



Quality through specialisation

# Q3 REPORT

October 26, 2017

Daniel Öhman, CEO

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# Agenda



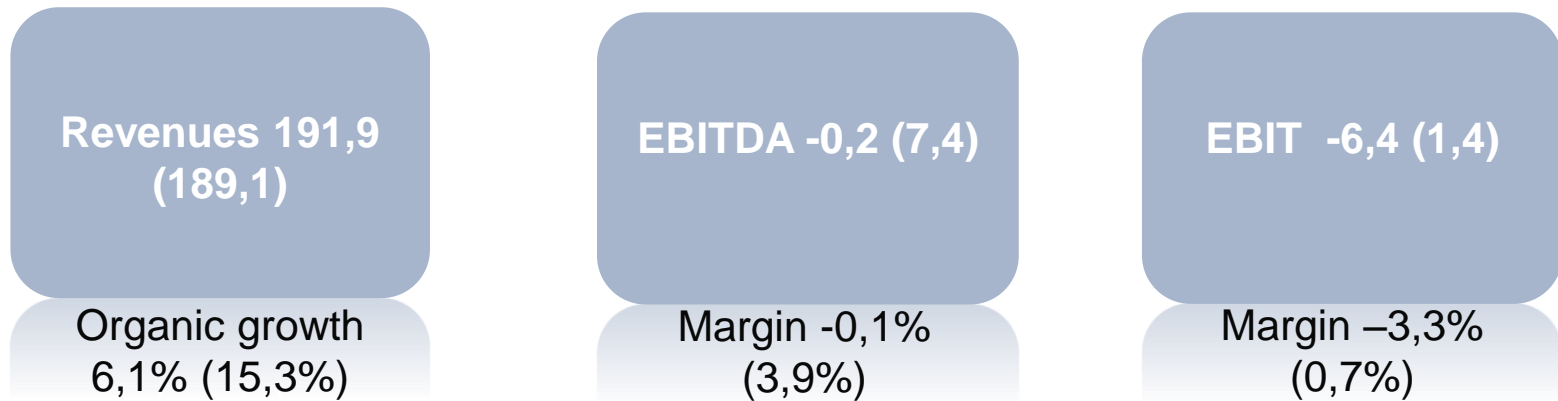
● **CEO reflections on Q3**

● **Financials – Q3**

● **General update**

# The third quarter was a big step forward compared to the beginning of the year

MSEK



- As always low activity in the third quarter due to seasonal variation
- The increased focus on planning means that the Nordic region takes a big step forward
- International is developing according to plan

# Continued focus on profitability

Implemented during Q2 and Q3:

- New activity planning system
- Sale of OPA Privathospital and Gastro Clinic Helsinki
- Cost reductions at HQ

To be implemented during Q4:

- Cost reductions at specific clinics
- Leaner and more efficient internal processes

This is done in addition to “normal” business development and we aim to save at least 20 MSEK



# Agenda



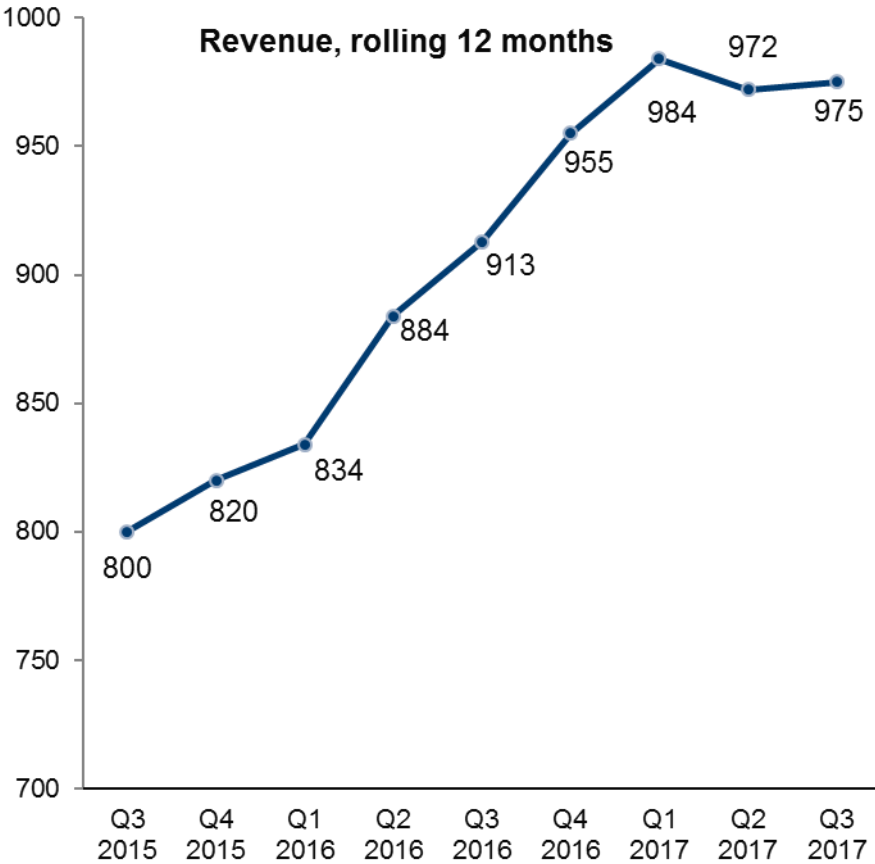
● CEO reflections on Q3

● **Financials – Q3**

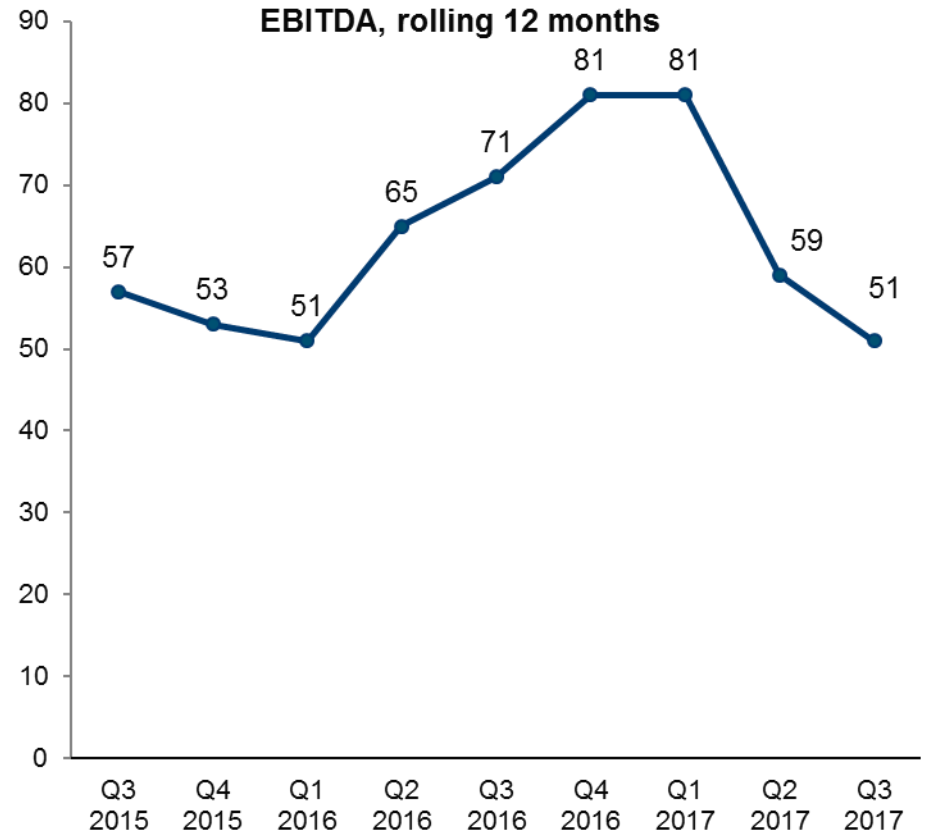
● General update

# Volume increase drives the revenue growth

Revenue, rolling 12 months



EBITDA, rolling 12 months

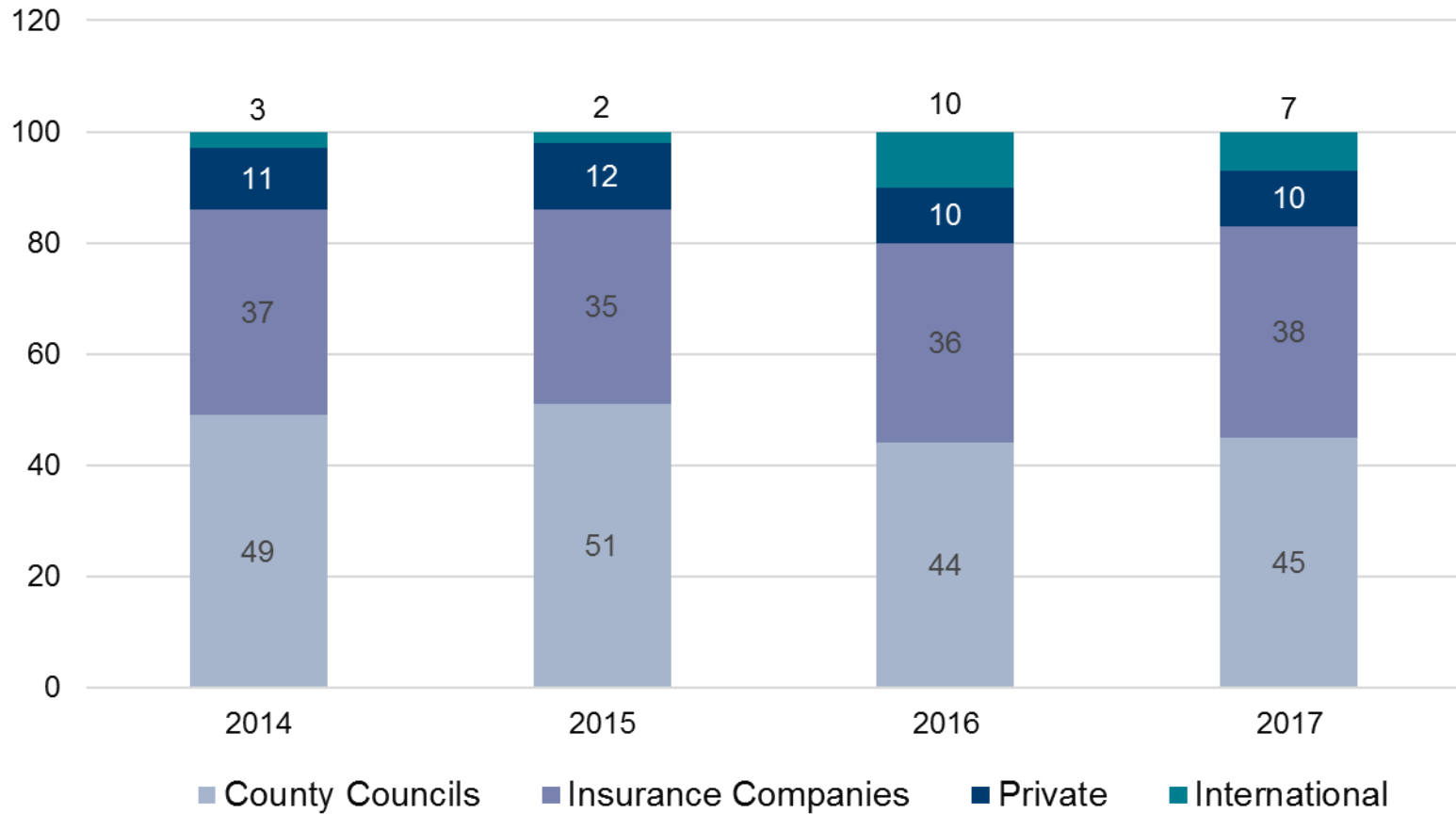


EBITDA is adjusted for capital loss from divestments of -16,3 Msek



# Strong split between revenue sources

Revenue Distribution, quarter





# Business Area Nordic

- Almost all clinics increased their revenues compared to last year
- Similar to previous years, our specialty care clinics have low activity during the summer
- Significant cost saving programs initiated
- Strong, volume driven development in Skåne and Arrhythmia
- Vårdsamverkan is reported as a separate segment from now on

<b>MSEK</b>	<b>Q3 2017</b>	<b>Q3 2016</b>	<b>Change %</b>	<b>Year 2016</b>
Revenue	165,6	158,9	4,3	846,1
EBIT	-11,2	-7,8		37,5
EBIT margin, %	-6,6	-4,9		4,4



# Business Area International

- The improvement of the hospitals is progressing also in the third quarter
- A change in the quarterly phasing of the reimbursement model enable a potential for higher reimbursement in the fourth quarter
- Our Business Development team in UAE is increasing its focus on new opportunities in the region

<b>MSEK</b>	<b>Q3 2017</b>	<b>Q3 2016</b>	<b>Change %</b>	<b>Year 2016</b>
Revenue	14,3	21,9	-34,6	75,6
EBIT	5,1	9,5		22,7
EBIT margin, %	35,5	43,4		29,9



# Business Area Vårdsamverkan

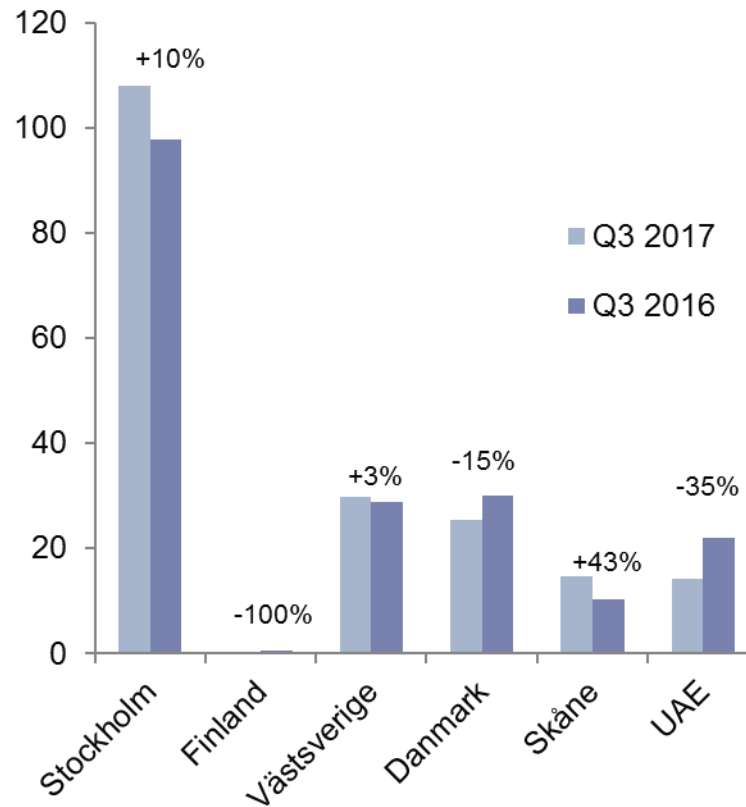
- Vårdsamverkan organised and presented as a separate segment for the first time
- In addition to our collaboration with Skandia, the new agreement with Trygg Hansa generate growth in the quarter
- Initiatives in business development and establishment of new businesses has a negative impact on the earnings

<b>MSEK</b>	<b>Q3 2017</b>	<b>Q3 2016</b>	<b>Change %</b>	<b>Year 2016</b>
Revenue	12,0	8,3	44,2	33,7
EBIT	-0,3	-0,3		-3,8
EBIT margin, %	-2,3	-4,0		-11,4



# Revenue development – sub-markets Q3

Sub-markets



## Revenue development – sub-markets

MSEK	Q3 2017	Q3 2016	Change %
Stockholm	107,9	97,8	10
Finland	0,0	0,5	-100
Västsverige	29,7	28,7	3
Danmark	25,4	30,0	-15
Skåne	14,6	10,2	43
UAE	14,3	21,9	-35



# Key figures

## Comments

- The summer period has a negative impact on our key figures
- Our improvement initiatives in the clinics are expected to strengthen our key figures later this year

MSEK	Q3 2017	Q3 2016
EBITDA	-0,2	7,4
EBT	-7,3	0,8
EPS	-5 öre	1 öre
Net Debt	152,1	111,7
Net Debt / EBITDA	2,98*	1,57
Equity Ratio	49	55

\* Adjusted for capital loss

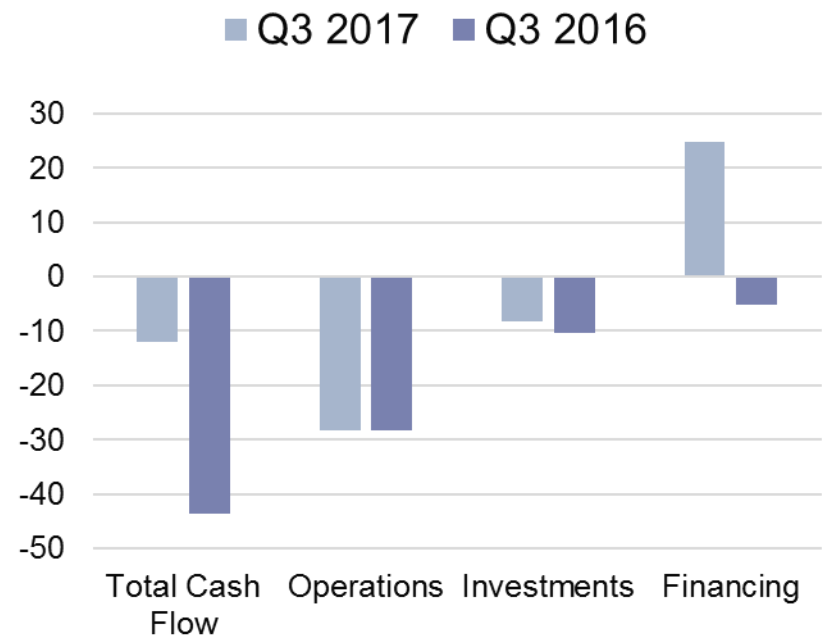


# Cash flow Q3 2017

## Comments

- The low activity during the summer period has a negative impact on our cash flow in the quarter
- Also the cash flow is expected to improve the coming quarters as we increase activities in the clinics and start to see the effect from our cost saving initiatives

MSEK	Q3 2017	Q3 2016
Op cash flow before changes in w/c	-5,0	4,6



# Agenda



● CEO reflections on Q2

● Financials – Q2

● **General update**



# Nordic region

- High demand given the increasing need for health care, shortage of specialists and lack of productivity gains in the public sector
- GHP is well positioned with leading clinics and a structure which meets the challenges of the sector
- We need to improve profitability by:
  - Focus on planning
  - Continue to market our high quality
  - Don't be afraid to lose tenders
  - Cost control



# International

- We have built up a strong reputation in the GCC and an understanding of the culture after almost 10 years in the market
- The care quality and efficiency in the GCC is much lower than in Sweden and international operators are sought after
- During the last 12 months we have taken many steps forward with becoming operational in our 4 hospitals and set up a local business development office
- Our aim is now to expand in the region



# Vårdsamverkan

- When the DRG system was implemented in the 80s it was a big step towards more efficient care
- Most care givers are now quite efficient per procedure
- However, no focus on quality and the system discourage efficient care chains, e-health and preventive care
- There are large gains to be made when focusing on total costs and quality, these can be shared with customers
- GHP has a leading position with the only such collaboration up and running and now collecting data through our care planning



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

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