

## INTERIM REPORT APRIL–JUNE 2023

### Second quarter

- Revenue amounted to €424.7m (€362.2m), an increase of 17.2% with an organic growth of 12.9%.
- Operating profit (EBIT) was €13.2m (€15.0m), representing an operating margin of 3.1% (4.2%).
- Net profit amounted to €7.2m (€2.8m), which represents a margin of 1.7% (0.8%).
- EBITDA was €58.3m (€52.8m), an increase by 10.2%. EBITDA margin was 13.7% (14.6%).
- EBITDAaL amounted to €33.9m (€31.3m), corresponding to an EBITDAaL margin of 8.0% (8.7%).
- Net cash flow from operating activities was €43.6m (€27.8m).
- Basic/diluted earnings per share were €0.037 (€0.010).

### First half

- Revenue amounted to €844.0m (€743.9m), an increase of 13.5% with an organic growth of 8.7%.
- Operating profit (EBIT) was €23.9m (€37.2m), representing an operating margin of 2.8% (5.0%).
- Net profit amounted to €9.3m (€14.8m), which represents a margin of 1.1% (2.0%).
- EBITDA was €112.6m (€115.1m), a decrease by 2.3%. EBITDA margin was 13.3% (15.5%).
- EBITDAaL amounted to €64.5m (€73.9m), corresponding to an EBITDAaL margin of 7.6% (9.9%).
- Net cash flow from operating activities was €105.0m (€73.6m).
- Basic/diluted earnings per share were €0.047 (€0.090).

### REVENUE AND EARNINGS

€ millions (€m)	Q2 2023	Q2 2022 <sup>1)</sup>	Variance	6M 2023	6M 2022 <sup>1)</sup>	Variance	LTM <sup>2)</sup>	FY 2022 <sup>1)</sup>
Revenue	424.7	362.2	17%	844.0	743.9	13%	1,610.3	1,510.2
Operating profit (EBIT)	13.2	15.0	-13%	23.9	37.2	-36%	41.9	55.2
Operating profit margin	3.1%	4.2%		2.8%	5.0%		2.6%	3.7%
Net profit	7.2	2.8	154%	9.3	14.8	-37%	8.2	13.7
Net profit margin	1.7%	0.8%		1.1%	2.0%		0.5%	0.9%
Basic/diluted earnings per share, €	0.037	0.010	270%	0.047	0.090	-48%	0.036	0.079
EBITDA	58.3	52.8	10%	112.6	115.1	-2%	214.6	217.1
EBITDA margin	13.7%	14.6%		13.3%	15.5%		13.3%	14.4%
Adjusted EBITDA	61.1	56.0	9%	118.5	123.2	-4%	229.2	233.9
Adjusted EBITDA margin	14.4%	15.5%		14.0%	16.6%		14.2%	15.5%
EBITDAaL	33.9	31.3	8%	64.5	73.9	-13%	121.5	130.9
EBITDAaL margin	8.0%	8.7%		7.6%	9.9%		7.5%	8.7%
Adjusted EBITDAaL	36.7	34.5	6%	70.4	82.0	-14%	136.1	147.7
Adjusted EBITDAaL margin	8.6%	9.6%		8.3%	11.0%		8.4%	9.8%
EBITA	18.6	19.6	-6%	34.6	51.3	-33%	64.2	80.9
EBITA margin	4.4%	5.4%		4.1%	6.9%		4.0%	5.4%

Definition and reconciliation of alternative performance measures are available at [www.medicover.com/financial-information](http://www.medicover.com/financial-information).

<sup>1)</sup> 2022 is restated for IFRS 17 *Insurance contracts*. For further information, refer to note 1.

<sup>2)</sup> LTM: last twelve months (1 July 2022–30 June 2023)

*Medicover is a leading international healthcare and diagnostic services company and was founded in 1995. Medicover operates a large number of ambulatory clinics, hospitals, specialty-care facilities, laboratories and blood-drawing points and the largest markets are Poland, Germany, Romania and India. In 2022, Medicover had revenue of €1,510 million and more than 44,000 employees. For more information, go to [www.medicover.com](http://www.medicover.com)*

## CEO STATEMENT

---



We have delivered strong organic growth in the quarter despite high market uncertainty globally. Healthcare Services delivered robust organic growth and improved margins although still with many immature units in the portfolio and Diagnostic Services replaces most of the Covid-19 revenue, with healthy underlying growth rates.

In June we inaugurated a new 200 bed state-of-the-art hospital in Bucharest, the first new multispecialty hospital to open in decades in Bucharest.

As previously communicated, we have slowed down the investment pace moving in line with historic levels, although we have made a few minor acquisitions and opened a few greenfield locations in the dental field in Poland and Germany and plan to open three additional greenfield hospitals in India in the second half of the year, including a new 100-bed women and child hospital in Hyderabad.

Our colleagues in Ukraine continue to deliver impressive performance under extraordinary circumstances, with now the war in its 17<sup>th</sup> month.

Revenue for the quarter grew by 17.2% to €424.7m (€362.2m), with an organic growth of 12.9%. The comparative quarter last year had Covid-19 related revenue of €28m with less than €1m this quarter, so adjusting for Covid-19 related revenue, revenue growth was an impressive 26.8%. Organic growth excluding Covid-19 related revenue was 22.0%, with price representing approximately 9.8pp of this growth. Annualised, we have added €358m of new revenue over the past 12 months, mostly organic, illustrating our strong growth momentum even in difficult trading conditions.

EBITDA was €58.3m (€52.8m), an increase by 10.2%, representing an EBITDA margin of 13.7% (14.6%). Adjusted EBITDA was €61.1m (€56.0m), a margin of 14.4% (15.5%). Adjusting for the Covid-19 related revenue and earnings, EBITDA margin strengthened 120 basis points to 13.7%.

Fee-For-Service and other services (FFS) increased by 14.8% in the quarter, now representing 58% of total revenue.

Healthcare Services revenue grew by 33.3% to €292.5m (€219.5m), with a strong organic growth of 22.1%. Members grew to 1.7 million with 20 thousand new members over the quarter. FFS increased by 28.4% in the quarter, now representing 53% of divisional revenue. We have seen good performance and demand levels across the division.

EBITDA grew by 51.7% to €44.8m (€29.5m), an EBITDA margin of 15.3% (13.5%), illustrating impact from price growth, gradually maturing younger units and volume leverage.

Diagnostic Services revenue amounted to €138.1m (€147.4m), a decrease by 6.3%, with a negative organic growth of 0.4%. 29.1 million tests were performed in the quarter (29.0 million). FFS decreased by 1.3% in the quarter, now representing 70% of divisional revenue.

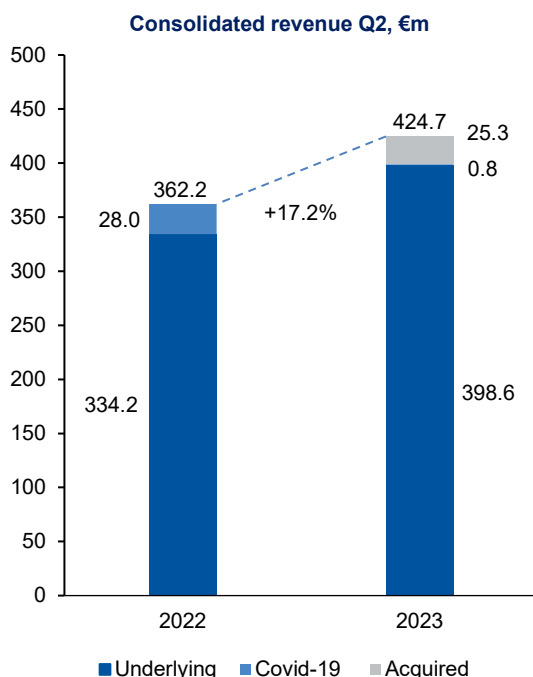
EBITDA amounted to €20.3m (€28.9m), a decrease of 29.8%, an EBITDA margin of 14.7% (19.6%). The margin is dampened by increased labour costs and inflationary costs. FFS prices outside Germany have been adjusted, however there is still no price adjustments on the horizon in Germany.

All in all, I'm very satisfied with the quarter and optimistic about the future despite a difficult macroeconomic environment. We expect to see continued improved performance through the second half of the year and into 2024.

Fredrik Rågmark  
CEO

## REVENUE SECOND QUARTER 2023

**Consolidated revenue** amounted to €424.7m (€362.2m), up 17.2% with an organic growth of 12.9%. Revenue from Covid-19 services was €0.8m (€28.0m).



Strong organic revenue growth has more than compensated for the reduced Covid-19 revenue, organic growth excluding Covid-19 revenue amounted to an impressive 22.0%. In addition, acquired revenue contributed to the growth.

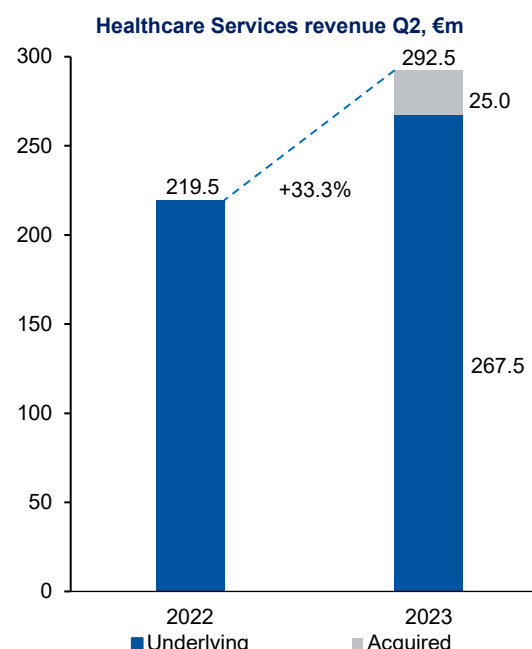
Inflation has moderated, however still high, with headline inflation running at 11.5% annualised for Poland in June 2023 down from 13.0% in May. Core inflation (net of food and energy prices) also reduced to 11.1% for June 2023 showing disinflation which will likely reduce over the second half of 2023. The Polish interest rates have remained unchanged at 6.75% and the central bank has communicated that this is high enough to reduce inflation. Price indexations applied at the end of 2022 and throughout the first half contributed to revenue growth and compensated for cost increases. Salaries in the healthcare sector (including minimum salaries) will increase in general during the second half of the year, hence continuing indexation is expected.

The acquired revenue moderated to €25.3m as the larger acquisitions (CDT and NIPD) were made more than 12 months ago, hence not included. The Group continues to invest in greenfield infrastructure with a major hospital being

commissioned in Bucharest (Romania) in the quarter.

Foreign exchange fluctuations had a negative impact of 1.4% with weakness for the Ukrainian hryvna and the Indian rupee partially offsetting the strength of the Polish zloty.

**Healthcare Services** revenue reached €292.5m (€219.5m), up 33.3% with an impressive organic growth of 22.1%. Revenue from Covid-19 services was negligible, amounting to €0.0m (€1.0m). Organic growth excluding Covid-19 revenue was 22.7%, with price representing approximately 12.3pp of this growth.



Employment and economic activity has been robust in European markets despite rising interest rates, with a significant lack of labour and wage pressure.

Member growth increased by 7.5% to 1,728K (1,608K), with 20K new members added in the quarter. The growth rate has slowed with disenrollments, primarily resulting from price increases. These terminated contracts tend to be of lower margin and enable redirection of capacity to higher value employers.

FFS activities have performed well with good demand levels. In Poland, the number of dental chairs amounted to 477 (+5 since Q1 2023) and to 233 in Germany (+15 since Q1 2023). Further

dental greenfield openings are scheduled in 2023 and in 2024.

The division had a total of 5,985 hospital beds, an increase of 524 compared to Q2 2022, mainly in India (+351). In June, a new multispecialty 200-bed hospital was opened in Bucharest (Romania). Scheduled openings in India during the second half of 2023 include a greenfield 100-bed women and child specialty hospital (Hyderabad), a 100-bed dedicated cancer specialty hospital (Vizag) and a greenfield hospital (Bangalore).

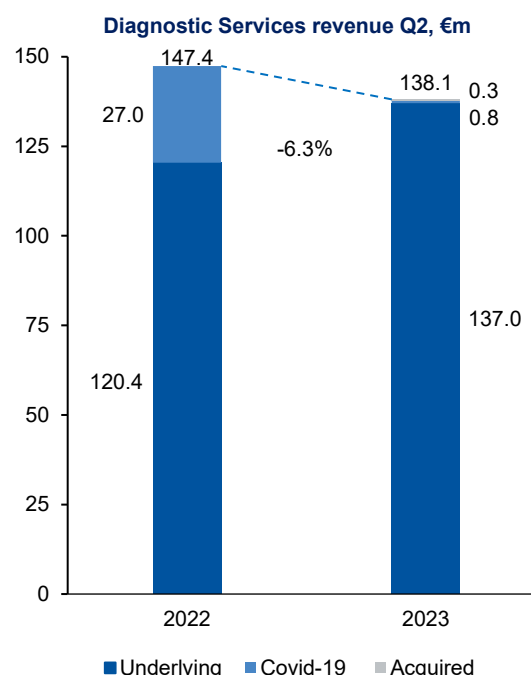
	30 Jun 2023	30 Jun 2022	FY 2022
Clinics	175	138	175
Hospitals	42	37	41
Beds (commissioned)	5,985	5,461	5,805
Fertility clinics	30	26	28
Dental clinics	112	70	107
Dental chairs	710	400	669
Gyms	132	103	126
Other facilities	117	104	112
Members (thousands)	1,728	1,608	1,672

Acquired revenue moderated to €25.0m as the larger acquisitions (CDT and NIPD) were made more than 12 months ago, hence not included.

Foreign exchange fluctuations had a negative impact of 0.2% with weakness for the Indian rupee offsetting the strength of the Polish zloty.

**Diagnostic Services** revenue amounted to €138.1m (€147.4m), a decrease of 6.3%, with an organic reduction of 0.4% due to a sharp reduction in Covid-19 services. Revenue from Covid-19 services amounted to €0.8m (€27.0m). Revenue in Ukraine amounted to €15.3m (€7.0m). The disposal of the business in Belarus was closed in Q1 2023, however in the comparative quarter revenue amounted to €4.7m.

Organic growth excluding Covid-19 revenue was strong amounting to 21.0% (of which approximately 5.0pp price), with good performance across all business units. This growth has replaced Covid-19 revenue in all markets except for Germany, where Covid-19 revenue was most pronounced, and some smaller business units.



In FFS, revenue increased through strong growth in volume/mix of tests and price increases, partially offset by foreign exchange. Indexation has been applied to FFS prices and some commercial contracts over the last twelve months. Except for some minor changes, public pricing has not been indexed yet despite increasing inflation. German reimbursement rates have not changed, besides some minor increases in clinical services. This is consistent across the entire German healthcare reimbursement system. Expectations of reimbursement rate increases are building up. The proposed reforms for German hospital activities are an important factor for the German system to achieve more efficiency and to help offset cost pressure.

The laboratory test volume increased by 0.1% to 29.1 million (29.0 million). Covid-19 tests were 0.1 million (1.6 million). Excluding Covid-19 testing, volume increased by 5.7% despite the disposal of the business in Belarus. In Ukraine, the laboratory test volume represented approximately 80% of normalised levels (excluding Covid-19).

	30 Jun 2023	30 Jun 2022	FY 2022
Labs	102	108	104
BDPs	843	895	876
Clinics	27	24	27
Lab tests (million), Q2	29.1	29.0	119.3

The table above includes operational facilities. The reduction in BDPs mainly relates to the sale of the business in Belarus (58 BDPs).

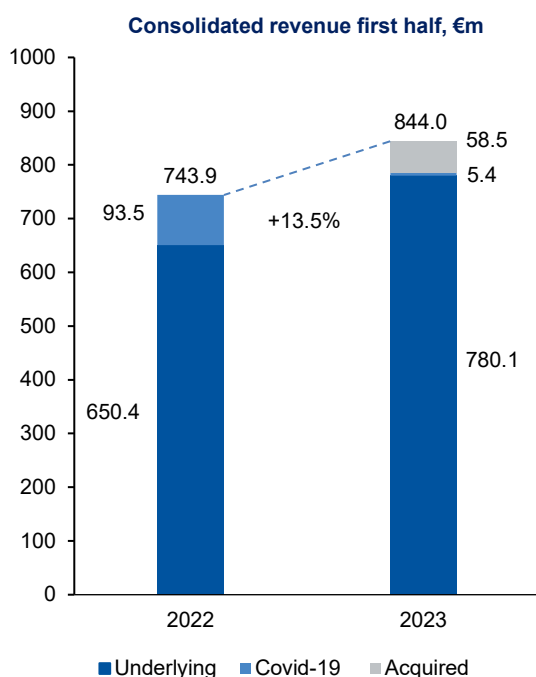
In Ukraine 2 labs and 23 BDPs were non-operational as at 30 June 2023 (2 labs and 52 BDPs at June 2022).

Acquired revenue amounted to €0.3m.

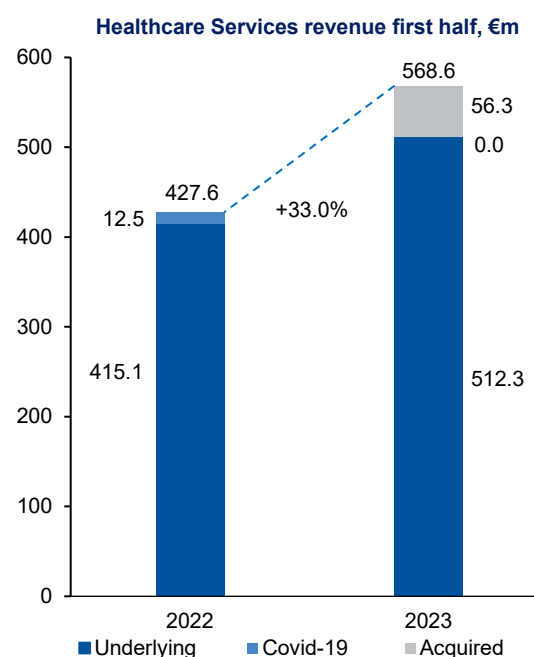
Foreign exchange fluctuations had a negative impact of 2.9% with weakness for the Ukrainian hryvna.

## REVENUE FIRST HALF 2023

**Consolidated revenue** amounted to €844.0m (€743.9m), up 13.5% with an organic growth of 8.7%. Revenue from Covid-19 services amounted to €5.4m (€93.5m). Organic growth excluding Covid-19 revenue grew very strongly to 23.3%.



**Healthcare Services revenue** reached €568.6m (€427.6m), up 33.0% with a strong organic growth of 21.5%. Revenue from Covid-19 services amounted to €0.0m (€12.5m). Organic growth excluding Covid-19 revenue was 25.1%.



Acquired revenue amounted to €58.5m.

Foreign exchange fluctuations had a negative impact of 2.0% with weakness mainly for the Ukrainian hryvna and Indian rupee.

	30 Jun 2023	30 Jun 2022	FY 2022
Clinics	175	138	175
Hospitals	42	37	41
Beds (commissioned)	5,985	5,461	5,805
Fertility clinics	30	26	28
Dental clinics	112	70	107
Dental chairs	710	400	669
Gyms	132	103	126
Other facilities	117	104	112
Members (thousands)	1,728	1,608	1,672

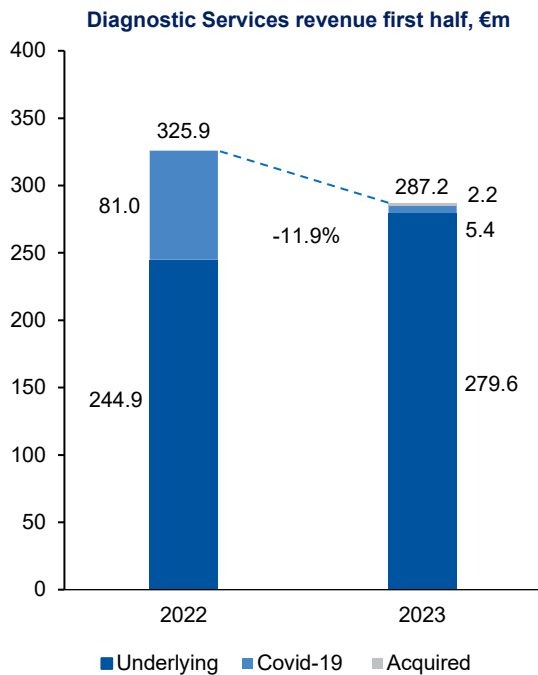
Acquired revenue amounted to €56.3m.

Foreign exchange fluctuations had a negative impact of 1.7% with weakness mainly for the Indian rupee.

**Diagnostic Services** revenue amounted to €287.2m (€325.9m), down 11.9% with an organic reduction of 7.6%. Revenue from Covid-19 services amounted to €5.4m (€81.0m). Organic growth excluding Covid-19 revenue amounted to 20.3%.

The disposal of the business in Belarus was closed in February 2023 with one month of revenue reflected in the first half for €1.6m (€10.2m).

The laboratory test volume was 60.5 million (61.0 million). Covid-19 tests were 0.3 million (4.0 million). Excluding Covid-19 testing, volume increased by 5.5%.



	30 Jun 2023	30 Jun 2022	FY 2022
Labs	102	108	104
BDPs	843	895	876
Clinics	27	24	27
Lab tests (million), FY	60.5	61.0	119.3

The table above includes operational facilities. The reduction in BDPs mainly relates to the sale of the business in Belarus (58 BDPs).

In Ukraine 2 labs and 23 BDPs were non-operational as at 30 June 2023 (2 labs and 52 BDPs at June 2022).

Acquired revenue amounted to €2.2m.

Foreign exchange fluctuations had a negative impact of 2.5% with weakness mainly for the Ukrainian hryvna.

Revenue from external customers, recognised over time as services are rendered, by division, by payer and by country is disclosed in the following table. Funded revenue includes revenue from insurance contracts as per IFRS 17.

€m	Q2 2023	Q2 2022	Vari- ance	6M 2023	6M 2022	Vari- ance	LTM	FY 2022
<b>Healthcare Services</b>								
Revenue	292.5	219.5		568.6	427.6		1,058.1	917.1
Inter-segment revenue	-0.3	-0.2		-0.6	-0.4		-1.3	-1.1
<b>Revenue from external customers</b>	<b>292.2</b>	<b>219.3</b>	<b>33.2%</b>	<b>568.0</b>	<b>427.2</b>	<b>32.9%</b>	<b>1,056.8</b>	<b>916.0</b>
By payer:								
Public	44.2	24.2	82.4%	81.6	47.5	71.7%	149.2	115.1
Private	248.0	195.1	27.1%	486.4	379.7	28.1%	907.6	800.9
Funded	92.3	73.8	25.2%	177.5	145.7	21.9%	333.1	301.3
Fee-For-Service (FFS)	116.4	97.3	19.6%	234.3	193.6	21.0%	446.0	405.3
Other services	39.3	24.0	63.6%	74.6	40.4	84.7%	128.5	94.3
By country:								
Poland	190.6	144.9	31.5%	369.0	279.3	32.1%	682.4	592.7
India	44.5	39.7	11.9%	87.1	76.0	14.6%	177.1	166.0
Romania	28.6	22.3	28.3%	57.3	46.5	23.2%	106.0	95.2
Other countries	28.5	12.4	130.2%	54.6	25.4	115.0%	91.3	62.1
<b>Diagnostic Services</b>								
Revenue	138.1	147.4		287.2	325.9		573.8	612.5
Inter-segment revenue	-5.6	-4.5		-11.3	-9.3		-20.5	-18.5
<b>Revenue from external customers</b>	<b>132.5</b>	<b>142.9</b>	<b>-7.3%</b>	<b>275.9</b>	<b>316.6</b>	<b>-12.8%</b>	<b>553.3</b>	<b>594.0</b>
By payer:								
Public	40.9	48.9	-16.2%	86.3	113.9	-24.2%	180.4	208.0
Private	91.6	94.0	-2.6%	189.6	202.7	-6.4%	372.9	386.0
Fee-For-Service (FFS)	85.8	76.3	12.5%	173.4	172.8	0.4%	336.5	335.9
Other services	5.8	17.7	-67.7%	16.2	29.9	-45.9%	36.4	50.1
By country:								
Germany	66.1	75.7	-12.6%	137.0	169.5	-19.2%	280.9	313.4
Romania	23.4	19.4	20.2%	47.9	41.5	15.4%	88.7	82.3
Ukraine	15.3	7.0	117.7%	29.7	25.0	18.9%	53.1	48.4
Poland	14.8	12.8	15.0%	28.7	26.1	9.6%	54.3	51.7
Other countries	12.9	28.0	-53.7%	32.6	54.5	-40.1%	76.3	98.2



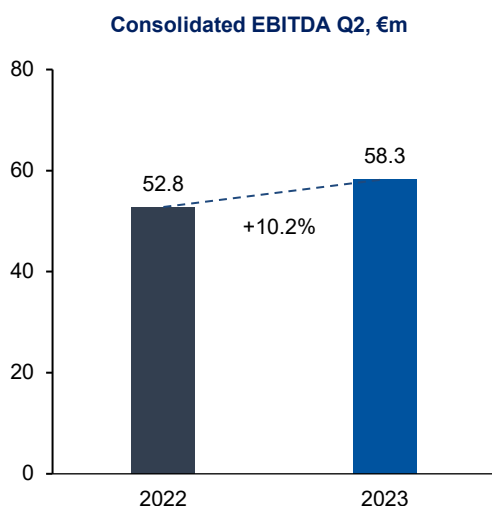
## PROFIT DEVELOPMENT SECOND QUARTER 2023

**Operating profit (EBIT)** was €13.2m (€15.0m), an operating margin of 3.1% (4.2%).

**Net profit** amounted to €7.2m (€2.8m), which represented a margin of 1.7% (0.8%). Total financial result amounted to €-3.6m (€-6.7m) of which €-11.5m (€-7.9m) was related to interest expense and commitment fees on the Group's debt and other discounted liabilities. Within the interest expense €-6.0m (€-5.4m) was related to lease liabilities. As the Group has expanded its capacity and facilities significantly over the past years, including its leased premises, the interest expense allocated to lease liabilities has increased. Foreign exchange gains were €6.8m (€0.7m) of which €6.2m (€-0.3m) was related to euro-denominated lease liabilities mainly in Poland as the zloty strengthened considerably over the quarter.

Basic/diluted earnings per share amounted to €0.037 (€0.010).

**Consolidated EBITDA** was €58.3m (€52.8m), an EBITDA margin of 13.7% (14.6%). Adjusted EBITDA amounted to €61.1m (€56.0m), a margin of 14.4% (15.5%).



EBITDAaL was €33.9m (€31.3m), a margin of 8.0% (8.7%). Adjusted EBITDAaL was €36.7m (€34.5m), a margin of 8.6% (9.6%).

Covid-19 services are part of the normal testing portfolio. EBITDA excluding Covid-19 services was €58.2m (€41.8m), an increase of 39.2% and a margin of 13.7% (12.5%), highlighting the strong development of the Group.

### Items affecting comparability

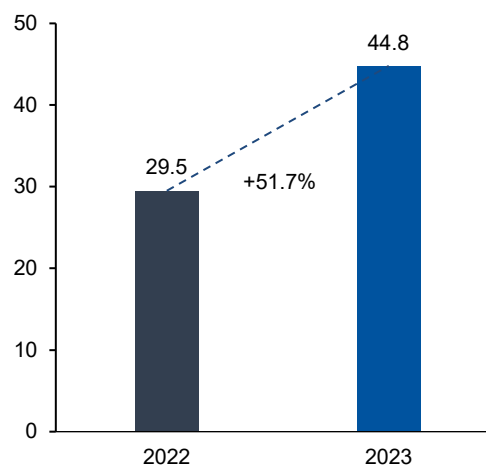
Acquisition related expenses were €-0.1m (€-1.1m).

Equity settled share-based payments charges relating to long-term performance-based share programmes were €-2.7m (€-2.1m).

In prior year quarter, other income/(costs) of €-4.6m mainly included a loss on bond funds of €-3.7m.

EBITDA for **Healthcare Services** grew by an impressive 51.7% to €44.8m (€29.5m). The EBITDA margin expanded to 15.3% (13.5%) despite new units.

**Healthcare Services EBITDA Q2, €m**



Acquisitions made in the last 12 months and increases in volume/price have offset the negative impact on profit from the new expansion activities (new unit losses and pre-opening costs) and inflation impacts on the cost base.

The medical cost ratio (MCR) to revenue was stable at 81.0% (81.1%).

EBITDAaL was €26.8m (€14.4m), a margin of 9.2% (6.6%). Adjusted EBITDAaL was €27.7m (€15.0m), a margin of 9.4% (6.9%). The segment has expanded significantly with start-ups and early-stage projects over the twelve months. Medicover Hospitals India has opened three new major units in the last 12 months incurring an EBITDAaL loss of €-2.6m in Q1 23. In Q2 the EBITDAaL loss was reduced to €-1.9m.

Medicover Sports is observing a good increase in demand for sports benefits packages which are sold alongside Medicover healthcare benefits to the same employer base. The integration of the

different gyms acquired in 2022 and 2023 is ongoing and supportive of margin expansion.

Utilisation levels in the employer paid business have been slightly lower compared to the prior year quarter.

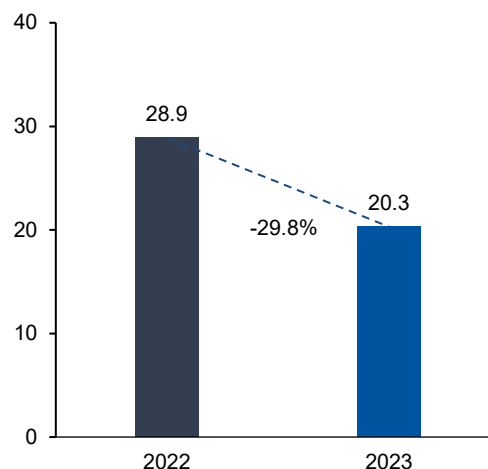
The dental business continues to expand. During the quarter one new greenfield location was launched in Poland and one in Germany.

The established inpatient facilities in Poland and Romania have performed well. The Cluj hospital (Romania) is still making losses however is showing a good development trend. After the end of the quarter a contract expansion was granted by the Romanian State Health Fund that will support volume expansion in the inpatient activities in Romania in the coming twelve months.

Operating profit was €13.5m (€5.5m), a margin of 4.6% (2.5%).

EBITDA for **Diagnostic Services** was €20.3m (€28.9m), an EBITDA margin of 14.7% (19.6%). EBITDA excluding Covid-19 services was €20.2m (€18.2m), an increase of 11.3% and a margin of 14.7% (15.1%).

**Diagnostic Services EBITDA Q2, €m**



EBITDAaL was €14.0m (€22.6m), a margin of 10.1% (15.3%). EBITDAaL excluding Covid-19 services was €13.9m (€11.9m), a margin of 10.1% (9.8%). Adjusted EBITDAaL was €14.7m (€23.1m), a margin of 10.6% (15.7%).

The margin excluding Covid-19 services has been supported by volume growth and price offsetting increased costs overall, particularly for labour. Volume growth has been good evidenced by underlying growth despite the disposal of the business in Belarus. Germany only had minor price indexation. Outside Germany, FFS prices have been indexed passing through inflation pressure to clients.

Operating profit was €7.1m (€15.6m), a margin of 5.1% (10.6%).

## PROFIT DEVELOPMENT FIRST HALF 2023

**Operating profit (EBIT)** was €23.9m (€37.2m) with an operating margin of 2.8% (5.0%).

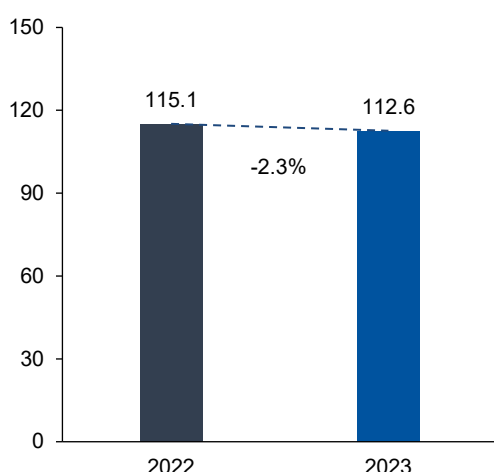
**Net profit** amounted to €9.3m (€14.8m), a margin of 1.1% (2.0%). Other income/(costs) of €7.9m (€-3.3m) mainly included a gain of €7.8m relating to the sale of the business in Belarus. Total financial result amounted to €-19.2m (€-13.4m) of which €-23.4m (€-15.4m) was related to interest expense. Within the interest expense €-12.1m (€-10.2m) was related to lease liabilities. Foreign exchange gains were €2.2m (€0.9m) of which €-4.8m was relating to accumulated translation differences on net assets relating to the disposal of the business in Belarus and €6.7m (€-1.7m) was related to euro-denominated lease liabilities mainly in Poland as the zloty strengthened.

The Group has recognised an income tax charge of €-3.4m (€-5.8m) which corresponds to an effective tax rate for the first half of 26.5% (28.2%).

Basic/diluted earnings per share amounted to €0.047 (€0.090).

**Consolidated EBITDA** was €112.6m (€115.1m), an EBITDA margin of 13.3% (15.5%). Adjusted EBITDA was €118.5m (€123.2m), a margin of 14.0% (16.6%).

**Consolidated EBITDA first half, €m**



EBITDAaL was €64.5m (€73.9m), a margin of 7.6% (9.9%). Adjusted EBITDAaL amounted to €70.4m (€82.0m), a margin of 8.3% (11.0%).

### Items affecting comparability

The disposal of the business in Belarus was closed in February 2023. A gain of €7.8m was recognised in other income/(costs) and €-4.8m of foreign exchange losses have been recycled from equity to other financial income/(expense) with a corresponding positive movement in other comprehensive income. EBITDA for the business in Belarus amounted to €0.1m (€2.6m).

In Q1 2022 the Group recognised an impairment of €-5.1m relating to damaged and destroyed assets as well as assets not under its control in occupied regions of Ukraine, of which €-4.0m was included in medical provision costs and €-1.1m in administrative costs.

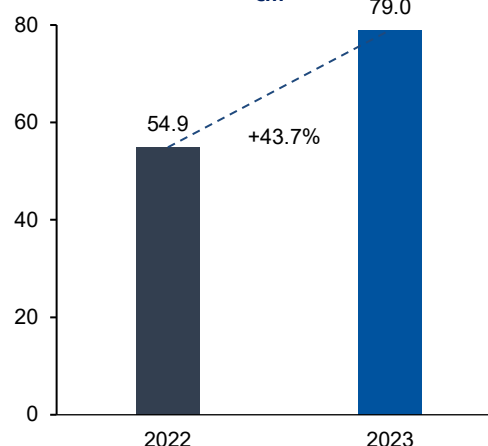
In first half 2022, other income/(cost) mainly included a gain of €4.4m relating to the acquisition of NIPD and a loss on bond funds of €-6.6m.

Acquisition related expenses were €-0.5m (€-4.0m).

Equity settled share-based payments charges relating to long-term performance-based share programmes were €-5.4m (€-4.1m).

EBITDA for **Healthcare Services** was €79.0m (€54.9m), an EBITDA margin of 13.9% (12.9%).

**Healthcare Services EBITDA first half, €m**



EBITDAaL was €43.7m (€26.9m), a margin of 7.7% (6.3%). Adjusted EBITDAaL was €45.4m (€28.1m), a margin of 8.0% (6.6%).

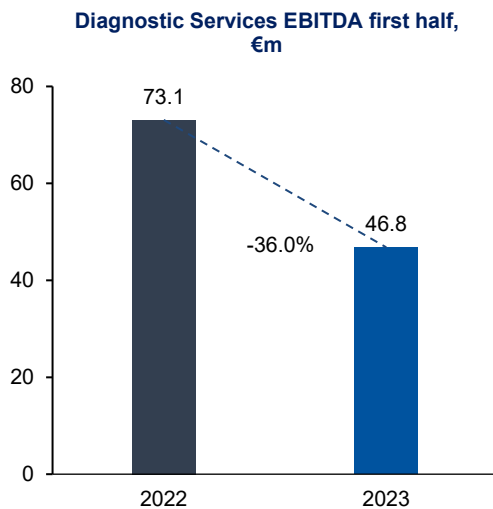
Operating profit amounted to €18.2m (€9.3m), a margin of 3.2% (2.2%).

EBITDA for **Diagnostic Services** was €46.8m (€73.1m), an EBITDA margin of 16.3% (22.4%). EBITDA excluding Covid-19 services was €45.4m (€38.5m), an EBITDA margin of 10.7% (10.6%).

EBITDAaL was €34.1m (€60.1m), a margin of 11.9% (18.4%). EBITDAaL excluding Covid-19 services was €32.7m (€25.5m), a margin of 11.6% (10.4%).

Adjusted EBITDAaL was €35.5m (€61.1m), a margin of 12.4% (18.8%).

Operating profit amounted to €20.0m (€41.7m), a margin of 6.9% (12.8%).



## KEY FINANCIAL DATA

Medicover, €m	Apr-Jun 2023	Apr-Jun 2022 <sup>1)</sup>	Variance	Jan-Jun 2023	Jan-Jun 2022 <sup>1)</sup>	Variance	LTM	FY 2022 <sup>1)</sup>
Revenue	424.7	362.2	17%	844.0	743.9	13%	1,610.3	1,510.2
Operating profit (EBIT)	13.2	15.0	-13%	23.9	37.2	-36%	41.9	55.2
Operating profit margin	3.1%	4.2%		2.8%	5.0%		2.6%	3.7%
Net profit	7.2	2.8	154%	9.3	14.8	-37%	8.2	13.7
Net profit margin	1.7%	0.8%		1.1%	2.0%		0.5%	0.9%
Basic/diluted earnings per share, €	0.037	0.010	270%	0.047	0.090	-48%	0.036	0.079
EBITDA	58.3	52.8	10%	112.6	115.1	-2%	214.6	217.1
EBITDA margin	13.7%	14.6%		13.3%	15.5%		13.3%	14.4%
Adjusted EBITDA	61.1	56.0	9%	118.5	123.2	-4%	229.2	233.9
Adjusted EBITDA margin	14.4%	15.5%		14.0%	16.6%		14.2%	15.5%
EBITDAaL	33.9	31.3	8%	64.5	73.9	-13%	121.5	130.9
EBITDAaL margin	8.0%	8.7%		7.6%	9.9%		7.5%	8.7%
Adjusted EBITDAaL	36.7	34.5	6%	70.4	82.0	-14%	136.1	147.7
Adjusted EBITDAaL margin	8.6%	9.6%		8.3%	11.0%		8.4%	9.8%
EBITA	18.6	19.6	-6%	34.6	51.3	-33%	64.2	80.9
EBITA margin	4.4%	5.4%		4.1%	6.9%		4.0%	5.4%
Adjusted EBITA	21.4	22.8	-6%	40.5	59.4	-32%	78.8	97.7
Adjusted EBITA margin	5.0%	6.3%		4.8%	8.0%		4.9%	6.5%
EBITAaL	12.6	14.2	-12%	22.5	41.1	-46%	40.2	58.8
EBITAaL margin	2.9%	3.9%		2.7%	5.5%		2.5%	3.9%
Adjusted EBITAaL	15.4	17.4	-12%	28.4	49.2	-42%	54.8	75.6
Adjusted EBITAaL margin	3.6%	4.8%		3.4%	6.6%		3.4%	5.0%
<b>Healthcare Services, €m</b>								
Revenue	292.5	219.5	33%	568.6	427.6	33%	1,058.1	917.1
Operating profit (EBIT)	13.5	5.5	145%	18.2	9.3	96%	34.3	25.4
Operating profit margin	4.6%	2.5%		3.2%	2.2%		3.2%	2.8%
EBITDA	44.8	29.5	52%	79.0	54.9	44%	149.7	125.6
EBITDA margin	15.3%	13.5%		13.9%	12.9%		14.1%	13.7%
EBITDAaL	26.8	14.4	85%	43.7	26.9	62%	82.3	65.5
EBITDAaL margin	9.2%	6.6%		7.7%	6.3%		7.8%	7.1%
Adjusted EBITDAaL	27.7	15.0	83%	45.4	28.1	61%	85.7	68.4
Adjusted EBITDAaL margin	9.4%	6.9%		8.0%	6.6%		8.1%	7.5%
EBITA	18.1	9.1	97%	27.2	16.6	64%	52.4	41.8
EBITA margin	6.2%	4.2%		4.8%	3.9%		4.9%	4.6%
Members (period end) (000's)	1,728	1,608	7%	1,728	1,608	7%	1,728	1,672
<b>Diagnostic Services, €m</b>								
Revenue	138.1	147.4	-6%	287.2	325.9	-12%	573.8	612.5
Operating profit (EBIT)	7.1	15.6	-55%	20.0	41.7	-52%	37.2	58.9
Operating profit margin	5.1%	10.6%		6.9%	12.8%		6.5%	9.6%
EBITDA	20.3	28.9	-30%	46.8	73.1	-36%	92.4	118.7
EBITDA margin	14.7%	19.6%		16.3%	22.4%		16.1%	19.4%
EBITDAaL	14.0	22.6	-38%	34.1	60.1	-43%	66.9	92.9
EBITDAaL margin	10.1%	15.3%		11.9%	18.4%		11.7%	15.2%
Adjusted EBITDAaL	14.7	23.1	-36%	35.5	61.1	-42%	69.7	95.3
Adjusted EBITDAaL margin	10.6%	15.7%		12.4%	18.8%		12.1%	15.6%
EBITA	7.9	16.5	-52%	21.7	48.5	-55%	41.4	68.2
EBITA margin	5.7%	11.2%		7.6%	14.9%		7.2%	11.1%
Lab tests (period volume) (m)	29.1	29.0	0%	60.5	61.0	-1%	118.8	119.3

<sup>1)</sup> 2022 is restated for IFRS 17 Insurance contracts. For further information, refer to note 1.

## CASH FLOW

### Second quarter

Cash generated from operations before working capital changes amounted to €59.2m (€44.6m), being 101.7% of EBITDA (84.8%). Tax paid was €3.3m (€7.8m). Net working capital increased by €15.6m (increased by €16.8m). Net cash from operating activities was €43.6m (€27.8m).

Investments in property, plant and equipment and intangible assets continued at a steady pace and amounted to €24.3m (€40.6m) with approximately 68% being growth capital investment and 32% being maintenance investment. €17.7m (€25.9m) was invested in Healthcare Services and €6.6m (€14.7m) in Diagnostic Services. Cash flow for acquisitions of subsidiaries amounted to €3.2m (€38.6m) relating to acquisitions closed in the quarter and payments for earlier closed transactions.

A dividend of €17.9m (€17.8m) was distributed to shareholders. Net loans drawn amounted to €25.0m (net loans repaid €16.3m). Lease liabilities repaid were €16.5m (€11.4m). Interest paid amounted to €12.5m (€8.7m), of which €6.0m (€5.4m) related to lease liabilities.

Cash and cash equivalents decreased by €3.1m to €41.9m.

### First half

Cash generated from operations before working capital changes amounted to €105.8m (€107.3m), being 94.0% of EBITDA (93.3%). Tax paid was €14.8m (€11.8m). Net working capital increased by €0.8m (increased by €33.7m). Net cash from operating activities was €105.0m (€73.6m).

Investments in property, plant and equipment and intangible assets amounted to €53.9m (€67.9m) with approximately 70% being growth capital investment and 30% being maintenance investment. €39.7m (€46.0m) was invested in Healthcare Services and €14.2m (€21.9m) in Diagnostic Services. Cash flow from acquisitions of subsidiaries amounted to €8.3m (€144.7m) relating to acquisitions closed in the first half and payments for earlier closed transactions. €13.6m net of cash was received in the first quarter for the disposal of the business in Belarus.

A dividend of €17.9m (€17.8m) was distributed to shareholders. Net loans drawn amounted to €13.0m (net loans drawn €53.7m). Lease liabilities repaid were €31.7m (€22.9m). Interest paid amounted to €21.4m (€14.8m), of which €12.1m (€10.2m) related to lease liabilities.

Cash and cash equivalents increased by €1.5m to €41.9m.

## FINANCIAL POSITION

Consolidated equity as at 30 June 2023 amounted to €518.3m (€508.5m). The increase in equity includes a positive movement of €22.5m mainly relating to the strengthening of the Polish zloty. In addition, total equity attributable to owners of the parent includes a negative movement of €3.8m relating to fair value changes of put option liquidity obligations with non-controlling interests. A dividend of €17.9m (€17.8m) was distributed to shareholders, equivalent to €0.12 (€0.12) per share.

Inventories amounted to €54.6m (€58.2m).

Short-term investments were €7.4m (€8.7m), representing euro-denominated government bonds.

Loans payable amounted to €527.5m (€515.7m). €235.5m (€235.5m) is at fixed interest rates and €36.0m (€36.0m) is non-interest bearing (deferred/contingent consideration payable).

Loans payable net of cash and liquid short-term investments amounted to €478.2m (€466.6m). The ratio of loans payable net of cash and liquid short-term investments to adjusted EBITDAaL for the prior twelve months was 3.5x (3.2x level at year-end 2022).

The Group has utilised €49.6m (€13.4m) under its 2bn SEK social commercial paper programme. At the end of the quarter, the Group has undrawn committed credit facilities of €238.4m, liquid short-term investments and cash and cash equivalents of €49.3m, totalling to €287.7m (€263.3m).

Lease liabilities amounted to €437.7m (€424.3m). The increase is mainly due to additional units and inflation indexation of existing contracts.

The total financial debt was €965.2m (€940.0m).

## PARENT COMPANY

---

There was no significant revenue. The loss for the first half amounted to €-8.3m (€-6.2m). At 30 June 2023 €49.6m (€13.4m) has been utilised under the social commercial paper programme. The proceeds

of the programme have been lent to the Company's subsidiary on the same maturity as the programme drawings. Equity as at 30 June 2023 was €575.7m (€596.9m).

## RISKS

---

The Group's business is exposed to risks that could impact its operations, performance or financial position. Management of these risks enables Medicover to execute its strategy, maintain its ethical reputation, reach financial targets and secure continuous development and profitability in the long term. Group entities monitor and manage risks in its operations. In addition, the Group has a centralised risk management process, which is a systematic and structured framework used to identify, assess, measure, mitigate, monitor and report risks. Identified risks are categorised as follows:

**Operational risks** – such as ability to recruit and retain staff, armed conflict, energy risk, health data loss, insurance risk, IT systems failure, market risk, medical license/certification and accreditation risk,

medical quality, natural disaster/force majeure, pandemic and disease contagion and supply chain.

**Strategy and M&A risks** – such as M&A due diligence and post-acquisition integration.

**Financial risks** – such as credit risk, currency risk, interest rate risk and liquidity and financing risk.

**Legal, compliance and political risks** – such as anti-bribery/corruption and political risk.

**Environmental risks** – such as climate change and environmental risk.

Further information on risks and risk management is available in the annual report 2022, section 'Risks and risk management' (pages 78-86).





The board of directors and the CEO declare that the interim report for January-June 2023 gives a fair overview of the parent company's and Group's operations, financial position and results of operations and describes significant risks and uncertainties facing the parent company and companies included in the Group.

Stockholm on 26 July 2023

Fredrik Stenmo  
*Chairman of the board*

Peder af Jochnick  
*Board member*

Robert af Jochnick  
*Board member*

Anne Berner  
*Board member*

Arno Bohn  
*Board member*

Sonali Chandmal  
*Board member*

Michael Flemming  
*Board member*

Margareta Nordenvall  
*Board member*

Fredrik Rågmark  
*CEO and board member*

Azita Shariati  
*Board member*

This report has not been subject to review by the Company's auditor.

This is information that Medicover AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the agency of the contact person set out below at 7.45 (CEST) on 26 July 2023. This interim report and other information about Medicover is available at [medicover.com](https://www.medicover.com).

#### **Financial calendar**

Interim report July-September	3 November 2023, 7.45 CET
Interim report Year-end	9 February 2024, 7.45 CET
Interim report January-March	26 April 2024, 7.45 CEST
Interim report April-June	25 July 2024, 7.45 CEST
Interim report July-September	30 October 2024, 7.45 CET

#### **For further information, please contact:**

Hanna Bjellquist, Head of Investor Relations  
Phone: +46 70 303 32 72  
E-mail: [hanna.bjellquist@medicover.com](mailto:hanna.bjellquist@medicover.com)

**Conference call:** A conference call for analysts and investors will be held today at 09.30 CEST. To listen in please register [here](#). To ask questions please register [here](#).

#### **Address**

Org nr: 559073-9487  
Medicover AB (publ)  
P.O. Box 5283, SE-102 46 Stockholm  
Visiting address: Riddargatan 12A, SE-114 35 Stockholm, Sweden  
Phone: +46 8 400 17 600





This report may contain certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future. Forward-looking statements are based on current estimates and assumptions made according to the best of Medicover's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including Medicover's cash flow, financial position and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in this presentation may not occur. Actual results, performance or events may differ materially from those in such statements due to, without limitation, changes in general economic conditions, in particular economic conditions in the markets on which Medicover operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents or environmental damages.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice.

## CONDENSED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

€m	Apr-Jun 2023	Apr-Jun 2022 <sup>1)</sup>	Jan-Jun 2023	Jan-Jun 2022 <sup>1)</sup>	LTM	Jan-Dec 2022 <sup>1)</sup>
<b>Revenue</b>	<b>424.7</b>	<b>362.2</b>	<b>844.0</b>	<b>743.9</b>	<b>1,610.3</b>	<b>1,510.2</b>
<b>Operating expenses</b>						
Medical provision costs	-335.3	-284.5	-664.8	-572.7	-1,267.0	-1,174.9
<b>Gross profit</b>	<b>89.4</b>	<b>77.7</b>	<b>179.2</b>	<b>171.2</b>	<b>343.3</b>	<b>335.3</b>
Distribution, selling and marketing costs	-18.6	-15.6	-37.0	-31.5	-72.0	-66.5
Administrative costs	-57.6	-47.1	-118.3	-102.5	-229.4	-213.6
<b>Operating profit (EBIT)</b>	<b>13.2</b>	<b>15.0</b>	<b>23.9</b>	<b>37.2</b>	<b>41.9</b>	<b>55.2</b>
<b>Other income/(costs)</b>	<b>0.0</b>	<b>-4.6</b>	<b>7.9</b>	<b>-3.3</b>	<b>8.0</b>	<b>-3.2</b>
Interest income	1.1	0.5	2.0	1.1	3.6	2.7
Interest expense	-11.5	-7.9	-23.4	-15.4	-42.5	-34.5
Other financial income/(expense)	6.8	0.7	2.2	0.9	0.4	-0.9
<b>Total financial result</b>	<b>-3.6</b>	<b>-6.7</b>	<b>-19.2</b>	<b>-13.4</b>	<b>-38.5</b>	<b>-32.7</b>
Share of profit of associates	0.1	0.1	0.1	0.1	0.2	0.2
<b>Profit before income tax</b>	<b>9.7</b>	<b>3.8</b>	<b>12.7</b>	<b>20.6</b>	<b>11.6</b>	<b>19.5</b>
Income tax	-2.5	-1.0	-3.4	-5.8	-3.4	-5.8
<b>Profit for the period</b>	<b>7.2</b>	<b>2.8</b>	<b>9.3</b>	<b>14.8</b>	<b>8.2</b>	<b>13.7</b>
<b>Profit attributable to:</b>						
Owners of the parent	5.5	1.5	7.0	13.4	5.4	11.8
Non-controlling interests	1.7	1.3	2.3	1.4	2.8	1.9
<b>Profit for the period</b>	<b>7.2</b>	<b>2.8</b>	<b>9.3</b>	<b>14.8</b>	<b>8.2</b>	<b>13.7</b>
<b>Earnings per share:</b>						
Basic/diluted, €	0.037	0.010	0.047	0.090	0.036	0.079

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m	Apr-Jun 2023	Apr-Jun 2022 <sup>1)</sup>	Jan-Jun 2023	Jan-Jun 2022 <sup>1)</sup>	LTM	Jan-Dec 2022 <sup>1)</sup>
<b>Profit for the period</b>	<b>7.2</b>	<b>2.8</b>	<b>9.3</b>	<b>14.8</b>	<b>8.2</b>	<b>13.7</b>
<b>Other comprehensive income/(loss):</b>						
Items that may be reclassified subsequently to income statement:						
Exchange differences on translating foreign operations	20.0	4.8	22.5	-1.8	4.4	-19.9
Cash flow hedge	0.9	-	0.8	-	2.1	1.3
Income tax relating to these items	-0.2	0.0	-0.2	0.1	0.0	0.3
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>20.7</b>	<b>4.8</b>	<b>23.1</b>	<b>-1.7</b>	<b>6.5</b>	<b>-18.3</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>27.9</b>	<b>7.6</b>	<b>32.4</b>	<b>13.1</b>	<b>14.7</b>	<b>-4.6</b>
<b>Total comprehensive income/(loss) attributable to:</b>						
Owners of the parent	25.8	5.7	30.2	11.0	14.8	-4.4
Non-controlling interests	2.1	1.9	2.2	2.1	-0.1	-0.2
<b>Total comprehensive income/(loss) for the period</b>	<b>27.9</b>	<b>7.6</b>	<b>32.4</b>	<b>13.1</b>	<b>14.7</b>	<b>-4.6</b>

<sup>1)</sup> 2022 is restated for IFRS 17 *Insurance contracts*. For further information, refer to note 1.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	30 Jun 2023	30 Jun 2022 <sup>1)</sup>	31 Dec 2022 <sup>1)</sup>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	509.1	465.3	495.9
Other intangible assets	122.0	121.5	126.0
Property, plant and equipment	451.2	378.1	445.0
Right-of-use assets	411.0	372.3	395.6
Deferred tax assets	14.6	15.2	16.2
Investments in associates	0.8	0.6	0.8
Other financial assets	20.7	15.4	18.5
<b>Total non-current assets</b>	<b>1,529.4</b>	<b>1,368.4</b>	<b>1,498.0</b>
<b>Current assets</b>			
Inventories	54.6	63.9	58.2
Other financial assets	0.0	2.2	0.0
Trade and other receivables	229.9	226.9	226.9
Short-term investments	7.4	63.0	8.7
Cash and cash equivalents	41.9	65.6	40.4
<b>Total current assets</b>	<b>333.8</b>	<b>421.6</b>	<b>334.2</b>
<b>Total assets</b>	<b>1,863.2</b>	<b>1,790.0</b>	<b>1,832.2</b>
<b>EQUITY</b>			
Equity attributable to owners of the parent	485.3	490.2	472.4
Non-controlling interests	33.0	43.6	36.1
<b>Total equity</b>	<b>518.3</b>	<b>533.8</b>	<b>508.5</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans payable	441.3	378.4	473.4
Lease liabilities	369.9	342.3	364.7
Deferred tax liabilities	36.6	41.2	42.0
Provisions	1.9	2.8	1.9
Other financial liabilities	69.4	72.6	82.4
Other liabilities	0.2	6.1	2.9
<b>Total non-current liabilities</b>	<b>919.3</b>	<b>843.4</b>	<b>967.3</b>
<b>Current liabilities</b>			
Loans payable	86.2	111.9	42.3
Lease liabilities	67.8	54.5	59.6
Deferred revenue	8.4	5.4	7.3
Insurance contract liability	19.5	15.4	18.9
Corporate tax payable	15.0	28.0	25.5
Other financial liabilities	40.4	24.5	20.5
Trade and other payables	185.5	173.1	182.3
Other liabilities	2.8	-	-
<b>Total current liabilities</b>	<b>425.6</b>	<b>412.8</b>	<b>356.4</b>
<b>Total liabilities</b>	<b>1,344.9</b>	<b>1,256.2</b>	<b>1,323.7</b>
<b>Total equity and liabilities</b>	<b>1,863.2</b>	<b>1,790.0</b>	<b>1,832.2</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€m	Share capital	Treasury shares	Share premium	Retained earnings	Non-controlling interests put option reserve	Translation reserve	Hedging reserve	Other reserves	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>Opening balance as at 1 January 2022</b>	<b>30.4</b>	<b>-0.7</b>	<b>458.7</b>	<b>141.3</b>	<b>-78.2</b>	<b>-49.2</b>	<b>-</b>	<b>15.3</b>	<b>517.6</b>	<b>44.5</b>	<b>562.1</b>
IFRS 17 adjustment	-	-	-	-2.0	-	-	-	-	-2.0	-	-2.0
<b>Opening balance as at 1 January 2022, restated</b>	<b>30.4</b>	<b>-0.7</b>	<b>458.7</b>	<b>139.3</b>	<b>-78.2</b>	<b>-49.2</b>	<b>-</b>	<b>15.3</b>	<b>515.6</b>	<b>44.5</b>	<b>560.1</b>
Profit for the period, restated	-	-	-	13.4	-	-	-	-	13.4	1.4	14.8
Other comprehensive income/(loss)	-	-	-	-	-	-2.4	-	-	-2.4	0.7	-1.7
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.4</b>	<b>-</b>	<b>-2.4</b>	<b>-</b>	<b>-</b>	<b>11.0</b>	<b>2.1</b>	<b>13.1</b>
<b>Transactions with owners in their capacity as owners:</b>											
Business combinations	-	-	-	-	-	-	-	-	-	4.5	4.5
Changes in interests in subsidiaries	-	-	-	-11.4	-	-	-	-	-11.4	-5.1	-16.5
Share capital increase/distribution of dividend in non-controlling interests	-	-	-	-	-	-	-	-	-	0.6	0.6
Changes in put option and liquidity obligation with non-controlling interests	-	-	-	-	-10.9	-	-	-	-10.9	-3.0	-13.9
Dividend	-	-	-	-17.8	-	-	-	-	-17.8	-	-17.8
Distribution of performance shares to employees	-	0.1	-0.1	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	3.7	3.7	-	3.7
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>0.1</b>	<b>-0.1</b>	<b>-29.2</b>	<b>-10.9</b>	<b>-</b>	<b>-</b>	<b>3.7</b>	<b>-36.4</b>	<b>-3.0</b>	<b>-39.4</b>
<b>Closing balance as at 30 June 2022, restated</b>	<b>30.4</b>	<b>-0.6</b>	<b>458.6</b>	<b>123.5</b>	<b>-89.1</b>	<b>-51.6</b>	<b>-</b>	<b>19.0</b>	<b>490.2</b>	<b>43.6</b>	<b>533.8</b>
<b>Opening balance as at 1 January 2023</b>	<b>30.4</b>	<b>-0.6</b>	<b>458.6</b>	<b>124.9</b>	<b>-96.3</b>	<b>-66.7</b>	<b>1.3</b>	<b>20.8</b>	<b>472.4</b>	<b>36.1</b>	<b>508.5</b>
Profit for the period	-	-	-	7.0	-	-	-	-	7.0	2.3	9.3
Other comprehensive income/(loss)	-	-	-	-	-	22.4	0.8	-	23.2	-0.1	23.1
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.0</b>	<b>-</b>	<b>22.4</b>	<b>0.8</b>	<b>-</b>	<b>30.2</b>	<b>2.2</b>	<b>32.4</b>
<b>Transactions with owners in their capacity as owners:</b>											
Changes in interests in subsidiaries	-	-	-	-0.6	-	-	-	-	-0.6	-2.5	-3.1
Changes in put option and liquidity obligation with non-controlling interests	-	-	-	-	-3.8	-	-	-	-3.8	-2.8	-6.6
Dividend	-	-	-	-17.9	-	-	-	-	-17.9	-	-17.9
Distribution of performance shares to employees	-	0.1	-0.1	5.1	-	-	-	-5.1	-	-	-
Share-based payments	-	-	-	-	-	-	-	5.0	5.0	-	5.0
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>0.1</b>	<b>-0.1</b>	<b>-13.4</b>	<b>-3.8</b>	<b>-</b>	<b>-</b>	<b>-0.1</b>	<b>-17.3</b>	<b>-5.3</b>	<b>-22.6</b>
<b>Closing balance as at 30 June 2023</b>	<b>30.4</b>	<b>-0.5</b>	<b>458.5</b>	<b>118.5</b>	<b>-100.1</b>	<b>-44.3</b>	<b>2.1</b>	<b>20.7</b>	<b>485.3</b>	<b>33.0</b>	<b>518.3</b>

## CONSOLIDATED CASH FLOW STATEMENT

€m	Apr-Jun 2023	Apr-Jun 2022 <sup>1)</sup>	Jan-Jun 2023	Jan-Jun 2022 <sup>1)</sup>	LTM	Jan-Dec 2022 <sup>1)</sup>
<b>Profit before income tax</b>	<b>9.7</b>	<b>3.8</b>	<b>12.7</b>	<b>20.6</b>	<b>11.6</b>	<b>19.5</b>
Adjustments for:						
Depreciation, amortisation and impairment	45.1	37.8	88.7	77.9	172.7	161.9
Share-based payments	2.7	2.1	5.4	4.1	10.9	9.6
Net interest expense	10.5	7.4	21.5	14.3	39.0	31.8
Unrealised foreign exchange (gain)/loss	-6.6	-1.0	-7.3	2.4	-5.8	3.9
Other non-cash transactions	1.1	2.3	-0.4	-0.2	2.0	2.2
Income tax paid	-3.3	-7.8	-14.8	-11.8	-22.1	-19.1
<b>Cash generated from operations before working capital changes</b>	<b>59.2</b>	<b>44.6</b>	<b>105.8</b>	<b>107.3</b>	<b>208.3</b>	<b>209.8</b>
<b>Changes in operating assets and liabilities:</b>						
(Increase)/decrease in inventories	-1.9	4.5	0.4	10.2	2.9	12.7
(Increase)/decrease in trade and other receivables	-7.3	0.2	-9.3	-9.2	-26.8	-26.7
Increase/(decrease) in trade and other payables	-6.4	-21.5	8.1	-34.7	17.2	-25.6
<b>Net cash from operating activities</b>	<b>43.6</b>	<b>27.8</b>	<b>105.0</b>	<b>73.6</b>	<b>201.6</b>	<b>170.2</b>
<b>Investing activities:</b>						
Payment for acquisition of intangible assets and property, plant and equipment	-24.3	-40.6	-53.9	-67.9	-126.6	-140.6
Proceeds from disposal of intangible assets and property, plant and equipment	0.2	1.8	1.1	1.9	2.2	3.0
Dividends received from associates	0.0	0.0	0.1	0.0	0.2	0.1
Payment for other financial assets	-	0.0	-	0.0	-0.5	-0.5
Proceeds from other financial assets	-	-	-	-	0.5	0.5
Payment for acquisition of subsidiaries, net of cash acquired	-3.2	-38.6	-8.3	-144.7	-92.7	-229.1
Repayment of loans granted	0.1	0.0	0.1	0.0	0.1	0.0
Disposal of subsidiaries, net of cash	-	-	13.6	-	13.6	-
Payment for short-term investments	-3.3	-0.7	-8.8	-1.1	-14.0	-6.3
Proceeds from short-term investments	4.8	90.5	9.0	126.6	68.8	186.4
Interest received	1.5	0.5	2.2	0.8	3.1	1.7
<b>Net cash from/(used in) investing activities</b>	<b>-24.2</b>	<b>12.9</b>	<b>-44.9</b>	<b>-84.4</b>	<b>-145.3</b>	<b>-184.8</b>
<b>Financing activities:</b>						
Acquisition of non-controlling interests	-0.6	-2.5	-0.6	-4.1	-4.2	-7.7
Repayment of loans	-95.8	-214.7	-159.9	-275.4	-319.2	-434.7
Proceeds from loans received	120.8	198.4	172.9	329.1	367.9	524.1
Repayment of leases	-16.5	-11.4	-31.7	-22.9	-59.4	-50.6
Interest paid	-12.5	-8.7	-21.4	-14.8	-39.0	-32.4
Dividend paid	-17.9	-17.8	-17.9	-17.8	-17.9	-17.8
Distribution to non-controlling interests	-	-	-	-	-6.0	-6.0
Proceeds from non-controlling interests	-	0.1	-	0.8	0.0	0.8
<b>Net cash used in financing activities</b>	<b>-22.5</b>	<b>-56.6</b>	<b>-58.6</b>	<b>-5.1</b>	<b>-77.8</b>	<b>-24.3</b>
<b>Total cash flow</b>	<b>-3.1</b>	<b>-15.9</b>	<b>1.5</b>	<b>-15.9</b>	<b>-21.5</b>	<b>-38.9</b>
<b>Cash and cash equivalents</b>						
Cash balance as at beginning of the period	45.1	79.6	40.4	81.9	65.6	81.9
Net effects of exchange gain/(loss) on cash balances	-0.1	1.9	0.0	-0.4	-2.2	-2.6
Cash balance as at end of the period	41.9	65.6	41.9	65.6	41.9	40.4
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>-3.1</b>	<b>-15.9</b>	<b>1.5</b>	<b>-15.9</b>	<b>-21.5</b>	<b>-38.9</b>

## PARENT COMPANY INCOME STATEMENT

€m	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	LTM	Jan-Dec 2022
<b>Revenue</b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>	<b>0.2</b>	<b>0.8</b>	<b>0.7</b>
Operating expenses	-4.4	-3.2	-8.4	-6.4	-17.5	-15.5
<b>Operating loss</b>	<b>-4.2</b>	<b>-3.1</b>	<b>-8.1</b>	<b>-6.2</b>	<b>-16.7</b>	<b>-14.8</b>
Income from participation in group companies	-	-	-	-	10.8	10.8
Interest income from group companies	0.1	-	0.2	0.1	0.2	0.1
Interest expense	-0.5	0.0	-0.7	-0.1	-0.9	-0.3
Other financial income/(expense)	0.3	0.0	0.3	0.0	0.3	0.0
<b>Loss after financial items</b>	<b>-4.3</b>	<b>-3.1</b>	<b>-8.3</b>	<b>-6.2</b>	<b>-6.3</b>	<b>-4.2</b>
Income tax	-	-	-	-	-	-
<b>Loss for the period</b>	<b>-4.3</b>	<b>-3.1</b>	<b>-8.3</b>	<b>-6.2</b>	<b>-6.3</b>	<b>-4.2</b>

As the loss for the period corresponds with the amount in total comprehensive income, no separate statement of comprehensive income is presented.

## PARENT COMPANY BALANCE SHEET

€m	30 Jun 2023	30 Jun 2022	31 Dec 2022
Property, plant and equipment	0.0	0.0	0.0
Investments in subsidiaries	584.8	584.8	584.8
<b>Total non-current assets</b>	<b>584.8</b>	<b>584.8</b>	<b>584.8</b>
Current receivables	51.6	45.8	28.5
Cash and bank	0.0	-	0.0
<b>Total current assets</b>	<b>51.6</b>	<b>45.8</b>	<b>28.5</b>
<b>Total assets</b>	<b>636.4</b>	<b>630.6</b>	<b>613.3</b>
Restricted equity	30.4	30.4	30.4
Non-restricted equity	545.3	559.3	566.5
<b>Total equity</b>	<b>575.7</b>	<b>589.7</b>	<b>596.9</b>
Current liabilities	60.7	40.9	16.4
<b>Total liabilities</b>	<b>60.7</b>	<b>40.9</b>	<b>16.4</b>
<b>Total equity and liabilities</b>	<b>636.4</b>	<b>630.6</b>	<b>613.3</b>

## NOTES

---

### 1. Basis of preparation and accounting policies

#### ***Basis of preparation***

Medicover AB (publ) ("the Company") together with its subsidiaries are referred to as "the Group". Medicover AB (publ) is a company domiciled in Sweden, with its head office in Stockholm. The reporting and functional currency of the Company is the euro.

This interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read together with the Group's consolidated financial statements 2022.

The report does not include all disclosures that would otherwise be required in a complete set of financial statements.

Information on pages 1-17 is an integral part of this report.

#### ***Accounting policies, use of estimates and judgements***

The Group applies the International Financial Reporting Standards (IFRS) as adopted by the European Union.

From 1 January 2023, the Group applies IFRS 17 *Insurance contracts*. The standard is applied retrospectively and comparative figures for 2022 have been restated in this interim report. As the Group's insurance contracts are short-term contracts and the criteria for applying the premium allocation approach is met, there are no material changes to the amounts recognised. In the

consolidated statement of financial position, the insurance contract liability is presented separately, it consists of the liability for unearned premiums and incurred claims. For additional information, refer to note 38 *Transition to IFRS 17 Insurance contracts* in the annual report 2022. In addition, some amendments to existing standards became applicable as from 1 January 2023, however none of these have a material impact on the consolidated financial statements. Apart from above, the accounting policies and methods of computation applied in this report are the same as those applied by the Group in its consolidated financial statements 2022.

The preparation of interim reports requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. Refer to the Group's consolidated financial statements 2022 for further information on the use of estimates and judgements.

The parent company applies the Swedish Annual Accounts Act and the Financial Reporting Board's Recommendation RFR 2 *Accounting for Legal Entities*.

Alternative performance measures (APMs) are presented in this interim report since these are considered as important supplemental measures of the Company's performance. For definition and reconciliation of APMs, refer to [www.medicover.com](http://www.medicover.com).

## 2. Segment information

	Apr-Jun 2023				Apr-Jun 2022 <sup>1)</sup>			
€m	Healthcare Services	Diagnostic Services	Central/ other	Group total	Healthcare Services	Diagnostic Services	Central/ other	Group total
Revenue	292.5	138.1	0.1		219.5	147.4	0.1	
Inter-segment revenue	-0.3	-5.6	-0.1		-0.2	-4.5	-0.1	
<b>Revenue from external customers</b>	<b>292.2</b>	<b>132.5</b>	<b>0.0</b>	<b>424.7</b>	<b>219.3</b>	<b>142.9</b>	<b>0.0</b>	<b>362.2</b>
By payer:								
Private	248.0	91.6	0.0	339.6	195.1	94.0	0.0	289.1
Public	44.2	40.9	-	85.1	24.2	48.9	-	73.1
By country:								
Poland	190.6	14.8	0.0	205.4	144.9	12.8	0.0	157.7
Germany	12.6	66.1	-	78.7	-	75.7	-	75.7
Romania	28.6	23.4	-	52.0	22.3	19.4	-	41.7
India	44.5	-	-	44.5	39.7	-	-	39.7
Ukraine	2.0	15.3	-	17.3	1.5	7.0	-	8.5
Other countries	13.9	12.9	0.0	26.8	10.9	28.0	0.0	38.9
<b>Operating profit</b>	<b>13.5</b>	<b>7.1</b>	<b>-7.4</b>	<b>13.2</b>	<b>5.5</b>	<b>15.6</b>	<b>-6.1</b>	<b>15.0</b>
<i>Margin</i>	4.6%	5.1%		3.1%	2.5%	10.6%		4.2%
Depreciation, amortisation and impairment	31.3	13.2	0.6	45.1	24.0	13.3	0.5	37.8
<b>EBITDA</b>	<b>44.8</b>	<b>20.3</b>	<b>-6.8</b>	<b>58.3</b>	<b>29.5</b>	<b>28.9</b>	<b>-5.6</b>	<b>52.8</b>
<i>Margin</i>	15.3%	14.7%		13.7%	13.5%	19.6%		14.6%
Right-of-use depreciation/impairment	-12.8	-5.5	-0.1	-18.4	-10.7	-5.3	-0.1	-16.1
Interest on lease liabilities	-5.2	-0.8	0.0	-6.0	-4.4	-1.0	0.0	-5.4
<b>Segment result: EBITDAaL</b>	<b>26.8</b>	<b>14.0</b>	<b>-6.9</b>	<b>33.9</b>	<b>14.4</b>	<b>22.6</b>	<b>-5.7</b>	<b>31.3</b>
<i>Margin</i>	9.2%	10.1%		8.0%	6.6%	15.3%		8.7%
Other income/(costs)				0.0				-4.6
Net interest expense				-10.4				-7.4
Other financial income/(expense)				6.8				0.7
Share of profit of associates				0.1				0.1
Income tax				-2.5				-1.0
<b>Profit for the period</b>				<b>7.2</b>				<b>2.8</b>

<sup>1)</sup> 2022 is restated for IFRS 17 *Insurance contracts*. For further information, refer to note 1.



	Jan-Jun 2023				Jan-Jun 2022 <sup>1)</sup>			
€m	Healthcare Services	Diagnostic Services	Central/ other	Group total	Healthcare Services	Diagnostic Services	Central/ other	Group total
Revenue	568.6	287.2	0.2		427.6	325.9	0.2	
Inter-segment revenue	-0.6	-11.3	-0.1		-0.4	-9.3	-0.1	
<b>Revenue from external customers</b>	<b>568.0</b>	<b>275.9</b>	<b>0.1</b>	<b>844.0</b>	<b>427.2</b>	<b>316.6</b>	<b>0.1</b>	<b>743.9</b>
By payer:								
Private	486.4	189.6	0.1	676.1	379.7	202.7	0.1	582.5
Public	81.6	86.3	-	167.9	47.5	113.9	-	161.4
By country:								
Poland	369.0	28.7	0.0	397.7	279.3	26.1	0.0	305.4
Germany	23.8	137.0	-	160.8	-	169.5	-	169.5
Romania	57.3	47.9	-	105.2	46.5	41.5	-	88.0
India	87.1	-	-	87.1	76.0	-	-	76.0
Ukraine	4.0	29.7	-	33.7	3.0	25.0	-	28.0
Other countries	26.8	32.6	0.1	59.5	22.4	54.5	0.1	77.0
<b>Operating profit</b>	<b>18.2</b>	<b>20.0</b>	<b>-14.3</b>	<b>23.9</b>	<b>9.3</b>	<b>41.7</b>	<b>-13.8</b>	<b>37.2</b>
<i>Margin</i>	3.2%	6.9%		2.8%	2.2%	12.8%		5.0%
Depreciation, amortisation and impairment	60.8	26.8	1.1	88.7	45.6	31.4	0.9	77.9
<b>EBITDA</b>	<b>79.0</b>	<b>46.8</b>	<b>-13.2</b>	<b>112.6</b>	<b>54.9</b>	<b>73.1</b>	<b>-12.9</b>	<b>115.1</b>
<i>Margin</i>	13.9%	16.3%		13.3%	12.9%	22.4%		15.5%
Right-of-use depreciation/impairment	-25.0	-10.9	-0.1	-36.0	-19.7	-11.1	-0.2	-31.0
Interest on lease liabilities	-10.3	-1.8	0.0	-12.1	-8.3	-1.9	0.0	-10.2
<b>Segment result: EBITDAaL</b>	<b>43.7</b>	<b>34.1</b>	<b>-13.3</b>	<b>64.5</b>	<b>26.9</b>	<b>60.1</b>	<b>-13.1</b>	<b>73.9</b>
<i>Margin</i>	7.7%	11.9%		7.6%	6.3%	18.4%		9.9%
Other income/(costs)				7.9				-3.3
Net interest expense				-21.4				-14.3
Other financial income/(expense)				2.2				0.9
Share of profit of associates				0.1				0.1
Income tax				-3.4				-5.8
<b>Profit for the period</b>				<b>9.3</b>				<b>14.8</b>

<sup>1)</sup> 2022 is restated for IFRS 17 *Insurance contracts*. For further information, refer to note 1.

	LTM				Jan-Dec 2022 <sup>1)</sup>			
€m	Healthcare Services	Diagnostic Services	Central/ other	Group total	Healthcare Services	Diagnostic Services	Central/ other	Group total
Revenue	1,058.1	573.8	0.8		917.1	612.5	0.8	
Inter-segment revenue	-1.3	-20.5	-0.6		-1.1	-18.5	-0.6	
<b>Revenue from external customers</b>	<b>1,056.8</b>	<b>553.3</b>	<b>0.2</b>	<b>1,610.3</b>	<b>916.0</b>	<b>594.0</b>	<b>0.2</b>	<b>1,510.2</b>
By payer:								
Private	907.6	372.9	0.2	1,280.7	800.9	386.0	0.2	1,187.1
Public	149.2	180.4	-	329.6	115.1	208.0	-	323.1
By country:								
Poland	682.4	54.3	0.0	736.7	592.7	51.7	0.0	644.4
Germany	34.6	280.9	-	315.5	10.8	313.4	-	324.2
Romania	106.0	88.7	-	194.7	95.2	82.3	-	177.5
India	177.1	-	-	177.1	166.0	-	-	166.0
Ukraine	7.7	53.1	-	60.8	6.7	48.4	-	55.1
Other countries	49.0	76.3	0.2	125.5	44.6	98.2	0.2	143.0
<b>Operating profit</b>	<b>34.3</b>	<b>37.2</b>	<b>-29.6</b>	<b>41.9</b>	<b>25.4</b>	<b>58.9</b>	<b>-29.1</b>	<b>55.2</b>
<i>Margin</i>	3.2%	6.5%		2.6%	2.8%	9.6%		3.7%
Depreciation, amortisation and impairment	115.4	55.2	2.1	172.7	100.2	59.8	1.9	161.9
<b>EBITDA</b>	<b>149.7</b>	<b>92.4</b>	<b>-27.5</b>	<b>214.6</b>	<b>125.6</b>	<b>118.7</b>	<b>-27.2</b>	<b>217.1</b>
<i>Margin</i>	14.1%	16.1%		13.3%	13.7%	19.4%		14.4%
Right-of-use depreciation/impairment	-47.1	-21.8	-0.2	-69.1	-41.8	-22.0	-0.3	-64.1
Interest on lease liabilities	-20.3	-3.7	0.0	-24.0	-18.3	-3.8	0.0	-22.1
<b>Segment result: EBITDAaL</b>	<b>82.3</b>	<b>66.9</b>	<b>-27.7</b>	<b>121.5</b>	<b>65.5</b>	<b>92.9</b>	<b>-27.5</b>	<b>130.9</b>
<i>Margin</i>	7.8%	11.7%		7.5%	7.1%	15.2%		8.7%
Other income/(costs)				8.0				-3.2
Net interest expense				-38.9				-31.8
Other financial income/(expense)				0.4				-0.9
Share of profit of associates				0.2				0.2
Income tax				-3.4				-5.8
<b>Profit for the period</b>				<b>8.2</b>				<b>13.7</b>

<sup>1)</sup> 2022 is restated for IFRS 17 *Insurance contracts*. For further information, refer to note 1.

### 3. Share capital

Share capital as at 30 June 2023 was €30.4m (€30.4m) and corresponded to the following shares:

	Class A shares	Class B shares	Class C* shares	Total
<b>1 January 2022</b>	<b>77,569,276</b>	<b>70,781,275</b>	<b>3,584,644</b>	<b>151,935,195</b>
Conversion of class A to class B shares	-170,000	170,000		
Conversion of class C to class B shares		603,016	-603,016	
<b>30 June 2022</b>	<b>77,399,276</b>	<b>71,554,291</b>	<b>2,981,628</b>	<b>151,935,195</b>
<b>1 January 2023</b>	<b>77,374,876</b>	<b>71,578,691</b>	<b>2,981,628</b>	<b>151,935,195</b>
Conversion of class A to class B shares	-567,500	567,500		
Conversion of class C to class B shares		698,806	-698,806	
<b>30 June 2023</b>	<b>76,807,376</b>	<b>72,844,997</b>	<b>2,282,822</b>	<b>151,935,195</b>

\* held by the Company as treasury shares.

Celox Holding AB owned 47,157,365 shares and 55.9% of the voting rights (47,157,365 shares and 55.6% of the voting rights at year-end 2022).

The number of shares used to calculate the basic earnings per share was 149,176,263 (148,582,480) for the quarter and 149,065,530 (148,467,156) for the first half. The number of shares used to calculate the diluted earnings per share was 149,652,373 (148,953,567) for the quarter and the first half.

The quota value was €0.2 (€0.2) per share.

#### Equity settled share-based programme

The five-year vesting period for Plan 2018 was completed on 27 April 2023. The performance

conditions were achieved in full, corresponding to eight performance shares for each share right. The annual EBITDA (pre IFRS 16) growth rate (CAGR) calculated on the basis of the Group's financial statements for 2017 and 2022 (restated consolidated financial accounts prepared on a pre IFRS 16 basis) was 20.4%. Refer to note 33 in the annual report 2022 for more information.

Medicover compensated the participants for the dividends paid during the duration of the programme by increasing the number of shares. The issuance date of Plan 2018 was 31 May 2023. 698,806 class C shares were converted to class B shares and distributed to the participants.

### 4. Related party transactions

The Group has transactions with non-controlling interests in MHI. The purchase of material and services amounted to €-8.0m (€-7.2m) for the

quarter and to €-18.4m (€-16.0m) for the first half. As at 30 June 2023 trade payables were €5.8m (€6.2m).

## 5. Financial assets and liabilities

Note	€m	30 Jun 2023			30 Jun 2022			31 Dec 2022		
		Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
	<b>Financial assets at fair value through profit or loss</b>									
	Short-term investments	-	7.4	7.4	-	63.0	63.0	-	8.7	8.7
a)	Other financial assets	2.2	-	2.2	4.6	-	4.6	2.2	-	2.2
	<b>Total</b>	<b>2.2</b>	<b>7.4</b>	<b>9.6</b>	<b>4.6</b>	<b>63.0</b>	<b>67.6</b>	<b>2.2</b>	<b>8.7</b>	<b>10.9</b>
	Interest rate swaps used for hedging	2.1	-	2.1	-	-	-	1.0	-	1.0
	<b>Total financial assets at fair value</b>	<b>4.3</b>	<b>7.4</b>	<b>11.7</b>	<b>4.6</b>	<b>63.0</b>	<b>67.6</b>	<b>3.2</b>	<b>8.7</b>	<b>11.9</b>
	<b>Financial assets at amortised cost</b>									
	Other financial assets	16.4	0.0	16.4	10.8	2.2	13.0	15.3	0.0	15.3
	Trade and other receivables <sup>1)</sup>	-	191.5	191.5	-	174.1	174.1	-	186.4	186.4
	<b>Total</b>	<b>16.4</b>	<b>191.5</b>	<b>207.9</b>	<b>10.8</b>	<b>176.3</b>	<b>187.1</b>	<b>15.3</b>	<b>186.4</b>	<b>201.7</b>
	Cash and cash equivalents	-	41.9	41.9	-	65.6	65.6	-	40.4	40.4
	<b>Total financial assets</b>	<b>20.7</b>	<b>240.8</b>	<b>261.5</b>	<b>15.4</b>	<b>304.9</b>	<b>320.3</b>	<b>18.5</b>	<b>235.5</b>	<b>254.0</b>
	<b>Financial liabilities at fair value through profit or loss</b>									
	Foreign currency swaps	-	1.4	1.4	-	0.8	0.8	-	0.2	0.2
b)	Contingent consideration payable <sup>2)</sup>	13.9	11.4	25.3	22.0	5.3	27.3	18.5	6.7	25.2
	<b>Total</b>	<b>13.9</b>	<b>12.8</b>	<b>26.7</b>	<b>22.0</b>	<b>6.1</b>	<b>28.1</b>	<b>18.5</b>	<b>6.9</b>	<b>25.4</b>
c)	Put option liquidity obligations with non-controlling interests (with movement through equity) <sup>3)</sup>	68.6	30.8	99.4	72.1	17.6	89.7	81.7	15.0	96.7
	<b>Total financial liabilities at fair value</b>	<b>82.5</b>	<b>43.6</b>	<b>126.1</b>	<b>94.1</b>	<b>23.7</b>	<b>117.8</b>	<b>100.2</b>	<b>21.9</b>	<b>122.1</b>
	<b>Financial liabilities at amortised cost</b>									
	Borrowings <sup>2)</sup>	422.7	68.8	491.5	347.0	97.9	444.9	447.7	32.0	479.7
	Lease liabilities	369.9	67.8	437.7	342.3	54.5	396.8	364.7	59.6	424.3
	Other financial liabilities	0.8	8.2	9.0	0.5	6.9	7.4	0.7	5.5	6.2
	Trade and other payables <sup>1)</sup>	-	67.0	67.0	-	50.0	50.0	-	64.4	64.4
	Deferred consideration payable <sup>2)</sup>	4.7	6.0	10.7	9.4	8.7	18.1	7.2	3.6	10.8
	<b>Total</b>	<b>798.1</b>	<b>217.8</b>	<b>1,015.9</b>	<b>699.2</b>	<b>218.0</b>	<b>917.2</b>	<b>820.3</b>	<b>165.1</b>	<b>985.4</b>
	<b>Total financial liabilities</b>	<b>880.6</b>	<b>261.4</b>	<b>1,142.0</b>	<b>793.3</b>	<b>241.7</b>	<b>1,035.0</b>	<b>920.5</b>	<b>187.0</b>	<b>1,107.5</b>

<sup>1)</sup> Amount does not reconcile with amount in the statement of financial position due to non-financial items.

<sup>2)</sup> Presented as loans payable in the statement of financial position.

<sup>3)</sup> Presented as other financial liabilities in the statement of financial position.

Financial assets and liabilities carried at amortised cost are considered to have carrying values that materially correspond to fair value, with the exception for the long-term schuldschein debt at

fixed interest rates where the carrying value amounted to €235.0m (€235.0m) and fair value to €204.4m (€214.2m).

### Recognised fair value measurements - valuation technique and principal inputs

A breakdown of how fair value is determined is indicated in the following three levels:

**Level 1:** Short-term investments of €7.4m (€8.7m) include government bonds. Fair value hierarchy level 1 is used when the valuation is based on quoted prices in active markets.

**Level 2:** The Group has foreign currency- and interest rate swaps where the valuation is based on level 2. Fair value hierarchy level 2 is used when inputs, other than the quoted prices included in level 1, are observable.

**Level 3:** The Group has the following financial assets and liabilities measured using level 3, where fair value is not based on observable market data:

a) Other financial assets include €2.2m (€2.2m) relating to 14% (14%) of the voting rights in a dialysis clinic in Germany.

b) The contingent consideration payable resulting from current year and past business combinations is mainly based on the estimated outcome of future performance targets.

c) The put option liquidity obligations with non-controlling interests consist of:

- The Group is contractually obliged, at a future date, to acquire a non-controlling interest in one of the Group's German subsidiaries at market price determined at that future date. Fair value amounted to €26.0m (€25.8m). 60% of the put options can be exercised from 1 November 2023 and the remaining 40% (which corresponds to €10.8m) from 1 November 2024.
- A put option liquidity obligation with non-controlling interests in Medicover Hospitals India ("MHI") of €57.5m (€54.4m). Half of the put options can be exercised in June 2024 at the earliest and the remaining half (which corresponds to €41.9m) from June 2027.
- Put option liquidity obligations with non-controlling interests in subsidiaries in Norway, Cyprus and Bosnia-Herzegovina of €15.9m (€16.5m), estimated to be exercised in 2026 and 2027.

In determining the fair value of the obligations, estimations of key variables were made, of which the most significant are the growth rate of the business to determine its profitability at the future date of exercise and the discount rate applied to the nominal value.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Description	Fair Value (€m)			Inputs		Sensitivity
	30 Jun 2023	31 Dec 2022		30 Jun 2023	31 Dec 2022	Relationship of unobservable inputs to fair value (FV)
Put option liquidity obligation with non-controlling interests in a subsidiary in Germany	26.0	25.8	Earnings growth factor	2.0%	2.0%	Increase of 1% point in profit growth = increase in FV liability of €0.2m
			Risk adjusted discount rate	1.5%	1.5%	Decrease of 1% point in discount rate = increase in FV liability of €0.1m
Put option liquidity obligation with non-controlling interests in MHI, India	57.5	54.4	6-year projected CAGR EBITDA	47.6%	47.6%	Increase of 10% in CAGR EBITDA = increase in FV liability of €9.3m
			Risk adjusted discount rate	13.7%	13.8%	Decrease of 1% point in discount rate = increase in FV liability of €1.6m
Put option liquidity obligation with non-controlling interests in a subsidiary in Norway	9.4	10.2	4-year projected CAGR EBITDA	29.7%	29.7%	Increase of 10% in CAGR EBITDA = increase in FV liability of €0.9m
			Risk adjusted discount rate	7.9%	7.6%	Decrease of 1% point in discount rate = increase in FV liability of €0.3m
Put option liquidity obligation with non-controlling interests in a subsidiary in Cyprus	6.1	5.9	5-year projected revenue	12.9%	12.9%	Increase of 10% in revenue = no change in FV liability
			Risk adjusted discount rate	14.3%	13.7%	Decrease of 1% point in discount rate = increase in FV liability of €0.2m
Put option liquidity obligation with non-controlling interests in a subsidiary in Bosnia-Herzegovina	0.4	0.4	Risk adjusted discount rate	23.0%	22.3%	Decrease of 1% point in discount rate = increase in FV liability of €0.0m
Contingent consideration payable	25.3	25.2	Risk adjusted discount rate	5.5%-11.8%	5.5%-11.8%	Decrease of 1% point in discount rate = increase in FV liability of €0.4m

No additional significant changes have been made to valuation techniques, inputs or assumptions in 2023. No financial assets or liabilities have been

reclassified between the different levels in the fair value hierarchy.

## 6. Net financial debt and other financial liabilities

€m	30 Jun 2023	30 Jun 2022	31 Dec 2022
Non-current loans payable	441.3	378.4	473.4
Current loans payable	86.2	111.9	42.3
<b>Total loans payable</b>	<b>527.5</b>	<b>490.3</b>	<b>515.7</b>
Less: short-term investments	-7.4	-63.0	-8.7
Less: cash and cash equivalents	-41.9	-65.6	-40.4
<b>Loans payable net of cash and liquid short-term investments</b>	<b>478.2</b>	<b>361.7</b>	<b>466.6</b>
Non-current lease liabilities	369.9	342.3	364.7
Current lease liabilities	67.8	54.5	59.6
<b>Total lease liabilities</b>	<b>437.7</b>	<b>396.8</b>	<b>424.3</b>
<b>Financial debt</b>	<b>965.2</b>	<b>887.1</b>	<b>940.0</b>
Less: short-term investments	-7.4	-63.0	-8.7
Less: cash and cash equivalents	-41.9	-65.6	-40.4
<b>Net financial debt</b>	<b>915.9</b>	<b>758.5</b>	<b>890.9</b>

€m	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Other financial liabilities</b>			
Non-current	69.4	72.6	82.4
Current	40.4	24.5	20.5
<b>Total</b>	<b>109.8</b>	<b>97.1</b>	<b>102.9</b>