



Financial Report

Q1 2017

Unicare Group

Unicare Group – company information and background

Unicare is one of the largest private healthcare and care service providers in Norway. The Company was founded in 2008 and is now a leading provider of care services, health clinics, rehabilitation and in specialist health services. The Unicare Group has approximately 2,800 employees in Norway and Sweden.

Unicare has 38 locations in Norway, focused on suburbs within and outside of Oslo, in addition to 10 units in the southern part of Sweden. The Company has a substantial portfolio of continuous and long-term contracts with established counterparties, including the public sector (regional health authorities (RHAs), the Norwegian Labour and Welfare Administration (NAV) and municipalities) and large corporates.

On the 24th of March the Company issued a bond through the Group company Care Bidco AS. In accordance with the Bond terms, Unicare will on a quarterly basis publish a financial report.

Unicare is in a rapid growth phase and is adapting to both high turnover and the new reporting requirements. A new business intelligence system and consolidation systems are currently under construction. The reports for Q1-Q3 2017 will be affected by these projects and the reports will focus on the P&L statement.

The enclosed financial statements are consolidated interim results for the Unicare Group for the first quarter ending the 31st of March 2017. Figures for the Bond issuer Care Bidco AS are included in the report.

The P&L includes both actual reported figures and proforma figures including the latest acquisitions executed in March 2017. The interim statements are prepared according to NGAAP and are unaudited.

First quarter 2017

Headlines Q1 2017

- Revenues of NOK 317 million, up NOK 7 million from Q1 2016. Proforma revenues including acquired companies in 2017 increase revenues to NOK 351 million
- EBITDA of NOK 4,7 million, up NOK 4,0 from Q1 2016
- Total free cash of NOK 390 million positively affected by the issue of the bond (NOK 350 million). Net debt NOK 297 million
- Acquisition of two rehabilitation units closed in March 2017
- Issue of bond completed the 24th of March 2017. Listing of the bond is expected to take place Q3 2017

Unicare continues its revenue growth in Q1 2017 through organic growth and acquisitions. In March 2017 Unicare Holding AS acquired two rehabilitation companies, Jeløya Kurbad AS and Steffensrud Rehabiliteringssenter AS. The two units are included from the 1st of January in the consolidated pro forma figures.

Issue of the bond was successfully completed on the 24th of March. NOK 350 million was raised in the bond issue. Listing of the FRN Senior Secured Bonds 2017/2021 is planned to take place in Q3 2017.

The Swedish business has seen positive development in Q1 2017 compared to Q1 2016. The development is expected to continue in 2017. Politicians in the County of Gotland (Sweden) have voted in favor of Unicare taking over the County (Landsting) operations of the Primary Health care center in Klintehamn. The unit will be operated as a branch of the existing Unicare operation in Visby, with a start date on the 1st of September 2017.

Followed by the rapid growth in the rehabilitation segment, a director for the new rehabilitation division was employed in Q1 (commencing the 1st of June 2017). Furthermore, a new CFO was in place from the 18th of April 2017.

Financials

Profit & loss

Table: Proforma figures and reported figures for Unicare Group Q1 2017

Q1 2017 Proforma figures*			Reported figures Q1 2017		
NOK 1000	Unicare Group		NOK 1000	Unicare Group	
	Q1 2017	Q1 2016		Q1 2017	Q1 2016
Revenues	350 715	342 538	Revenues	317 478	310 265
Costs			Costs		
Cost of sales	16 116	16 687	Cost of sales	14 499	15 179
Salaries	242 416	243 664	Salaries	221 100	223 786
Other Personnel Expenses	14 368	12 574	Other Personnel Expenses	12 805	11 056
Other Operating expenses	72 701	67 109	Other Operating expenses	64 950	59 517
Depreciation	3 085	2 234	Depreciation	2 683	1 909
Sum costs	348 686	342 260	Sum costs	316 037	311 448
EBIT	2 029	279	EBIT	1 441	-1 182
Net financial items	-988	78	Net financial items	-986	85
EBT	1 041	356	EBT	455	-1 098
EBITDA	5 114	2 513	EBITDA	4 124	727

*Includes the acquired companies Jeløya and Steffensrud from the 1st of January

The improvement in Q1 2017 compared to Q1 2016 is mainly driven by increased turnover and decreased operating costs in the Swedish operation.

Net debt

Table: Development in Cash and net debt

NOK million	2016	Q1 2017	Change
Cash and cash equivalents	102,4	390,0	287,6
Interest bearing debt	239,3	687,0	447,7
Net Debt	136,9	297,0	160,1

Followed by the Bond Issue in March 2017, Unicare has in April repaid loans to financial institutions. The repayment was made in April and Interest-bearing debt on the 1st of June is reduced by approximately NOK 320 million.

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