



Press release March 13, 2017

## **Ambea intends to list its shares on Nasdaq Stockholm**

**Ambea AB (publ) ("Ambea" or the "Company"), a leading provider of care services in Sweden, is today announcing its intention to proceed with an initial public offering of the Company's shares on Nasdaq Stockholm ("the Offering").**

- **Nasdaq Stockholm has approved Ambea's application for listing subject to customary conditions**
- **Five investors have committed to become cornerstone investors: Investment AB Öresund, Carve Capital AB, Catella Fondförvaltning AB, Didner & Gerge Fonder AB and RAM ONE AB, whose combined commitments amount to SEK 750 million, corresponding to approximately 15 percent of the Company's shares**
- **The Offering is expected to be conducted at a fixed price corresponding to a total value of the Company's shares of approximately SEK 5 billion**

### **Fredrik Gren, CEO and President of Ambea:**

"Ambea has achieved strong growth in combination with high quality and today has around 200 Swedish municipalities as clients. The need for care is large and growing, and we want to contribute to solve this challenge for society. Our strategy is to contribute to strengthen the care for our elderly and those in need of special support, by working with improvements in quality, developing new units and focusing on competence development. Transparency and quality are of high importance in order to become a successful care provider in the long-term. We therefore view the listing, with broadened ownership and clear transparency requirements, as essential in our ambition to contribute to the development of care in our community."

### **Lena Hofsberger, Chairman of the Board of Ambea:**

"I have a strong belief in Ambea's future prospects. The large interest from new, long-term and professional owners confirms that Ambea's consistent focus on quality in all areas of the business has been successful. The Company has established a leading position on the Swedish care market with attractive growth opportunities in Ambea's focus areas, own management and residential care. Therefore it is the right time in the Company's development to broaden its ownership base, which will lead to an increased confidence in the company."

### **About Ambea and background to the listing**

Ambea is present within care services with about 14,000 employees and the vision “We make the world better, one person at a time”. Ambea offers services within disabled care, individual and family care and elderly care, with a focus on residential care and own management. Ambea has a local presence and more than 200 Swedish municipalities as customers. Our commitment to provide high quality care is supported by Ambea scoring higher results than the average for both municipal and private nursing homes in the yearly surveys “Brukarundersökningen” and “Enhetsundersökningen” carried out by The National Board of Health and Welfare. As of December 31, 2016, Ambea had approximately 6,200 beds and 1,300 school-/daily activity-placements in around 460 units across Sweden and Norway. Since the 2014 financial year, Ambea has increased its total income from SEK 4,195 million to SEK 5,409 million for the 2016 financial year. During the same period, adjusted EBITA<sup>1</sup> increased from SEK 192 million to SEK 456 million. Ambea’s total sales and adjusted EBITA according to pro forma<sup>2</sup> for the 2016 financial year amounted to SEK 5,775 million and SEK 485 million.

Private care operations have existed in Sweden for more than 100 years. Ambea’s oldest business, which was established in 1903, is located in Saltsjöbaden and is still today a reputable nursing home under Vardaga’s management. Ambea’s operations are partly provided under tender contracts to municipalities and county councils, and partly through the freedom of choice reforms resulting in competition with other operators. Ambea was acquired by funds advised by KKR and Triton respectively (jointly the “Principal Owner”<sup>3</sup>) in 2010. At the time of the acquisition, Ambea’s operations also included Mehiläinen in Finland and operations within health care and home care in Sweden. In February 2012, Fredrik Gren took up the position of Chief Executive Officer. In conjunction with this, the Company launched a new strategic direction focusing on selected care segments where the Company assessed that, by investing in quality and customer benefit, there was opportunity for long-term value creation. As a result of this new strategic direction, Mehiläinen was separated from Ambea in 2014 and two clear divisions were introduced: Nytida, which focuses on disabled care, and Vardaga, which focuses on residential elderly care. The acquisition of Solhagagruppen Holding AB (“Solhagagruppen”) in 2016 strengthened Ambea’s position within disabled care and at the same time established the Company in Norway via Solhagagruppen’s subsidiary Heimta.

The Principal Owner and Ambea’s Board of Directors consider that the time is now right to broaden Ambea’s ownership base and to apply for listing of the Company’s shares on Nasdaq Stockholm. Ambea has focused on the development of the business and quality in recent years. A listing will contribute with opportunities to further develop and expand the

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<sup>1</sup> Adjusted EBITA refers to the operating profit before amortisation of acquisition related intangible assets, financial items and taxes adjusted for items affecting comparability

<sup>2</sup> The pro forma financial statements have been prepared due to, and include, the acquisitions which Ambea has done during the financial year 2016 which have had an effect on Ambea’s results

<sup>3</sup> Actor SCA (the “Principal Owner”), a partnership between Triton Fund III L.P., advised by Triton Managers III Limited (“Triton”) and KKR Actor Investor S.à r.l., which is indirectly controlled by KKR European Fund III L.P., advised by Kohlberg Kravis Roberts & Co. L.P. (“KKR”), owns the shares in Ambea through the selling shareholder ACTR Holding AB

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business with the continued prioritisation of quality, competence development and expansion. Ambea's business is well established in the community and important to many groups, from clients and their relatives to employees and public sector clients and decision makers. The Principal Owner and Ambea's Board of Directors have therefore assessed that Ambea's continued development would be well served by broad ownership which also encompasses employees and the public, and the transparency, participation and commitment that this may bring.

Ambea's long-term goal is to be the first choice for people needing care, the best partner for contracting authorities to work with, the most attractive employer for knowledgeable and committed employees and a leader in developing quality within its business areas. Ambea's board of directors and executive management, along with the Principal Owner, assess that a listing will support the Company's next step in its development towards these long-term goals. Ambea's board of directors and Principal Owner also assess the time to be right to broaden the Company's ownership and apply for a listing of the Company's shares on Nasdaq Stockholm.

[www.ambea.com](http://www.ambea.com)

#### **Advisors**

Carnegie and Nordea are Joint Global Coordinators and Joint Bookrunners. Danske Bank is Joint Bookrunner. Sundling Wörn Partners is financial advisor to KKR, Triton and the Company.

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KKR is a leading global investment firm founded in 1976 and listed on New York Stock Exchange. KKR manages investments globally and across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving value creation by growing our portfolio companies. The investment philosophy is based on supporting corporations, entrepreneurs and founders with capital, resources, global networks and knowledge to help build better businesses.

Responsible investing is a key focus area for KKR and we incorporate Environmental, Social and Governance (“ESG”) considerations into our investment processes. In 2009, KKR became a signatory to the United Nations-backed Principles for Responsible Investment and last year KKR was awarded the price for ESG Engagement with Portfolio Companies at the Responsible Investment Awards led by BVCA. For additional information about KKR please visit [www.kkr.com](http://www.kkr.com).

### **About Triton**

The Triton funds invest in and support the positive development of medium-sized businesses headquartered in Northern Europe, Italy and Spain. Within this European region, Triton focuses on businesses in the Industrial, Business Services and Consumer/Health sectors. Triton seeks to contribute to the building of better businesses for the longer term. Triton and its executives wish to be agents of positive change towards sustainable operational improvements and growth. The 29 companies currently in Triton's portfolio have combined sales of around €13.8 billion and around 76,000 employees. The Triton funds are advised by dedicated teams of professionals based in Germany, Sweden, Norway, Finland, Denmark, Italy, the United Kingdom, the United States, Luxembourg and Jersey. For additional information about Triton, please visit [www.triton-partners.com](http://www.triton-partners.com).

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