



## Interim report January-March 2018



### Strong development continues

- Result for the quarter is GHP's best first quarter so far
- Organic growth of over 10 percent
- Rolling 12-month sales revenues exceed SEK 1 billion for the first time
- Work on the action programme continues
- Decision to expand Gildhøj in Copenhagen

### First quarter 2018

- Sales revenues increased to SEK 278.7 million (260.8)
- Organic growth amounted to 10.7 percent (11.0)
- EBITDA amounted to SEK 25.8 million (18.2)
- EBITDA margin amounted to 9.3 percent (7.0)
- Result after tax (EAT) amounted to SEK 14.0 million (8.2)
- Result per share amounted to SEK 0.18 (0.12)

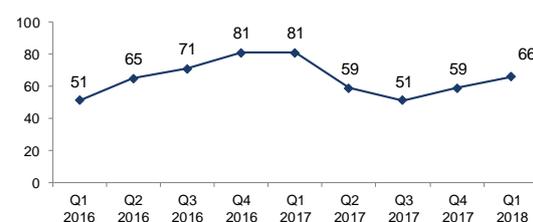
### Events after closing day

- Trygg-Hansa chooses GHP Vårdsamverkan as total provider for musculoskeletal injuries
- Decision to increase capacity at GHP Spine Center Göteborg

Sales revenues, rolling 12 months  
SEK millions



EBITDA, rolling 12 months  
SEK millions



The operating result in Q2 2017 was impacted by a capital loss of SEK -16.3 million

Segment summary				
Sek millions	Sales revenue		Operating result	
	First quarter		First quarter	
	2018	2017	2018	2017
Nordic region	251.8	237.1	17.0	11.4
International	15.3	15.5	3.7	1.7
Vårdsamverkan	11.6	8.2	-1.4	-1.6
<b>Total</b>	<b>278.7</b>	<b>260.8</b>	<b>19.3</b>	<b>11.4</b>

## CEO's comments



We are delighted to have broken the record for a specific quarter's results for the second quarter in a row. This shows that all our joint efforts in the Group are truly having an effect. In the Nordic region we have taken several steps forward and business planning is considerably better than the same period last year. International has also made good progress. Vårdsamverkan is in a very exciting development phase, in particular due to our new collaboration with Trygg-Hansa.

In the **Nordic region** many of the measures we took during last year continued to have an effect. We have increased the focus on the day-to-day business operations, made a number of savings and sold two unprofitable businesses. We now continue to develop the business, in both the short term and the long term. In the short term we still have some businesses where we must continue the work on our action and development plans and we must continue to maintain a high level of cost consciousness in the whole Group. We are also investing for the future: during the summer and autumn, we will extend the premises in both Gothenburg and Copenhagen. In Stockholm we have opened Urologcentrum at Odenplan, which has made a strong start. Furthermore, we have invested a lot in strengthening the culture and developing our employees. An example of this is that 15 or so future and current managers are taking part in an ambitious training programme in leadership, economics and strategy. We very much believe in having managers who also have medical competence, but then we need to supplement their medical education with this kind of knowledge.

In **International**, in consultation with our customer in the UAE, we have made a change for 2018 in how we are paid for running our four hospitals. There was already a bias towards the fourth quarter as several of the KPIs and deliverables that we are assessed on have only been evaluated at the end of the year. We now anticipate that even more will be evaluated and delivered less frequently, which means that our revenues for the current quarter are lower. This is merely a question of distribution over the year. For the fourth quarter the assessment of our clinical and organisational work was the best that we have attained since we took over operation of the hospitals. Furthermore, we expect to stay at a higher level this year than what we had last year. It is most gratifying to follow how these four hospitals are improving and how we have been able to introduce a Swedish way of working in many areas. In addition, our business development team continues to work on exciting projects in the United Arab Emirates, Kuwait and Saudi Arabia, but it is difficult to foresee exactly when something will materialise.

In **Vårdsamverkan** we have taken a large step forward thanks to our new agreement with Trygg-Hansa. The new agreement means that the segment on a rolling 12-month basis should have sales of SEK 100 million as from this summer. With these sales we will attain a size

that will give us the financial scope to carry out all the exciting development that we know can increase both efficiency and service for our patients.

A large part of the care that Vårdsamverkan handles is carried out by GHP's own clinics, which has a positive financial effect on these businesses. The net result in Vårdsamverkan is the difference between what payment we manage to obtain from the insurance companies to run health care and the costs for purchasing and developing this care.

We are now starting the intensive work of continuing to develop what we have already built up. For example, we will launch our own app, which combines physical health checks with encouragement to engage in an active and healthy lifestyle. Furthermore, all patients will fill in dynamic forms that improve triaging and make subsequent care more efficient. We will further develop the care chains and more patients will gain access to care online. When all this is in place the health care we offer will be unique, as we will have created coherent care throughout Sweden, with the focus on the total experience and the total costs for providing care. We are working on, amongst other things, all the digital opportunities that exist, increasingly in the form of externally developed solutions that can be adapted to our needs.

This first quarter has given us a good start to 2018. We are now continuing to develop and strengthen our existing business in the Nordic region and in International at the same time as we are now entering an intense build-up phase in Vårdsamverkan and are continuing to work on winning more assignments in International.

*Daniel Öhman, CEO*

**Nordic region**  
The positive development has continued, with high demand and efficiency in most units.  
  
In order to ensure more stable development, we are investing in better follow-up systems, training of the next generation of managers and more active leadership.

**International**  
Evaluations of our work as hospital operator give even higher results. We have a negative distribution effect in the quarter which will even out over the year. We will continue to focus on new business in the region.

**Vårdsamverkan**  
We are continuing our work, in strategic collaboration with insurance companies, on developing health care so that it achieves greater efficiency through new care chains, new technology and preventive work.  
  
We have taken a large step forward during the quarter thanks to our new agreement with Trygg-Hansa. A very exciting development phase now ensues where everything will fall into place in the coming 6-9 months.

## Financial summary of the first quarter of 2018

### Sales revenues

Sales growth amounted to 6.9 percent (12.6) for the first quarter, of which 10.7 percent (11.0) was organic growth.

### Operating result

The operating result before depreciation and amortisation for the first quarter of 2018 amounted to SEK 25.8 million (18.2), corresponding to an EBITDA margin of 9.3 percent (7.0). The EBIT margin during the first quarter of the year amounted to 6.9 percent (4.4).

### Net financial items

Net financial items amounted to SEK -0.8 million (-0.8) for the first quarter of 2018

### Income tax

The tax expense amounted to SEK -4.4 million (-2.3) for the first quarter

### Result for the period

The result after tax for the first quarter of 2018 was SEK 14.0 million (8.2), of which SEK 12.4 million (8.0) was attributable to Parent Company shareholders.

### Current and non-current interest-bearing liabilities

At 31 March 2018 the company had utilised credit of SEK 141.5 million (151.0). Of this sum, SEK 10.5 million (34.6) is current liabilities and SEK 131.0 million (116.4) non-current liabilities.

### Cash flow and financial position

The first quarter of 2018 had a positive cash flow of SEK 2.0 million (-8.0).

The cash flow from operating activities included changes in operating capital of SEK -5.7 million (2.7) for the first quarter of 2018.

The cash flow during the quarter was affected, amongst other things, by settlement of a purchase consideration previously entered as a liability to non-controlling interests. In addition, investments were made in hospital equipment. The cash flow from financing activities during the quarter was negatively impacted by the amortisation of bank loans.

The Group's cash and cash equivalents amounted to SEK 24.3 million (66.9) at 31 March 2018. GHP has a controlling interest in all cash-generating subsidiaries.

Net loan debt amounted to SEK 117.2 million (84.1) at 31 March 2018 and all covenants were met during the period.

### Personnel

The average number of employees for the first quarter of 2018 amounted to 560 (515).

Consolidated sales revenues and profits			
Sek millions	First quarter		Year
	2018	2017	2017
Sales revenues	278.7	260.8	990.8
Growth, %	6.9	12.6	3.7
whereof organic, %	10.7	11.0	6.0
Operating result before depreciation and amortisation (EBITDA)	25.8	18.2	42.2
Adjusted operating result before depreciation and amortisation (EBITDA) <sup>1)</sup>	25.8	-	58.8
Operating result (EBIT)	19.3	11.4	16.2
Adjusted operating result (EBIT) <sup>1)</sup>	19.3	-	32.8

1) Adjusted for capital loss of SEK -16.6 million in the full year 2017.

Consolidated cashflow			
Sek millions	First quarter		Year
	2018	2017	2017
Cash flow from operating activities	17.4	17.1	31.2
Cash flow from investing activities	-3.7	-9.2	-31.3
Cash flow from financing activities	-12.3	-15.7	-51.9
Exchange rate differences in cash and cash equivalents	0.5	-0.2	-0.6
<b>Cash flow</b>	<b>2.0</b>	<b>-8.0</b>	<b>-52.6</b>

## Segment summary

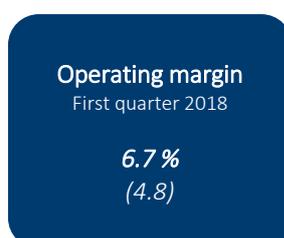
### Nordic Region

In the Nordic Region GHP runs 18 specialist care clinics in the fields of orthopaedics, spine surgery/spine care, obesity surgery and diabetes care, gastroenterology, urology, general surgery, arrhythmia, sports medicine, neurology and specialist dentistry. The businesses focus on quality, continuity, development and efficiency and it is our conviction that this stems from a high degree of specialisation. The clinics' customers consist of County Councils/Regions, insurance companies and to a certain extent private individuals. In the Nordic Region GHP has one clinic in Denmark and the other businesses are in Sweden.

Despite the fact that the first quarter of 2018 included some of Easter, the segment increased both its sales and its results. The operating margin also rose compared with the previous year. Most of the clinics are

experiencing continued high demand and good patient volumes. Several clinics have clearly improved results. All businesses in the Specialist Dentistry area began the year strongly, with a high level of activity and good cost control. In Stockholm the clinics at Sophiahemmet and elsewhere had a quarter of very good growth and improved results. The new urology clinic at Odenplan has started positively and is assessed to have very good potential.

To meet the high demand, it has been decided for the future to expand surgical capacity at GHP Spine Center Göteborg and in Copenhagen. The work on carrying out the action programme that was introduced at the end of 2017 continued in the first quarter and will also be ongoing during the second quarter.



### Seasonal variations

GHP's business is affected by seasonal variations, in particular round about the summer holiday. As most of the Group's clinics do not carry out any surgical procedures at all during a few summer weeks, sales, the operating result and cash flow are affected negatively during the third quarter. The clinics are closed during this period due to the fact that it is

inefficient to run a clinic at half capacity as certain economies of scale are lost. It is also the case that the demand for operations is considerably lower during the holidays as many people do not want to have recently undergone surgery during the holiday.

## International

The International business area conducts business in the United Arab Emirates (UAE). GHP has conducted diabetes care at a clinic in the UAE for a number of years but during 2016 GHP expanded its business operations after having won a procurement process at the end of 2015. The procurement process comprised a management contract for the diabetes clinic, two accident and emergency hospitals and a paediatric and obstetric hospital. During the fourth quarter of 2016 GHP took over the day-to-day running of the hospitals. The hospitals' assets and employees remain under hospital management and GHP's company in the UAE only employs the Group management, which consists of seven people, and the four hospital directors. Through this Group management, GHP will run the hospitals with the aim of improving both their quality and efficiency.

GHP's remuneration from the management contract consists of a number of components, which are mainly based on how well we can deliver a number of predefined criteria and on key performance indicators (KPIs) regarding quality and efficiency. GHP's remuneration and profitability during the course of the agreement may therefore vary from quarter to quarter and also because we invoice in the local AED currency.

During the autumn a change was made in the remuneration model in dialogue with our customer. This means that the quarterly remuneration is more clearly tied to activities carried out in each quarter and that a larger part of the annual remuneration will be paid in the fourth quarter each year. Of the annual maximum remuneration for the variable part of the agreement, approximately 18 percent is in the first quarter.

The business has developed positively in the past two quarters and this is also reflected in improved results for the first quarter. The outcome of the criteria for the fourth quarter resulted in a positive effect on results for the first quarter to the tune of SEK 1.7 million. In parallel with developing the existing business in the UAE, work on creating new business in the area continued during the first quarter. GHP's presence and work in the UAE have created a positive impression and act as a springboard for the potential expansion projects that are now under discussion. Decision processes in this part of the world differ somewhat from those in the Nordic region, which makes it difficult to foresee if and when a deal will be completed.

Costs for business development linked to GHP's business development office in Dubai are charged against the results for the segment on a continuous basis.

### Sales revenues

First quarter 2018

**SEK 15.3 million**  
(15.5)

### Operating result

First quarter 2018

**SEK 3.7 million**  
(1.7)

### Operating margin

First quarter 2018

**24.4 %**  
(10.9)

## Vårdsamverkan

Vårdsamverkan is GHP's segment that focuses on finding new ways of collaborating with our customers, primarily the insurance companies. We see that, based on detailed knowledge of the insurance population's needs, we can tailor care chains, including digital solutions, so that we raise both the quality and the level of service at the same time as we reduce costs. This is possible by optimising care on the basis of population thinking rather than cost per measure. As this requires comprehensive analysis and development of solutions, we have chosen to structure this as a segment of its own in GHP that can be fully focused on the development of these offerings. We have been in collaboration with Skandia for the first time over the past two years, and there we have population responsibility for everyone insured by them in Stockholm with regard to shoulder, hip and back problems. We have already been able to show that the business that we have built up for this purpose has been able to raise the level of service and reduce costs considerably. Furthermore, the planning of care has been run for Trygg-Hansa since the summer of 2017. GHP is responsible for coordination of the care of everyone covered by Trygg-Hansa insurance policies.

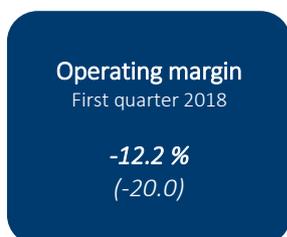
During the first quarter the work of developing technical solutions continued in order to further improve accessibility for patients and to broaden the range of digital health care services offered.

Work on creating new business accelerated during the quarter and in April 2018 GHP and Trygg-Hansa entered into collaboration whereby GHP Vårdsamverkan will be responsible for ensuring that all of Trygg-Hansa's patients with orthopaedic or spine-related problems receive effective care of the highest quality. In contrast with how health care is traditionally

purchased, with the focus on cost per measure taken, this collaboration focuses on quality outcomes, preventive work, service and total health care costs for the population. Through its Vårdsamverkan business area, GHP is responsible for the purchase and control of all care, which is then provided by both GHP's own clinics and external clinics. The agreement is effective as of 1 July 2018.

GHP reports the Vårdsamverkan segment not as a care provider but as an independent business that administrates and optimises health care for insurance companies by developing care chains, working with preventive care, developing digital aids and evaluating care providers. This means that the purchase of care from both GHP's own clinics and from external clinics is seen as costs for Vårdsamverkan and that what is seen as the net result in Vårdsamverkan is the difference between what payment we manage to obtain from the insurance companies to run health care and the costs for purchasing and developing this care. The positive effect on results for GHP from the actual providing of care for Vårdsamverkan patients arises in the Nordic region segment.

Most of the segment's increase in sales in the quarter relates to health care planning agreement with Trygg-Hansa which was started in July 2017. The establishment of the business, together with other investments, has involved costs which means that the segment initially displays a negative result.



## Segment summary

### Sales revenues

Sek millions	First quarter		Change %	Year 2017
	2018	2017		
Nordic region	255.3	240.6		900.9
<i>whereof Sweden</i>	217.8	217.8		753.7
Eliminations	-3.5	-3.5		-17.1
<i>whereof Vårdsamverkan</i>	-3.5	-3.5		-17.1
<b>Nordic region</b>	<b>251.8</b>	<b>237.1</b>	<b>6.2</b>	<b>883.8</b>
International	15.3	15.5		66.2
Vårdsamverkan	11.6	8.2		40.8
<i>whereof Sweden</i>	11.6	8.2		40.8
<b>Group sales revenues</b>	<b>278.7</b>	<b>260.8</b>	<b>6.9</b>	<b>990.8</b>

### Operating result

Sek millions	First quarter		Year 2017
	2018	2017	
Nordic region	17.0	11.4	7.1
International	3.7	1.7	16.6
Vårdsamverkan	-1.4	-1.6	-7.4
<b>GHP Group operating result</b>	<b>19.3</b>	<b>11.4</b>	<b>16.2</b>
Net financial items	-0.8	-0.8	-3.4
<b>Result before tax</b>	<b>18.5</b>	<b>10.6</b>	<b>12.8</b>

### Operating margin

%	First quarter		Year 2017
	2018	2017	
Nordic region	6.7	4.8	0.8
International	24.4	10.9	25.0
Vårdsamverkan	-12.2	-20.0	-18.2
<b>Group operating margin</b>	<b>6.9</b>	<b>4.4</b>	<b>1.6</b>

## Consolidated income statement and other comprehensive income

Consolidated Income Statement			
Sek millions	First quarter		Year
	2018	2017	2017
Sales revenues	278.7	260.8	990.8
Other operating revenues	0.6	1.3	3.4
<b>Operating revenues</b>	<b>279.3</b>	<b>262.0</b>	<b>994.2</b>
Purchase of goods and services	-48.2	-45.7	-175.3
Other external costs	-63.2	-67.8	-250.3
Personnel costs	-142.1	-130.3	-509.7
Depreciation, amortisation and write-downs	-6.5	-6.8	-26.0
	0.0	0.0	-16.7
<b>Operating costs</b>	<b>-260.0</b>	<b>-250.7</b>	<b>-978.0</b>
<b>Operating result</b>	<b>19.3</b>	<b>11.4</b>	<b>16.2</b>
Interest income and similar items	0.0	0.0	0.1
Interest expenses and similar items	-0.8	-0.8	-3.4
Other financial income/expenses	0.0	0.0	-0.1
<b>Net financial items</b>	<b>-0.8</b>	<b>-0.8</b>	<b>-3.4</b>
<b>Result before tax</b>	<b>18.5</b>	<b>10.6</b>	<b>12.8</b>
Tax on result for the period	-4.4	-2.3	-3.6
<b>Result for the period *</b>	<b>14.1</b>	<b>8.2</b>	<b>9.2</b>
* Result attributable to:			<b>0</b>
Parent Company shareholders	12.4	8.0	5.3
Non-controlling interests	1.7	0.3	3.9
	<b>14.1</b>	<b>8.2</b>	<b>9.2</b>
Result per share, SEK:			
Before dilution	0.18	0.12	0.08
After dilution	0.18	0.12	0.08

Consolidated statement of comprehensive income			
Sek millions	First quarter		Year
	2018	2017	2017
<b>Result for the period</b>	14.1	8.2	9.2
Items that will not be reclassified to income statement	-	-	-
Items that may be reclassified subsequently to income statement:			
Accumulated translation differences reversed to income	-	-	0.8
Change in translation reserve	2.6	-1.0	-4.5
<b>Total other comprehensive income</b>	<b>2.6</b>	<b>-1.0</b>	<b>-3.7</b>
<b>Comprehensive income for the period *</b>	<b>16.7</b>	<b>7.2</b>	<b>5.5</b>
* Attributable to:			
Parent Company shareholders	15.0	7.0	1.6
Non-controlling interests	1.7	0.2	3.9

## Consolidated balance sheet and statement of cash flows

Consolidated balance sheet, summarised				
Sek millions	Note	31 Mar 2018	31 Mar 2017	31 Dec 2017
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		390.4	389.6	389.8
Other tangible assets		97.2	97.3	102.3
<b>Total non-current assets</b>		<b>487.6</b>	<b>486.9</b>	<b>492.1</b>
<b>Current assets</b>				
Trade receivables and other assets		200.1	170.2	180.1
Cash and cash equivalents		24.3	66.9	22.3
<b>Total current assets</b>		<b>224.4</b>	<b>237.1</b>	<b>202.4</b>
<b>Total assets</b>		<b>711.8</b>	<b>724.0</b>	<b>694.5</b>
<b>Equity and liabilities</b>				
Equity pertaining to Parent Company shareholders		369.3	374.7	352.4
<b>Total equity</b>		<b>369.3</b>	<b>374.7</b>	<b>352.4</b>
Non-current liabilities	6	182.0	168.4	183.6
Current liabilities	6	160.5	180.9	158.5
<b>Total liabilities</b>		<b>342.5</b>	<b>349.3</b>	<b>342.0</b>
<b>Total equity and liabilities</b>		<b>711.8</b>	<b>724.0</b>	<b>694.5</b>

Consolidated statement of cash flows				
Sek millions	Note	First quarter 2018	2017	Full Year 2017
<b>Operating activities</b>				
Operating result		19.3	11.4	16.2
Depreciation/amortisation and write-downs		6.5	6.8	26.0
Paid tax		-2.0	-3.2	-5.4
Other adjustments – net		-0.8	-0.6	13.8
Change in working capital – net		-5.7	2.7	-19.4
<b>Cash flow from operating activities</b>		<b>17.4</b>	<b>17.1</b>	<b>31.2</b>
<b>Investing activities</b>				
Acquisition of subsidiary		-	-	-
Divestment of subsidiary		-	0.4	-7.9
Other investments		-3.7	-9.6	-23.5
Other disposals		0.0	0.0	0.1
<b>Cash flow from investing activities</b>		<b>-3.7</b>	<b>-9.2</b>	<b>-31.3</b>
<b>Financing activities</b>				
Acquisition of participating interest from non-controlling interests	4	-4.2	-8.0	-10.4
Contribution/reimbursement non-controlling interests		-0.3	-	-0.2
Divestment of participating interest to non-controlling interests		1.2	-	0.2
Dividend to shareholders		-	-	-20.5
Dividend to non-controlling interests		-0.7	-0.9	-1.4
Repayment of financial lease debt		-1.9	-1.8	-7.2
New borrowings		0.0	0.5	44.4
Repayment of loans		-6.3	-5.5	-56.8
<b>Cash flow from financing activities</b>		<b>-12.3</b>	<b>-15.7</b>	<b>-51.9</b>
Exchange rate differences in cash and cash		0.5	-0.2	-0.6
<b>Cash flow for the period</b>		<b>2.0</b>	<b>-8.0</b>	<b>-52.6</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>22.3</b>	<b>74.9</b>	<b>74.9</b>
<b>Cash and cash equivalents at end of period</b>		<b>24.3</b>	<b>66.9</b>	<b>22.3</b>
Interest paid		-0.5	-0.6	-2.3
Interest received		-	-	-

## Consolidated statement of changes in equity

Consolidated statement of changes in equity, summarised			
Sek millions	First quarter		
	2018		
	Shareholders' share	Attributable to non-controlling interests	Total
<b>Opening balance</b>	<b>352.4</b>	<b>0.0</b>	<b>352.4</b>
Result after tax	12.4	1.7	14.1
Other comprehensive income	2.5	0.1	2.6
<b>Total comprehensive income</b>	<b>14.9</b>	<b>1.8</b>	<b>16.7</b>
Transfer of surplus value between majority owners and non-controlling interests	0.0	0.0	0.0
Dividend to non-controlling interests	0.0	-0.7	-0.7
Re-payment of capital injection to/ capital injection from non-controlling interests	0.0	-0.3	-0.3
Sales to (+) acquisitions from (-) non-controlling interests	0.3	0.8	1.2
Reclassification of non-controlling interests	1.6	-1.6	0.0
<b>Closing balance</b>	<b>369.3</b>	<b>0.0</b>	<b>369.3</b>
	First quarter		
	2017		
	Shareholders' share	Attributable to non-controlling interests	Total
<b>Opening balance</b>	<b>369.1</b>	<b>0.0</b>	<b>369.1</b>
Result after tax	8.0	0.2	8.2
Other comprehensive income	-1.0	0.0	-1.0
<b>Total comprehensive income</b>	<b>7.0</b>	<b>0.2</b>	<b>7.2</b>
Transfer of surplus value between majority owners and non-controlling interests	-0.2	0.2	0.0
Dividend to non-controlling interests	0.00	-0.9	-0.9
Re-payment of capital injection from non-controlling interests	-	-0.2	-0.2
Sales to (+) acquisitions from (-) non-controlling interests	-0.3	-0.2	-0.5
Reclassification of non-controlling interests	-0.9	0.9	0.0
<b>Closing balance</b>	<b>374.7</b>	<b>0.0</b>	<b>374.7</b>
	Year		
	2017		
	Shareholders' share	Attributable to non-controlling interests	Total
<b>Opening balance</b>	<b>369.1</b>	<b>0.0</b>	<b>369.1</b>
Result after tax	5.3	3.9	9.2
Other comprehensive income	-3.7	0.0	-3.7
<b>Total comprehensive income</b>	<b>1.6</b>	<b>3.9</b>	<b>5.5</b>
Transfer of surplus value between majority owners and non-controlling interests	-0.2	0.2	0.0
Dividend to shareholders	-20.5	-	-20.5
Dividend to non-controlling interests	-	-1.4	-1.4
Re-payment of capital injection from non-controlling interests and other capital injection from NCI	-	-0.1	-0.1
Sales to (+) acquisitions from (-) non-controlling interests	-0.1	7.7	7.6
Revaluation liability put option	-7.8	-	-7.8
Reclassification of non-controlling interests	10.3	-10.3	0.0
<b>Closing balance</b>	<b>352.4</b>	<b>0.0</b>	<b>352.4</b>

## Quarterly figures

Quarterly figures					
Consolidated Income statement					
Sek millions unless otherwise stated	17Q1	17Q2	17Q3	17Q4	18Q1
Sales revenues	260.8	249.6	191.9	288.5	278.7
Other operating revenues	1.3	1.0	0.4	0.8	0.6
<b>Operating revenues</b>	<b>262.0</b>	<b>250.6</b>	<b>192.3</b>	<b>289.3</b>	<b>279.3</b>
Purchase of goods and services	-45.7	-45.3	-34.5	-49.8	-48.2
Other external costs	-67.8	-64.6	-51.2	-66.7	-63.2
Personnel costs	-130.3	-131.2	-106.8	-141.4	-142.1
Depreciation, amortisation and write-downs	-6.8	-6.8	-6.2	-6.3	-6.5
Other operating costs	0.0	-16.3	0.0	-0.3	0.0
<b>Operating costs</b>	<b>-250.7</b>	<b>-264.2</b>	<b>-198.6</b>	<b>-264.5</b>	<b>-260.0</b>
<b>Operating result</b>	<b>11.4</b>	<b>-13.6</b>	<b>-6.4</b>	<b>24.8</b>	<b>19.3</b>
Interest income and similar items	0.0	0.0	0.0	0.0	0.0
Interest expenses and similar items	-0.8	-0.9	-0.8	-0.9	-0.8
Other financial income/expenses	0.0	0.1	-0.1	0.0	0.0
<b>Net financial items</b>	<b>-0.8</b>	<b>-0.8</b>	<b>-0.9</b>	<b>-0.9</b>	<b>-0.8</b>
<b>Result before tax</b>	<b>10.6</b>	<b>-14.4</b>	<b>-7.3</b>	<b>23.9</b>	<b>18.5</b>
Tax on result for the period	-2.3	0.4	4.5	-6.2	-4.4
<b>Result for the period *</b>	<b>8.2</b>	<b>-14.0</b>	<b>-2.8</b>	<b>17.7</b>	<b>14.1</b>
* Result attributable to:					
Parent Company shareholders	8.0	-14.2	-3.4	14.9	12.4
Non-controlling interests	0.2	0.2	0.6	2.8	1.7
	<b>8.2</b>	<b>-14.0</b>	<b>-2.8</b>	<b>17.7</b>	<b>14.1</b>
<b>Key ratios</b>					
EBITDA	18.2	-6.8	-0.2	31.0	25.8
EBITDA margin, %	7.0	-2.7	-0.1	10.7	9.3
Adjusted EBITDA <sup>1)</sup>	n/a	9.5	n/a	31.3	n/a
Adjusted EBITDA margin, % <sup>1)</sup>	n/a	3.8	n/a	10.9	n/a
EBIT	11.4	-13.6	-6.4	24.8	19.3
EBIT margin, %	4.4	-5.4	-3.3	8.6	6.9
Adjusted EBIT <sup>1)</sup>	n/a	2.7	n/a	25.1	n/a
Adjusted EBIT margin, % <sup>1)</sup>	n/a	1.1	n/a	8.7	n/a
Cash flow from operating activities per share, SEK	0.22	-0.06	-0.41	0.62	0.26
Cash flow per share, SEK	-0.12	-0.60	-0.60	0.13	0.03
Equity/assets ratio, %	52	51	49	51	52
Net loan debt	84.1	114.2	152.1	126.8	117.2
Equity per share, SEK	5.49	5.06	4.96	5.16	5.41

1) Adjusted for one-time costs for divestment of subsidiaries during second and fourth quarter 2017

Quarterly figures

Alternative measures					
Sek millions unless otherwise stated	17Q1	17Q2	17Q3	17Q4	18Q1
<b>EBITDA</b>					
Operating result	11.4	-13.6	-6.4	24.8	19.3
Reversal: Depreciation and amortization	6.8	6.8	6.2	6.3	6.5
<b>EBITDA</b>	<b>18.2</b>	<b>-6.8</b>	<b>-0.2</b>	<b>31.0</b>	<b>25.8</b>
<b>Adjusted EBITDA</b>					
EBITDA	18.2	-6.8	-0.2	31.0	25.8
Reversal exit loss	0.0	16.3	17.3	18.3	0.0
<b>Adjusted EBITDA</b>	<b>18.2</b>	<b>9.5</b>	<b>17.1</b>	<b>49.3</b>	<b>25.8</b>
<b>Sales revenues, change</b>					
Sales revenues	260.8	249.6	191.9	288.5	278.7
Sales revenues compared with corresponding period previous year	231.5	262	189.1	272.8	260.8
<b>Sales revenues, change</b>	<b>29.3</b>	<b>-12.4</b>	<b>2.8</b>	<b>15.7</b>	<b>17.9</b>
Acquisitions/divestments	-2.2	3.8	8.4	10.8	10.0
Fluctuations in exchange rates	-1.6	-3.3	0.4	1.8	-0.1
<b>Organic growth</b>	<b>25.5</b>	<b>-11.8</b>	<b>11.6</b>	<b>28.3</b>	<b>27.9</b>
Acquisitions/divestments, %	1.0	-1.5	-4.4	-4.0	-3.9
Organic growth, %	11.0	-4.5	6.1	10.4	10.7
<b>Net loan debt</b>					
Interest-bearing provisions and liabilities	151.0	139.9	165.7	149.1	141.5
Minus: Interest-bearing assets	-66.9	-25.7	-13.6	-22.3	-24.3
<b>Net loan debt</b>	<b>84.1</b>	<b>114.2</b>	<b>152.1</b>	<b>126.8</b>	<b>117.2</b>

Definitions etc.

*Sales revenues*

Revenues from the core business.

*EBITDA*

Operating result before depreciation and amortisation.

*Adjusted EBITDA*

Operating result before depreciation and amortisation, adjusted for one-time expenses/income such as a capital gain or loss when a company is divested.

*EBITDA margin, %*

Operating result before depreciation and amortisation as a percentage of sales revenues for the period.

*Adjusted EBITDA-margin, %*

Adjusted operating result before depreciation and amortisation as a percentage of sales revenues for the period.

*EBIT*

Operating result.

*EBIT margin, %*

Operating result as a percentage of the sales revenues for the period.

*Adjusted EBIT*

Operating result adjusted for one-time expenses/income such as a capital gain or loss when a company is divested.

*Adjusted EBIT margin, %*

Adjusted operating result as a percentage of the sales revenues for the period.

*Cash flow from operating activities per share*

The cash flow from operating activities for the period divided by the average number of shares before dilution (convertibles).

*Cash flow per share*

The net cash flow for the period divided by the average number of shares outstanding before dilution (convertibles).

*Equity/assets ratio*

Total equity as a percentage of the total assets.

*Net loan debt*

Net of interest-bearing provisions and liabilities minus interest-bearing assets at closing day. A negative figure indicates a net loan receivable.

*Equity per share, SEK*

Total equity per share outstanding at the end of the period.

*Organic growth*

Growth adjusted for currency effects and acquisitions/divestments

## Share data

### Result per share

The result per share has been calculated as follows: the result after tax attributable to Parent Company shareholders has been divided by the average number of ordinary shares outstanding during the period. For the first quarter of 2018 the average number of ordinary shares outstanding amounted to 68,282,585 (68,282,585).

With regard to the convertible instrument programme implemented during the second quarter of 2016, there has been no dilution effect pursuant to IAS 33. Convertible liabilities do not give rise to a dilution effect when their

interest per ordinary share that can be obtained upon conversion is greater than the result per share before dilution. As only marginal interest has been charged to the result during 2018, there is no dilution for the period.

### Share capital

As of 31 March 2018, there were 68,282,585 ordinary shares outstanding (68,282,585) with a nominal value of SEK 1 per share.

Quarterly figures					
Share data	17Q1	17Q2	17Q3	17Q4	18Q1
Result per share before dilution, SEK <sup>1)</sup>	0.12	-0.21	-0.05	0.22	0.18
Result per share after dilution, SEK <sup>1)</sup>	0.12	-0.21	-0.05	0.22	0.18
Number of outstanding shares in thousands	68,283	68,283	68,283	68,283	68,283
Average number of shares outstanding before dilution, thousands	68,283	68,283	68,283	68,283	68,283
Average number of shares outstanding after dilution, thousands	68,283	68,283	68,283	68,283	68,283

1) The result per share has been calculated as follows: the result after tax attributable to Parent Company shareholders has been divided by the average number of ordinary shares outstanding during the period.

## Note 1 Accounting principles

GHP Specialty Care AB (publ), corporate identity number 556757-1103, is registered in Gothenburg, Sweden, and the head office is located at Södra Hamngatan 45.

The Company's financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union. The preparation of financial statements in compliance with IFRS requires the use of estimates and assumptions that affect the reported values of assets, liabilities, revenues and costs for the reporting period. Although these estimates are based on management's knowledge of the amounts, events and actions taken, actual results may differ from the estimates and assumptions made.

Unless otherwise stated, all amounts are in millions of Swedish kronor (SEK millions).

On 27 April 2016 an incentive programme was approved by the Annual General Meeting. The programme consists of issued convertible bonds. During the period 24 February 2020 until 23 March 2020 bond holders are able to convert these to new shares in GHP at a predetermined conversion rate of SEK 9.67. If conversion does not take place, the loan matures on 14 April 2020. A convertible bond is a so-called compound financial instrument which gives rise to a financial liability for the Company and which contains an option for the owner of the instrument to convert the liability into an equity instrument in the Company. These two parts are recognised separately in accordance with IAS 32, p. 29. IAS 39 deals with the valuation of the financial instrument, which means that the value of the option will form the residual amount after the liability has been valued and deducted from the fair value of the instrument as a whole (IAS 32, p 31, 32). The cost of producing the convertible instrument, SEK 0.5 million, is allocated proportionately to the liability and the option (IAS 39, p 43). That part that has been referred to the liability is distributed over the term of the loan and will then be recognised as an interest expense calculated according to the effective interest method together with the liability. The equity component, that is the value of the option, amounts to the price of the option, SEK 1.38, (according to a calculation received from Swedbank) and GHP received SEK 9,650,000, which corresponds to 958,292 convertible instruments. The loan will initially be recognised at its fair value (present value of payments) and during the term of the loan the present value of the convertible instrument will increase up to its nominal value. The difference is distributed over the term of the loan as an interest expense and increases the liability. The Parent Company of the Group, which applies RFR2, recognises the convertible instruments in the same way as the Group. Costs for the programme of approximately SEK 0.2 million were charged against results for the quarter.

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. The Parent Company applies the Annual Accounts Act and RFR2 for legal entities. Accounting principles that have been applied are in accordance with what is stated in the Annual Report 2017.

For further information on the accounting rules, please refer to GHP's Annual Report for 2017, pages 42-46.

### New accounting principles as from 2018

IFRS 9 Financial instruments and IFRS 15 Revenue from Contracts with Customers are applied as from 1 January 2018. Neither of the new standards has had any significant impact on GHP's reporting for the first quarter of 2018.

## Rounding up/down

The rounding up/down of figures may mean that in some cases the figures presented in this interim report do not add up exactly to the total and percentages may deviate from the exact percentages.

## ESMA's guidelines for alternative performance measures

As from 3 July 2016, GHP has applied the guidelines issued by ESMA regarding alternative performance measures. Figures for alternative performance measures are presented on page 12 of this report. Alternative performance measures are used in addition to GAAP key ratios, as company management has assessed that they are relevant for both internal and external stakeholders in their assessment of the company's financial performance.

## Seasonal variations

For information on seasonal variations, please refer to the segment summary.

## Note 2 Risks and uncertainties

GHP is exposed to various types of risk in its business. In general, these can be divided into market-related risks, business-related risks and risks related to financing activities. A more detailed description of these risks is to be found in GHP's Annual Report for 2017, page 34.

Some political parties are pushing questions regarding in what form and whether profits are to be allowed in Swedish welfare. It cannot be completely ruled out that any legislation that arises from this may have a certain negative impact on GHP and/or its owners.

In the company's assessment, no further significant risks have arisen during 2018, apart from those described in "Events after closing day" in GHP's Annual Report for 2017, page 62 (in Swedish only).

## Note 3 Transactions with related parties

During the first quarter of 2018 dividend of SEK 0.7 million was paid to non-controlling interests.

During the first quarter of 2018 a purchase consideration of SEK 4.2 million entered as a liability for an acquisition in December 2016 was paid to non-controlling interests in GHP Arytmi Center Stockholm AB. Shares were divested during the quarter to new partners in GHP Ortho Center Stockholm. This had a total impact of SEK 1.2 million on cash and cash equivalents.

A consultant's fee of SEK 0.3 million has been paid during the year to a doctor who is the husband of the CEO of GHP Gastro Center Skåne. Remuneration was in line with market rates.

There were no other significant transactions with related parties in the first quarter of 2018.

## Note 4 Acquisitions and divestments

A purchase consideration of SEK -4.2 million entered as a liability has been paid by interests in GHP Arytmi Center Stockholm AB during the year.

Shares in GHP Ortho Center Stockholm AB were divested to non-controlling interests to the tune of SEK 1.2 million in total.

Acquisition/divestment of subsidiaries and bolt-on acquisition		31 Mar 2018
Sek millions		Total
<b>Transactions with non-controlling interests – effects on Group's cash and cash equivalents:</b>		
a) Payment of supplementary consideration previously entered as a liability GHP Arytmi Center Stockholm AB		-4.2
b) Divestment of 7.0 per cent of shares in GHP Ortho Center Stockholm AB to non-controlling interests		1.2
<b>Effect on Group's cash and cash equivalents, total net cash flow</b>		<b>-3.0</b>
<b>a) Effects on Group's financial position of settlement of purchase price in GHP Arytmi Center Stockholm AB previously entered as a liability</b>		
<b>Total net value of divested assets and liabilities:</b>		
Additional purchase price entered as a liability, current portion		-4.2
<b>Effect on Group's cash and cash equivalents, total net cash flow</b>		<b>-4.2</b>

## Note 5 Information on sub-division of revenues

Sales revenues - sub-market			
Sek millions	First quarter		Year
	2018	2017	2017
Stockholm area	161.9	145.0	553.6
Finland	0.0	0.3	0.6
West of Sweden	47.9	46.1	168.8
Denmark	34.0	36.3	130.9
Skåne	19.6	17.6	70.6
United Arab Emirates	15.3	15.5	66.3
<b>GHP Group sales revenues</b>	<b>278.7</b>	<b>260.8</b>	<b>990.8</b>

## Note 6 Financial instruments

Information is given in the table below on the measurement of fair value for the financial instruments valued at fair value in the report on the financial position.

Measurement of fair value is divided up into three levels:

Level 1: in accordance with prices in an active market for identical instruments

Level 2: on the basis of direct or indirect observable market data not included in level 1

Level 3: on the basis of inputs that are not observable in the market

The liability for put options and any supplementary considerations entered as a liability have been valued at fair value. The liability is dependent on assessments of the subsidiaries' future profitability. There is also an uncertainty factor regarding when the liability will be settled.

Financial assets and liabilities				
				31 Mar 2018
Sek millions	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets available for sale	-	-	0.0	0.0
<b>Total financial assets</b>	-	-	0.0	<b>0.0</b>
<b>Financial liabilities</b>				
Put options entered as a liability, long-term portion	-	-	34.7	34.7
Put options entered as a liability, current portion	-	-	6.2	6.2
Additional purchase price entered as a liability, long-term portion	-	-	0.0	0.0
Additional purchase price entered as a liability, current portion	-	-	0.0	0.0
<b>Total financial liabilities</b>	-	-	<b>40.9</b>	<b>40.9</b>

Financial assets and liabilities				
				31 Mar 2017
Sek millions	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets available for sale	-	-	0.0	0.0
<b>Total financial assets</b>	-	-	0.0	<b>0.0</b>
<b>Financial liabilities</b>				
Put options entered as a liability, long-term portion	-	-	32.7	32.7
Put options entered as a liability, current portion	-	-	3.7	3.7
Additional purchase price entered as a liability, long-term portion	-	-	0.0	0.0
Additional purchase price entered as a liability, current portion	-	-	4.4	4.4
<b>Total financial liabilities</b>	-	-	<b>40.8</b>	<b>40.8</b>

Financial assets and liabilities				
				31 Dec 2017
Sek millions	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial assets available for sale	-	-	0.0	0.0
<b>Total financial assets</b>	-	-	0.0	<b>0.0</b>
<b>Financial liabilities</b>				
Put options entered as a liability, long-term portion	-	-	34.6	34.6
Put options entered as a liability, current portion	-	-	6.1	6.1
Additional purchase price entered as a liability, long-term portion	-	-	0.0	0.0
Additional purchase price entered as a liability, current portion	-	-	4.2	4.2
<b>Total financial liabilities</b>	-	-	<b>44.9</b>	<b>44.9</b>

## Parent Company income statement and other comprehensive income

GHP Specialty Care AB (publ) has a limited central organisation which gives expert support within areas such as business development, finance, IR, communication, IT, marketing and agreement processes. Steering and control are carried out via corporate governance and the following up of results.

A considerable part of the costs for the central organisation are aimed at generating new business within the selected diagnostic areas and at analysing and researching other expansion opportunities within the health care sector.

The operating result for the first quarter of 2018 amounted to SEK -9.3 million (-10.4).

Shares in subsidiaries amounted to SEK 692.5 million (690.9) at 31 March 2018 while cash and cash equivalents were SEK 0.0 million (30.2).

Parent Company - Income statement summarised			
Sek millions	First quarter		Year
	2018	2017	2017
Operating revenues	0.0	0.0	0.0
Operating costs, incl. depreciation and amortisation	-9.3	-10.4	-39.8
<b>Operating result</b>	<b>-9.3</b>	<b>-10.4</b>	<b>-39.8</b>
Net financial items	0.8	0.6	5.0
<b>Result before tax</b>	<b>-8.5</b>	<b>-9.7</b>	<b>-34.8</b>
Allocations	0.0	0.0	60.0
<b>Result after allocations</b>	<b>-8.5</b>	<b>-9.7</b>	<b>25.2</b>
Tax on result for the period	1.9	2.1	-5.0
<b>Result for the period</b>	<b>-6.6</b>	<b>-7.6</b>	<b>20.2</b>

Parent Company - Statement of comprehensive income			
Sek millions	First quarter		Year
	2018	2017	2017
<b>Result for the period</b>	<b>-6.6</b>	<b>-7.6</b>	<b>20.2</b>
Items that will not be reclassified to income statement	-	-	-
Items that may be reclassified subsequently to income statement	-	-	-
<b>Total other comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Comprehensive income for the period</b>	<b>-6.6</b>	<b>-7.6</b>	<b>20.2</b>

## Parent Company balance sheet

Parent company - Balance sheet, summarised			
Sek millions	31 Mar 2018	31 Mar 2017	31 Dec 2017
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	0.1	0.1	0.1
Tangible assets	0.4	0.4	0.4
Financial assets			
Shares and participations in Group companies	692.5	690.9	692.4
Deferred tax assets	6.5	11.8	4.7
Other financial assets	0.9	1.3	0.9
<b>Total non-current assets</b>	<b>700.4</b>	<b>704.5</b>	<b>698.5</b>
<b>Current assets</b>			
Current receivables from Group companies	216.6	160.4	220.7
Other assets	1.4	2.9	0.9
Cash and cash equivalents	0.0	30.2	0.0
<b>Total current assets</b>	<b>218.0</b>	<b>193.5</b>	<b>221.6</b>
<b>Total assets</b>	<b>918.4</b>	<b>898.0</b>	<b>920.1</b>
<b>Shareholder's equity and liabilities</b>			
Shareholder's equity	695.6	694.9	702.3
Non-current liabilities	10.1	10.2	10.0
Current liabilities to Group companies	202.0	182.5	189.5
Other current liabilities	10.7	10.4	18.3
<b>Total liabilities</b>	<b>222.8</b>	<b>203.1</b>	<b>217.8</b>
<b>Total shareholder's equity and liabilities</b>	<b>918.4</b>	<b>898.0</b>	<b>920.1</b>

## Important events after closing day

A decision has been made to increase capacity at GHP Spine Center Göteborg from two to three operating theatres. This will involve some minor rebuilding work.

On 16 April 2018 GHP entered into an agreement with Trygg-Hansa whereby GHP, through its Vårdsamverkan segment, will be responsible for ensuring that all of Trygg-Hansa's patients with orthopaedic or spine-related problems receive effective care of the highest quality.

Financially this means that sales in Vårdsamverkan will increase by SEK 40–60 million per year. Approximately 30% of these sales already exist today in GHP's clinics, and this percentage is expected to increase from the collaboration. For GHP Vårdsamverkan the agreement is not expected to have any major positive effect during 2018 as investments in IT, process and general business development are planned. Profitability in the clinics from additional sales is expected to be in line with existing profit margins. The agreement is effective as of 1 July 2018.

24 April 2018 Gothenburg  
GHP Specialty Care AB (publ)

Daniel Öhman  
VD

## Financial calendar

Annual General Meeting 2018	25 April 2018
Interim report January-June 2018	13 July 2018
Interim report January-September 2018	25 October 2018

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GHP Specialty Care AB (publ) is required to publish the information here in pursuant to the Swedish Securities Market Act. This information was published, through the agency of the contact persons set out above, on 24 April 2018 at 08:00 am CET. This is a translation of the Swedish version of the Interim report. When in doubt, the Swedish version prevails.



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*GHP is an internationally active health care provider that operates specialist clinics in a select number of diagnostic areas through the application of a business model that is unique in the health care industry, where leading doctors become partners and shareholders. Each clinic specialises in a particular patient group, and this leads to increased efficiency and higher quality. This is the cornerstone of GHP's business philosophy – "Quality through specialisation".*