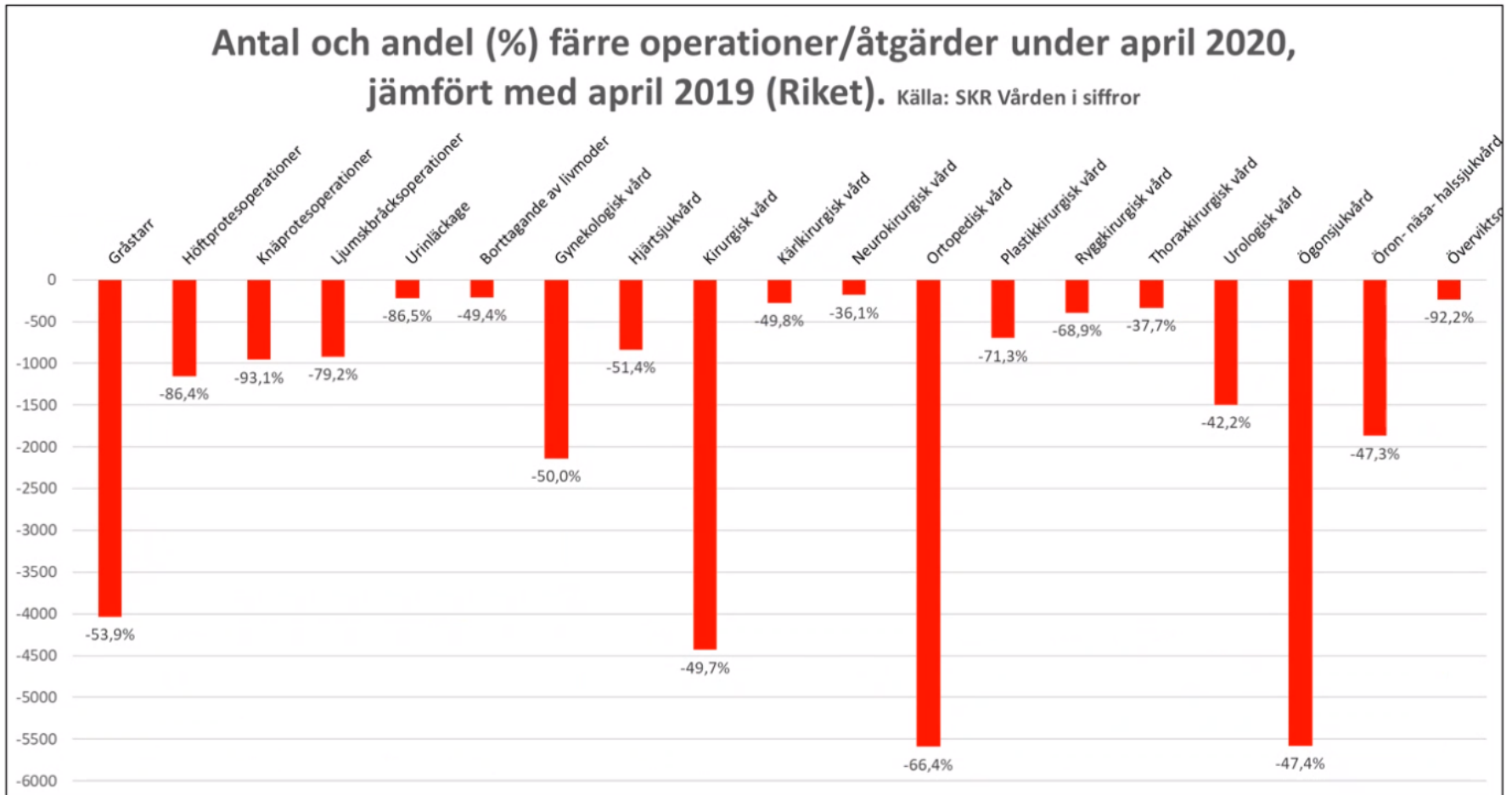
Helping

- Letting out staff to the public hospitals
- Giving away material and lending out equipment
- New assignments; cancer, subacute orthopedics, pediatrics and geriatrics

Costs

- Quick adjustments and focus on every day
- Cancelling consultants
- Short term leave
- Lower pay

Vårdskulden



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