

YEAR-END REPORT JANUARY–DECEMBER 2023

Fourth quarter

- Revenue amounted to €461.9m (€397.7m), an increase of 16.1% with an organic growth of 13.5%.
- Operating profit (EBIT) was €19.0m (€8.9m), an increase of 117.2%, representing an operating margin of 4.1% (2.2%).
- Net profit amounted to €8.6m (€2.3m), which represents a margin of 1.9% (0.6%).
- EBITDA was €66.4m (€53.2m), an increase of 25.3%. EBITDA margin was 14.4% (13.3%).
- EBITDAaL amounted to €40.8m (€30.1m), an increase by 36.1%, corresponding to an EBITDAaL margin of 8.8% (7.5%).
- Net cash flow from operating activities was €42.5m (€41.2m).
- Basic/diluted earnings per share were €0.078 (€0.013).

Full year

- Revenue amounted to €1,746.4m (€1,510.2m), an increase of 15.6% with an organic growth of 11.6%.
- Operating profit (EBIT) was €61.4m (€55.2m), representing an operating margin of 3.5% (3.7%).
- Net profit amounted to €18.4m (€13.7m), which represents a margin of 1.1% (0.9%).
- EBITDA was €243.8m (€217.1m), an increase by 12.3%. EBITDA margin was 14.0% (14.4%).
- EBITDAaL amounted to €144.9m (€130.9m), corresponding to an EBITDAaL margin of 8.3% (8.7%).
- Net cash flow from operating activities was €205.0m (€170.2m).
- Basic/diluted earnings per share were €0.118 (€0.079).
- The board of directors proposes a dividend for 2023 of €0.12 (€0.12) per share.

REVENUE AND EARNINGS

€ millions (€m)	Q4 2023	Q4 2022 ¹⁾	Variance	FY 2023	FY 2022 ¹⁾	Variance
Revenue	461.9	397.7	16%	1,746.4	1,510.2	16%
Operating profit (EBIT)	19.0	8.9	117%	61.4	55.2	11%
Operating profit margin	4.1%	2.2%		3.5%	3.7%	
Net profit	8.6	2.3	289%	18.4	13.7	35%
Net profit margin	1.9%	0.6%		1.1%	0.9%	
Basic/diluted earnings per share, €	0.078	0.013	500%	0.118	0.079	49%
EBITDA	66.4	53.2	25%	243.8	217.1	12%
EBITDA margin	14.4%	13.3%		14.0%	14.4%	
Adjusted EBITDA	68.3	57.9	18%	253.9	233.9	9%
Adjusted EBITDA margin	14.8%	14.5%		14.5%	15.5%	
EBITDAaL	40.8	30.1	36%	144.9	130.9	11%
EBITDAaL margin	8.8%	7.5%		8.3%	8.7%	
Adjusted EBITDAaL	42.7	34.8	23%	155.0	147.7	5%
Adjusted EBITDAaL margin	9.2%	8.7%		8.9%	9.8%	
EBITA	23.3	15.4	53%	82.6	80.9	2%
EBITA margin	5.1%	3.8%		4.7%	5.4%	

Definition and reconciliation of alternative performance measures are available at www.medicover.com/financial-information.

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

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 2023, Medicover had revenue of €1,746 million and more than 45,000 employees. For more information, go to www.medicover.com

CEO STATEMENT



I am pleased to look back at another year of strong growth. In February 2023, we announced new, even more ambitious growth targets for the next three-year period, and so far, we have delivered on our plan to meet the new targets. This is a clear message in a still very challenging world.

If we look further back to 2019, the last undisturbed year, before Covid-19 and the war in Ukraine, we have more than doubled revenue and EBITDA during these four years, while we also have invested more growth capital for future growth than ever before. A very strong achievement of which we are very proud. The last four years have arguably been the most challenging times in Europe for many decades. This performance is a strong testament to the diversification of our business model and the essential services offered, as well as the underlying growth of our markets.

After a couple of years of significant investments, last year we have worked on consolidating acquired businesses, improved operational efficiency, and increased capacity utilisation. We have continued our organic growth capital investments in line with historic levels, while we have significantly slowed down acquisition growth, as communicated beginning of last year. During the last two quarters of the year, we have seen an increase in our main profit measures compared to the same quarters in previous year. However, margins in Diagnostic Services remain under pressure as we have not yet seen an increase of the reimbursement levels in Germany. In Healthcare Services we are negatively impacted by new hospital start-ups in India and Romania. Despite this, EBITDA in the quarter increased by over 25% for the Group.

Unfortunately, the war in Ukraine shows no signs of abating. Our colleagues there are doing a phenomenal job. Ukraine represents 4 per cent of total business and we are back around pre-war volume levels, a testament to the resilience and adaptability of our operations in the face of challenging circumstances.

Revenue for the quarter continued to grow strongly and was up 16.1% to €461.9m (€397.7m), with an organic growth of 13.5%. Revenue for the year grew 15.6% to €1,746.4m (€1,510.2m) with an organic growth of 11.6%.

EBITDA in the quarter was €66.4m (€53.2m), an increase by 25.3%, representing an EBITDA margin of 14.4% (13.3%). EBITDA for the full year amounted to €243.8m (€217.1m), a margin of 14.0% (14.4%).

Fee-For-Service and other services (FFS) increased by 11.9% in the quarter, now representing 57% of total revenue. Full year FFS revenue growth was 13.8%, representing 58% of total revenue.

Healthcare Services quarterly revenue grew by 25.2% to €324.4m (€259.0m), with an organic growth of 19.1%. Revenue growth in the year was 30.6%, with an organic growth of 21.0%, reaching €1,197.7m (€917.1m).

At the end of the year the division had 1.8 million members, growing with 34 thousand members over the quarter and with 103 thousand members for the year. We continue to see very robust trading in our corporate paid business, particularly in Poland in both Health and Sport, but also in Romania.

FFS increased by 19.7% in the quarter and represented 53% of divisional revenue, full year FFS revenue growth was 28.5%.

EBITDA grew by 20.8% in the quarter to €46.2m (€38.4m), an EBITDA margin of 14.3% (14.8%). EBITDA for the year grew by 36.8% to €171.8m (€125.6m), an EBITDA margin of 14.3% (13.7%).

Diagnostic Services revenue amounted to €143.1m (€143.9m), a decrease by 0.6%, with an organic growth of 3.2%. Excluding Covid revenue in the comparative quarter, organic growth was a healthy 11.5%, illustrating the positive underlying volume development. Revenue growth for the year was -6.7%, with an organic reduction of 2.5%, amounting to €571.2m (€612.5m).

29.3 million tests were performed in the quarter (29.3 million) and 119.2 million tests in the full year (119.3 million). FFS increased by 0.2% in the quarter, now representing 68% of divisional revenue, full year FFS revenue decrease was 4.4%.



EBITDA amounted to €20.4m (€23.0m), a decrease of 10.7%, an EBITDA margin of 14.3% (15.9%). EBITDA in the full year amounted to €88.1m (€118.7m), a decrease of 25.7% and mainly related to no contribution from Covid-19, an EBITDA margin of 15.4% (19.4%).

As we navigate the landscape of 2024, we find ourselves in a robust position, with investments from previous years that will continue to mature supported by continued growth investments. As the year progresses, we are also likely to be more active with our acquisition agenda.

We remain confident on the trading outlook for 2024, with continued good organic growth and continued profit improvement, this puts us on a good path to be able to achieve the medium-term financial targets for the period 2023-2025.

Financial targets by year-end 2025:

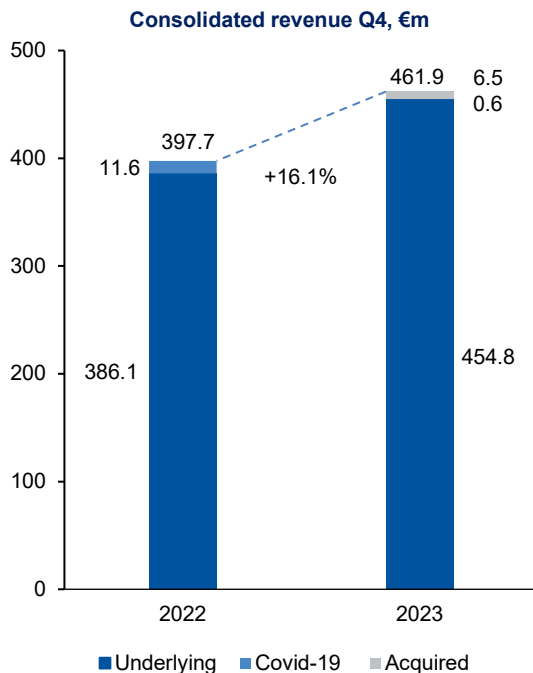
- organic revenue should exceed €2.2bn
- An adjusted organic EBITDA in excess of €350m
- Loans payable net of cash and liquid short-term investments/adjusted EBITDAaL $\leq 3.5x$

I would like to express a sincere gratitude to all our staff across our markets for their dedication, hard-work, and professionalism – thank you.

Fredrik Rågmark
CEO

REVENUE FOURTH QUARTER 2023

Consolidated revenue amounted to €461.9m (€397.7m), up 16.1% with an organic growth of 13.5%.



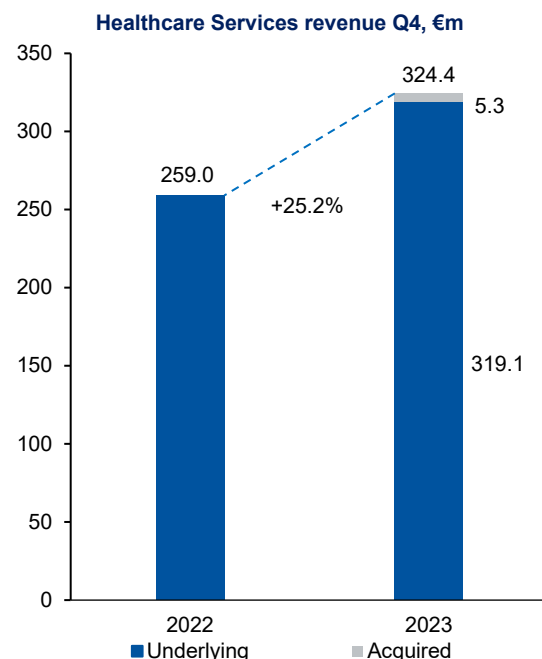
Organic revenue growth continues to be strong, even more so for Healthcare Services, where there was no comparative Covid-19 revenue. Diagnostic Services has replaced nearly all the comparative revenue from Covid-19 services and from the disposed Belarus business with organic revenue growth. Organic growth excluding Covid-19 revenue amounted to an impressive 16.7%.

Inflation continues its moderation path, however still at high levels, with a reduction in headline inflation to 6.2% annualised for Poland in December 2023, substantially down from the 18.4% peak in February 2023. The Polish National Bank has started its easing cycle, with rates 1% lower than the 6.75% peak. Core inflation (net of food and energy prices) also reduced to 6.9% for December 2023 showing the disinflation path. Although Poland and Romania remain at good employment levels, economic activity has subdued and investments have reduced in some sectors particularly in Poland. Price indexations applied at the end of 2022 and throughout the year contributed to revenue growth and compensated for cost increases. Salaries in the healthcare sector (including minimum salaries) are still increasing in general, hence continuing indexation to compensate for inflation is expected.

Acquired revenue amounted to €6.5m, mainly in sport and dental.

Foreign exchange fluctuations had a positive impact of 2.3% relating to the significant strengthening of the Polish zloty, partially offset with weakness mainly for the Indian rupee.

Healthcare Services revenue reached €324.4m (€259.0m), up 25.2% with an impressive organic growth of 19.1%, and with price representing approximately 8.9pp of this growth.



Member growth increased by 6.2% to 1,775K (1,672K), with a strong addition of 34K members in the quarter despite a general slower employment market. The increase consists of both new and existing members.

FFS activities have performed well with good demand levels. The number of dental chairs amounted to 721 (669).

The segment had a total of 6,217 hospital beds, an increase of 412 compared to Q4 2022 coming from India and the new Bucharest hospital. In the quarter, two smaller Indian facilities with a total of 130 beds were divested to concentrate resources on larger units. A greenfield 100-bed dedicated comprehensive cancer specialty hospital (Vizag, India) is scheduled to open in the first quarter 2024.

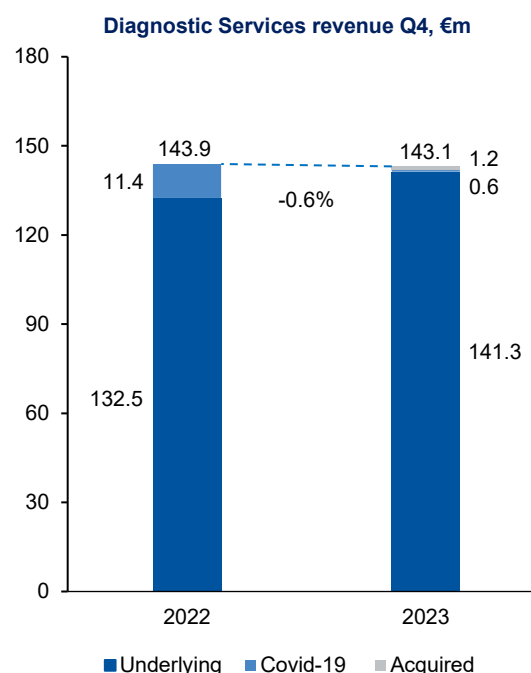
	31 Dec 2023	31 Dec 2022
Medical clinics	180	175
Hospitals	40	41
Beds (commissioned)	6,217	5,805
Fertility clinics	30	28
Dental clinics	113	107
Dental chairs	721	669
Gyms	133	126
Other facilities	116	112
Members (thousands)	1,775	1,672

Acquired revenue amounted to €5.3m, mainly in sport and dental.

Foreign exchange fluctuations had a positive impact of 4.1% relating to the significant strengthening of the Polish zloty, partially offset with weakness for the Indian rupee.

Diagnostic Services performed very well with good revenue growth replacing nearly all revenue from comparative Covid-19 services and the disposed business in Belarus. Revenue was €143.1m (€143.9m), a minor decrease of 0.6% due to a negative impact from foreign currency. Organic growth amounted to 3.2%. Revenue from Covid-19 services was negligible in the quarter (prior year quarter €11.4m). The disposed business in Belarus had comparative quarter revenue of €5.3m.

Organic growth excluding Covid-19 revenue was strong amounting to 11.5% (of which approximately 3.7pp 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 strongest.



FFS revenue (excluding other services) increased through strong growth in volume/mix of tests and price increases, partially offset by foreign exchange. Public pricing has not been indexed yet despite inflation, except in Romania and minor changes in other markets. In Germany, the reimbursement rates have not changed, besides minor increases in clinical service fees. Expectations to increase reimbursement rates are growing.

The laboratory test volume was stable at 29.3 million (29.3 million). Excluding Covid-19 testing, volume increased by 2.1% despite the disposal of the business in Belarus. Covid-19 tests were 0.1 million (0.7 million).

	31 Dec 2023	31 Dec 2022
Labs	118	104
BDPs	892	876
Clinics	27	27
Lab tests (million), Q4	29.3	29.3

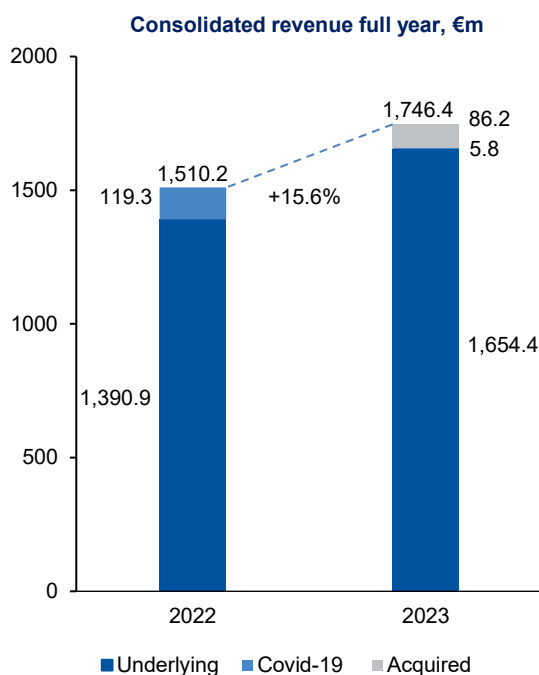
The table above includes operational facilities. In Ukraine 2 labs and 14 BDPs were non-operational as at 31 December 2023 (2 labs and 34 BDPs at 31 December 2022).

Acquired revenue amounted to €1.2m.

Foreign exchange fluctuations had a negative impact of 1.0% with weakness for the Ukrainian hryvna offset by the strengthening of the Polish zloty.

REVENUE FULL YEAR 2023

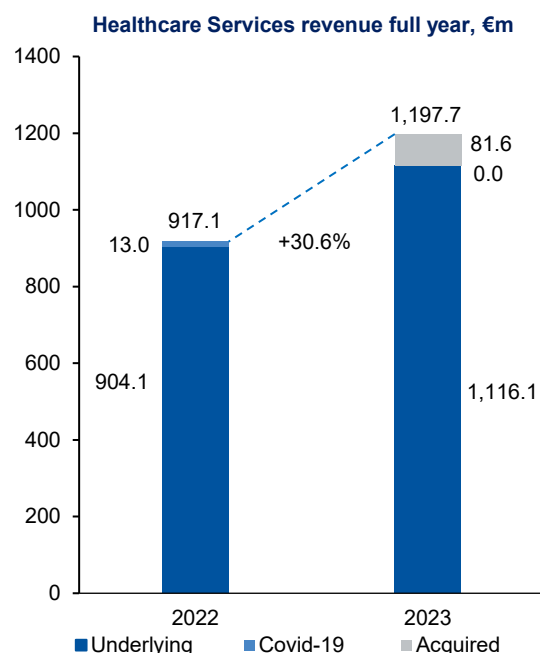
Consolidated revenue amounted to €1,746.4m (€1,510.2m), up 15.6% with an organic growth of 11.6%. Revenue from Covid-19 services has largely disappeared and amounted to €5.8m (€119.3m). Organic growth excluding Covid-19 revenue grew very strongly by 20.6%.



Acquired revenue amounted to €86.2m.

Foreign exchange fluctuations had a negative impact of 0.4% with weakness mainly for the Ukrainian hryvna and Indian rupee offset by the significant strengthening of the Polish zloty.

Healthcare Services revenue reached €1,197.7m (€917.1m), up 30.6% with a strong organic growth of 21.0%.



Members increased by 103K to 1,775K (1,672K) members at year-end.

	31 Dec 2023	31 Dec 2022
Medical clinics	180	175
Hospitals	40	41
Beds (commissioned)	6,217	5,805
Fertility clinics	30	28
Dental clinics	113	107
Dental chairs	721	669
Gyms	133	126
Other facilities	116	112
Members (thousands)	1,775	1,672

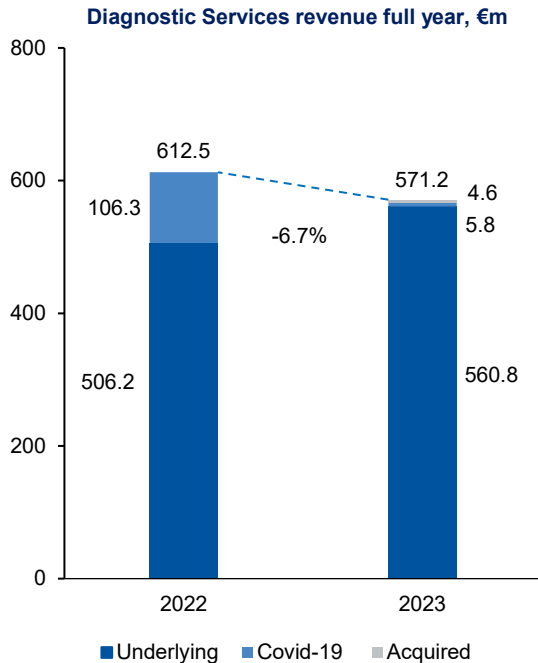
Acquired revenue amounted to €81.6m.

Foreign exchange fluctuations had a positive impact of 0.7% due to the significant strengthening of the Polish zloty, partially offset by the weakness mainly for the Indian rupee.

Diagnostic Services revenue amounted to €571.2m (€612.5m), down 6.7% with an organic reduction of 2.5%. Organic growth excluding Covid-19 revenue amounted to a strong 16.6%. Revenue from Covid-19 services amounted to €5.8m (€106.3m).

The Belarus business was disposed in February 2023 with one month of revenue reflected in the year for €1.6m (€20.6m).

The laboratory test volume was 119.2 million (119.3 million). Excluding Covid-19 testing, volume increased by 4.1%. Covid-19 tests were 0.4 million (5.2 million).



	31 Dec 2023	31 Dec 2022
Labs	118	104
BDPs	892	876
Clinics	27	27
Lab tests (million), FY	119.2	119.3

The table above includes operational facilities. In Ukraine 2 labs and 14 BDPs were non-operational as at 31 December 2023 (2 labs and 34 BDPs at 31 December 2022).

Acquired revenue amounted to €4.6m.

Foreign exchange fluctuations had a negative impact of 2.0% 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 consists of revenue from insurance contracts as per IFRS 17.

€m	Q4 2023	Q4 2022	Variance	FY 2023	FY 2022	Variance
Healthcare Services						
Revenue	324.4	259.0		1,197.7	917.1	
Inter-segment revenue	-0.4	-0.5		-1.4	-1.1	
Revenue from external customers	324.0	258.5	25.3%	1,196.3	916.0	30.6%
By payer:						
Public	52.4	35.7	47.0%	178.9	115.1	55.5%
Private:	271.6	222.8	21.9%	1,017.4	800.9	27.0%
Funded	101.1	80.6	25.4%	375.2	301.3	24.5%
Fee-For-Service (FFS)	122.4	111.5	9.7%	479.7	405.3	18.3%
Other services	48.1	30.7	57.1%	162.5	94.3	72.3%
By country:						
Poland	213.5	164.6	29.7%	778.7	592.7	31.4%
India	48.0	44.0	9.2%	184.8	166.0	11.4%
Romania	32.6	25.8	25.8%	121.4	95.2	27.4%
Germany	13.1	10.8	21.5%	48.0	10.8	n/m
Other countries	16.8	13.3	26.8%	63.4	51.3	23.7%
Diagnostic Services						
Revenue	143.1	143.9		571.2	612.5	
Inter-segment revenue	-5.2	-4.7		-21.3	-18.5	
Revenue from external customers	137.9	139.2	-1.0%	549.9	594.0	-7.4%
By payer:						
Public	46.4	47.5	-2.2%	184.4	208.0	-11.3%
Private:	91.5	91.7	-0.3%	365.5	386.0	-5.3%
Fee-For-Service (FFS)	88.7	81.7	8.4%	348.2	335.9	3.7%
Other services	2.8	10.0	-71.9%	17.3	50.1	-65.4%
By country:						
Germany	69.3	73.1	-5.3%	274.0	313.4	-12.6%
Romania	22.3	20.4	9.7%	93.4	82.3	13.6%
Ukraine	15.6	11.6	34.9%	61.2	48.4	26.4%
Poland	16.1	12.5	28.9%	60.1	51.7	16.2%
Other countries	14.6	21.6	-32.8%	61.2	98.2	-37.7%

PROFIT DEVELOPMENT FOURTH QUARTER 2023

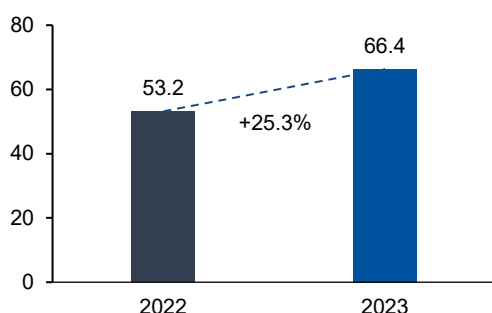
Operating profit (EBIT) increased by 117.2% to €19.0m (€8.9m), an increase of €10.1m with an operating margin of 4.1% (2.2%).

Net profit amounted to €8.6m (€2.3m), which represented a margin of 1.9% (0.6%). Total financial result amounted to €-8.9m (€-5.6m) of which €-14.5m (€-10.4m) was related to interest expense and commitment fees on the Group's debt and other discounted liabilities. Within the interest expense €-6.3m (€-6.1m) was related to lease liabilities. Foreign exchange gains were €4.5m (€4.0m) of which €8.2m (€4.7m) was related to euro-denominated lease liabilities mainly in Poland as the zloty strengthened.

Basic/diluted earnings per share amounted to €0.078 (€0.013).

Consolidated EBITDA was €66.4m (€53.2m), growing by €13.2m, an EBITDA margin of 14.4% (13.3%). Adjusted EBITDA amounted to €68.3m (€57.9m) a margin of 14.8% (14.5%).

Consolidated EBITDA Q4, €m



EBITDAaL was €40.8m (€30.1m), a margin of 8.8% (7.5%). Adjusted EBITDAaL was €42.7m (€34.8m), a margin of 9.2% (8.7%).

Items affecting comparability

Future performance targets related to four acquisitions made in prior years were not achieved. In the quarter, the associated contingent consideration of €6.9m has been derecognised in administrative costs.

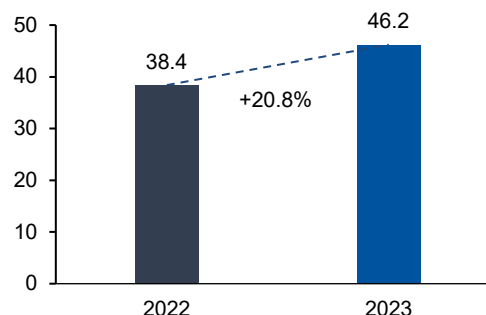
Acquisition related expenses were €-0.2m (€-2.0m).

Equity settled share-based payments charges relating to long-term performance-based share programmes were €-1.7m (€-2.7m).

EBITDA for **Healthcare Services** grew by 20.8% to €46.2m (€38.4m). The EBITDA margin reduced slightly to 14.3% (14.8%) with several larger new

and immature hospital units, particularly the new hospital in Bucharest reducing profit measures.

Healthcare Services EBITDA Q4, €m



The medical cost ratio (MCR) to revenue was higher at 84.2% (81.1%), due to additional costs for the early-stage hospital units, inflation and slightly higher utilisation in employer paid business.

EBITDAaL was €27.1m (€21.9m), an increase of €5.2m with a margin of 8.4% (8.4%). Adjusted EBITDAaL was €27.6m (€22.7m), a margin of 8.5% (8.7%).

Medicover Hospitals India (MHI) has opened three new major units over the last 18 months and a major greenfield hospital has been opened in Bucharest. These 4 units incurred an EBITDAaL loss of €-3.3m. Additionally one Indian hospital was moved to a larger site, incurring one-off costs. The end of the fourth quarter (and start of the first) were seasonally impacted with lower demand levels in hospital admissions in India.

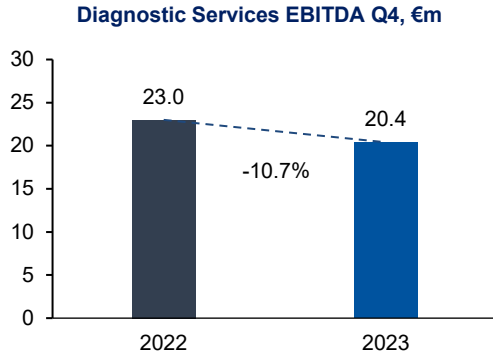
The established inpatient facilities in Poland and Romania have performed well contributing to margin expansion. The Cluj hospital (Romania) is still margin dilutive. The former general hospital in Bucharest has now been restructured to provide solely women and child services and is observing good activity levels.

Medicover Sports continues to develop well with market share growth. There is a continuing good demand for sports benefits packages which are sold alongside Medicover healthcare benefits to the same employer base. The integration of the gyms acquired in 2022 and 2023 has progressed well and will continue to support margin expansion throughout 2024.

Overall, utilisation levels in the employer paid business have been slightly higher in the quarter. Costs per unit of service delivered have grown with salary costs being the main driver due to inflation.

Operating profit increased to €12.8m (€9.6m), a margin of 4.0% (3.7%).

EBITDA for **Diagnostic Services** was €20.4m (€23.0m), an EBITDA margin of 14.3% (15.9%).



EBITDAaL was €14.0m (€16.5m), a margin of 9.9% (11.4%). Adjusted EBITDAaL was €14.5m (€17.2m), a margin of 10.2% (11.9%).

The segment has performed well, replacing nearly all of the Covid-19 contribution with organic growth and only being held back from exceeding comparative profitability by the disposed business in Belarus and negative foreign exchange fluctuation. The underlying profit contribution has increased due to good volume growth across all activities, despite a backdrop of prices being largely unchanged in Germany and strong cost inflation.

Operating profit was €7.2m (€8.0m), a margin of 5.1% (5.5%).

PROFIT DEVELOPMENT FULL YEAR 2023

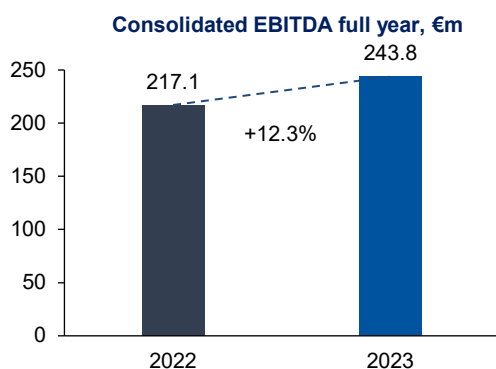
Operating profit (EBIT) was €61.4m (€55.2m) with an operating margin of 3.5% (3.7%).

Net profit amounted to €18.4m (€13.7m), a margin of 1.1% (0.9%). Other income/(costs) of €8.0m (€-3.2m) mainly included a gain of €7.8m relating to the sale of the business in Belarus. Total financial result amounted to €-45.9m (€-32.7m) of which €-51.4m (€-34.5m) was related to interest expense. Within the interest expense €-24.6m (€-22.1m) was related to lease liabilities. Foreign exchange gains were €1.1m (€-3.3m) of which €-4.8m was relating to accumulated translation differences on net assets relating to the disposal of the business in Belarus and €9.6m (€-2.3m) was related to euro-denominated lease liabilities mainly in Poland.

The Group has recognised an income tax charge of €-5.2m (€-5.8m) which corresponds to an effective tax rate of 21.8% (29.6%).

Basic/diluted earnings per share amounted to €0.118 (€0.079).

Consolidated EBITDA was €243.8m (€217.1m), an EBITDA margin of 14.0% (14.4%). Adjusted EBITDA was €253.9m (€233.9m), a margin of 14.5% (15.5%).



There is still a significant drag on margins and profit measures from several larger new and immature hospitals.

EBITDAaL was €144.9m (€130.9m), a margin of 8.3% (8.7%). Adjusted EBITDAaL amounted to €155.0m (€147.7m), a margin of 8.9% (9.8%).

Items affecting comparability

The Belarus business was disposed in February 2023. A gain of €7.8m was recognised in other income/(costs) and €-4.8m of foreign exchange losses have been recycled to other financial income/(expense) with a corresponding positive movement in other comprehensive income.

EBITDA for the business in Belarus amounted to €0.1m (€4.0m).

Future performance targets related to six acquisitions made in prior years were not achieved. In Q3 and Q4 2023, the associated contingent consideration of €10.9m has been derecognised in administrative costs.

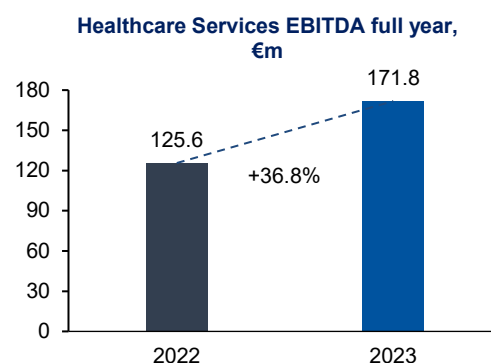
Acquisition related expenses were €-0.7m (€-7.2m).

Equity settled share-based payments charges relating to long-term performance-based share programmes were €-9.4m (€-9.6m).

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 2022, other income/(cost) mainly included a gain of €4.4m relating to the revaluation of shares due to the acquisition of NIPD and a loss on bond funds of €-6.3m.

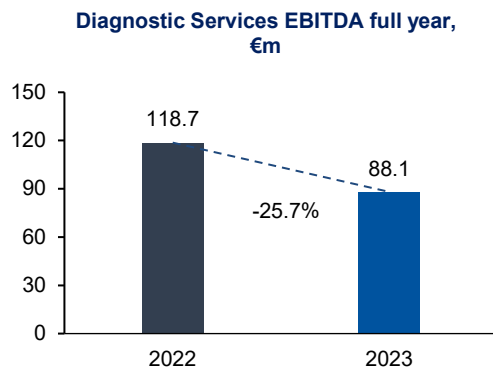
EBITDA for **Healthcare Services** expanded very strongly to €171.8m (€125.6m), an EBITDA margin of 14.3% (13.7%).



EBITDAaL was €98.6m (€65.5m), a margin of 8.2% (7.1%). Adjusted EBITDAaL was €101.5m (€68.4m), a margin of 8.5% (7.5%).

Operating profit amounted to €44.9m (€25.4m), a margin of 3.7% (2.8%).

EBITDA for **Diagnostic Services** was €88.1m (€118.7m), an EBITDA margin of 15.4% (19.4%), with the reduction driven by the decrease in Covid-19 services. Excluding Covid-19, the underlying EBITDA margin remained unchanged at 15.4% (15.4%).



EBITDAaL was €62.7m (€92.9m), a margin of 11.0% (15.2%), with the reduction driven by the decrease in Covid-19 services. Excluding Covid-19, the underlying EBITDAaL margin was 0.6pp higher at 10.9% (10.3%).

Adjusted EBITDAaL was €65.2m (€95.3m), a margin of 11.4% (15.6%).

Operating profit amounted to €35.1m (€58.9m), a margin of 6.2% (9.6%).

KEY FINANCIAL DATA

Medicover, €m	Oct-Dec 2023	Oct-Dec 2022 ¹⁾	Variance	Jan-Dec 2023	Jan-Dec 2022 ¹⁾	Variance
Revenue	461.9	397.7	16%	1,746.4	1,510.2	16%
Operating profit (EBIT)	19.0	8.9	117%	61.4	55.2	11%
Operating profit margin	4.1%	2.2%		3.5%	3.7%	
Net profit	8.6	2.3	289%	18.4	13.7	35%
Net profit margin	1.9%	0.6%		1.1%	0.9%	
Basic/diluted earnings per share, €	0.078	0.013	500%	0.118	0.079	49%
EBITDA	66.4	53.2	25%	243.8	217.1	12%
EBITDA margin	14.4%	13.3%		14.0%	14.4%	
Adjusted EBITDA	68.3	57.9	18%	253.9	233.9	9%
Adjusted EBITDA margin	14.8%	14.5%		14.5%	15.5%	
EBITDAaL	40.8	30.1	36%	144.9	130.9	11%
EBITDAaL margin	8.8%	7.5%		8.3%	8.7%	
Adjusted EBITDAaL	42.7	34.8	23%	155.0	147.7	5%
Adjusted EBITDAaL margin	9.2%	8.7%		8.9%	9.8%	
EBITA	23.3	15.4	53%	82.6	80.9	2%
EBITA margin	5.1%	3.8%		4.7%	5.4%	
Adjusted EBITA	25.2	20.1	26%	92.7	97.7	-5%
Adjusted EBITA margin	5.5%	5.0%		5.3%	6.5%	
EBITAaL	17.0	9.3	85%	58.0	58.8	-1%
EBITAaL margin	3.7%	2.3%		3.3%	3.9%	
Adjusted EBITAaL	18.9	14.0	36%	68.1	75.6	-10%
Adjusted EBITAaL margin	4.1%	3.5%		3.9%	5.0%	
Healthcare Services, €m						
Revenue	324.4	259.0	25%	1,197.7	917.1	31%
Operating profit (EBIT)	12.8	9.6	35%	44.9	25.4	77%
Operating profit margin	4.0%	3.7%		3.7%	2.8%	
EBITDA	46.2	38.4	21%	171.8	125.6	37%
EBITDA margin	14.3%	14.8%		14.3%	13.7%	
EBITDAaL	27.1	21.9	24%	98.6	65.5	50%
EBITDAaL margin	8.4%	8.4%		8.2%	7.1%	
Adjusted EBITDAaL	27.6	22.7	22%	101.5	68.4	48%
Adjusted EBITDAaL margin	8.5%	8.7%		8.5%	7.5%	
EBITA	16.0	14.3	14%	62.4	41.8	49%
EBITA margin	5.0%	5.5%		5.2%	4.6%	
Members (period end) (000's)	1,775	1,672	6%	1,775	1,672	6%
Diagnostic Services, €m						
Revenue	143.1	143.9	-1%	571.2	612.5	-7%
Operating profit (EBIT)	7.2	8.0	-8%	35.1	58.9	-40%
Operating profit margin	5.1%	5.5%		6.2%	9.6%	
EBITDA	20.4	23.0	-11%	88.1	118.7	-26%
EBITDA margin	14.3%	15.9%		15.4%	19.4%	
EBITDAaL	14.0	16.5	-14%	62.7	92.9	-32%
EBITDAaL margin	9.9%	11.4%		11.0%	15.2%	
Adjusted EBITDAaL	14.5	17.2	-15%	65.2	95.3	-32%
Adjusted EBITDAaL margin	10.2%	11.9%		11.4%	15.6%	
EBITA	8.4	9.8	-15%	38.9	68.2	-43%
EBITA margin	5.9%	6.9%		6.8%	11.1%	
Lab tests (period volume) (m)	29.3	29.3	0%	119.2	119.3	0%

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

CASH FLOW

Fourth quarter

Cash generated from operations before working capital changes amounted to €53.6m (€51.5m), being 80.4% of EBITDA (97.1%). Tax paid was €9.1m (€5.0m). Net working capital increased by €11.1m (€10.3m). Net cash from operating activities was €42.5m (€41.2m).

Investments in property, plant and equipment and intangible assets were slightly higher than in previous quarters 2023 at €36.6m (€40.8m) with approximately 70% being growth capital investment and 30% being maintenance investment. €26.7m (€25.7m) was invested in Healthcare Services and €9.9m (€15.1m) in Diagnostic Services. Cash flow for acquisitions of subsidiaries amounted to €3.2m (€41.4m) relating to an acquisition closed in the quarter and payments for earlier closed transactions.

Net loans drawn amounted to €42.4m (€31.8m). Lease liabilities repaid were €17.0m (€13.9m). Interest paid amounted to €16.4m (€10.5m), of which €6.3m (€6.1m) related to lease liabilities.

Cash and cash equivalents increased by €0.1m to €50.8m.

Full year

Cash generated from operations before working capital changes amounted to €219.4m (€209.8m), being 89.9% of EBITDA (96.7%). Tax paid was €28.8m (€19.1m). Net working capital increased by €14.4m (€39.6m). Net cash from operating activities was €205.0m (€170.2m).

Investments in property, plant and equipment and intangible assets amounted to €110.5m (€140.6m) with approximately 69% being growth capital investment and 31% being maintenance investment. €81.0m (€94.6m) was invested in Healthcare Services and €29.5m (€46.0m) in Diagnostic Services. Cash flow from acquisitions of subsidiaries amounted to €19.6m (€229.1m) relating to acquisitions closed in the year 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.

Net loans drawn amounted to €64.6m (€89.4m). Lease liabilities repaid were €65.5m (€50.6m). Interest paid amounted to €46.5m (€32.4m), of which €24.6m (€22.1m) related to lease liabilities. A dividend of €17.9m (€17.8m) was distributed to shareholders.

Cash and cash equivalents increased by €11.5m to €50.8m.

FINANCIAL POSITION

Consolidated equity as at 31 December 2023 amounted to €528.3m (€508.5m). Total equity attributable to owners of the parent includes a negative movement of €13.5m 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. Other comprehensive income includes a positive exchange rate movement of €31.0m mainly relating to the strengthening of the Polish zloty.

Inventories amounted to €59.4m (€58.2m).

Short-term investments were €8.9m (€8.7m), representing short tenor government bonds.

Loans payable amounted to €564.9m (€515.7m). €235.0m (€235.0m) is at fixed interest rates and €18.7m (€36.0m) is non-interest bearing (deferred/contingent consideration payable).

Loans payable net of cash and liquid short-term investments amounted to €505.2m (€466.6m). The ratio of loans payable net of cash and liquid short-term investments to adjusted EBITDAaL for the prior twelve months was 3.3x (3.2x level at year-end 2022).

The Group has utilised €102.0m (€13.4m) under its 2bn SEK social commercial paper programme. At the end of the quarter, the Group has undrawn committed credit facilities of €240.0m, liquid short-term investments and cash and cash equivalents of €59.7m, totalling to €299.7m (€263.3m).

Lease liabilities amounted to €438.8m (€424.3m). The increase is mainly due to additional units added over the period.

The total financial debt was €1,003.7m (€940.0m).

PARENT COMPANY

There was no significant revenue. The profit/(loss) for the year amounted to €12.2m (€-4.2m). Income from participation in group companies amounted to €29.3m (€10.8m) of which €9.8m (€9.7m) related to a recharge for the long-term share-based programme, Plan 2018. Investments in subsidiaries have decreased by €70m compared to 31 December 2022 a result of a share premium

reduction in Medicover Holding SA repaid to Medicover AB. At 31 December 2023 €102.0m (€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 31 December 2023 was €600.2m (€596.9m).

DIVIDEND

The board of directors proposes to the annual general meeting that a dividend of €0.12 (€0.12) per share is distributed for the financial year 2023. The decision is subject to the shareholders' approval at the annual general meeting on 26 April 2024.

The proposed dividend is 102% of the net profit, and in excess of the stated dividend policy,

corresponding to a total of €18.0m. The board of directors are of the opinion the company's financial position and future development will be able to sustain the same dividend payout as last year. If the proposal is accepted, the expected record date for the dividend will be 30 April and the dividend is expected to be paid out by Euroclear on 8 May.

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, health data loss, insurance risk, IT systems failure, market risk, medical license/certification and accreditation risk, medical quality, natural disaster/force majeure and pandemic and disease contagion.

Strategy and M&A risks – such post-acquisition integration.

Financial risks – such as credit risk, foreign currency risk, interest rate risk and liquidity and refinancing risk.

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

Environmental risks – such as climate change.

As at 31 December 2023, there are no critical risks, two risks are considered as high (ability to recruit and retain staff and armed conflict). The risks identified at year-end 2023 are in all material respects described in the annual report 2022, section 'Risks and risk management' (pages 78-86).



The board of directors and the CEO declare that the year-end report for January-December 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 9 February 2024

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 (CET) on 9 February 2024. This year-end report and other information about Medicover is available at [medicover.com](https://www.medicover.com).

Financial calendar

Annual report	week 13 2024
Interim report January-March	26 April 2024, 7.45 CEST
Annual general meeting	26 April 2024
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:

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Phone: +46 70 303 32 72
E-mail: hanna.bjellquist@medicover.com

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

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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	Oct-Dec 2023	Oct-Dec 2022 ¹⁾	Jan-Dec 2023	Jan-Dec 2022 ¹⁾
Revenue	461.9	397.7	1,746.4	1,510.2
Operating expenses				
Medical provision costs	-375.9	-315.2	-1,387.0	-1,174.9
Gross profit	86.0	82.5	359.4	335.3
Distribution, selling and marketing costs	-21.5	-18.2	-77.9	-66.5
Administrative costs	-45.5	-55.4	-220.1	-213.6
Operating profit (EBIT)	19.0	8.9	61.4	55.2
Other income/(costs)	0.3	-0.3	8.0	-3.2
Interest income	1.1	0.8	4.4	2.7
Interest expense	-14.5	-10.4	-51.4	-34.5
Other financial income/(expense)	4.5	4.0	1.1	-0.9
Total financial result	-8.9	-5.6	-45.9	-32.7
Share of profit of associates	-	0.1	0.1	0.2
Profit before income tax	10.4	3.1	23.6	19.5
Income tax	-1.8	-0.8	-5.2	-5.8
Profit for the period	8.6	2.3	18.4	13.7
Profit attributable to:				
Owners of the parent	11.6	2.0	17.6	11.8
Non-controlling interests	-3.0	0.3	0.8	1.9
Profit for the period	8.6	2.3	18.4	13.7
Earnings per share:				
Basic/diluted, €	0.078	0.013	0.118	0.079

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€m	Oct-Dec 2023	Oct-Dec 2022 ¹⁾	Jan-Dec 2023	Jan-Dec 2022 ¹⁾
Profit for the period	8.6	2.3	18.4	13.7
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to income statement:				
Exchange differences on translating foreign operations	23.0	-5.8	31.0	-19.9
Cash flow hedge	-1.6	1.1	-1.0	1.3
Income tax relating to these items	-0.2	0.3	-0.2	0.3
Other comprehensive income/(loss) for the period, net of tax	21.2	-4.4	29.8	-18.3
Total comprehensive income/(loss) for the period	29.8	-2.1	48.2	-4.6
Total comprehensive income/(loss) attributable to:				
Owners of the parent	33.5	1.5	47.7	-4.4
Non-controlling interests	-3.7	-3.6	0.5	-0.2
Total comprehensive income/(loss) for the period	29.8	-2.1	48.2	-4.6

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€m	31 Dec 2023	31 Dec 2022 ¹⁾
ASSETS		
Non-current assets		
Goodwill	517.0	495.9
Other intangible assets	122.2	126.0
Property, plant and equipment	464.1	445.0
Right-of-use assets	411.6	395.6
Deferred tax assets	27.3	16.2
Investments in associates	0.8	0.8
Other receivables	0.6	0.0
Other financial assets	16.4	18.5
Total non-current assets	1,560.0	1,498.0
Current assets		
Inventories	59.4	58.2
Other financial assets	4.7	0.0
Trade and other receivables	257.5	226.9
Short-term investments	8.9	8.7
Cash and cash equivalents	50.8	40.4
Total current assets	381.3	334.2
Total assets	1,941.3	1,832.2
EQUITY		
Equity attributable to owners of the parent	496.5	472.4
Non-controlling interests	31.8	36.1
Total equity	528.3	508.5
LIABILITIES		
Non-current liabilities		
Loans payable	406.4	473.4
Lease liabilities	368.2	364.7
Deferred tax liabilities	41.2	42.0
Provisions	2.2	1.9
Other financial liabilities	94.4	82.4
Other liabilities	-	2.9
Total non-current liabilities	912.4	967.3
Current liabilities		
Loans payable	158.5	42.3
Lease liabilities	70.6	59.6
Deferred revenue	9.8	7.3
Insurance contract liability	25.1	18.9
Corporate tax payable	13.3	25.5
Other financial liabilities	18.7	20.5
Trade and other payables	204.6	182.3
Total current liabilities	500.6	356.4
Total liabilities	1,413.0	1,323.7
Total equity and liabilities	1,941.3	1,832.2

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
Opening balance as at 1 January 2022	30.4	-0.7	458.7	141.3	-78.2	-49.2	-	15.3	517.6	44.5	562.1
IFRS 17 adjustment	-	-	-	-2.0	-	-	-	-	-2.0	-	-2.0
Opening balance as at 1 January 2022, restated	30.4	-0.7	458.7	139.3	-78.2	-49.2	-	15.3	515.6	44.5	560.1
Profit for the period, restated	-	-	-	11.8	-	-	-	-	11.8	1.9	13.7
Other comprehensive income/(loss)	-	-	-	-	-	-17.5	1.3	-	-16.2	-2.1	-18.3
Total comprehensive income/(loss) for the period, restated	-	-	-	11.8	-	-17.5	1.3	-	-4.4	-0.2	-4.6
Transactions with owners:											
Business combinations	-	-	-	-	-	-	-	-	-	3.5	3.5
Changes in interests in subsidiaries	-	-	-	-11.9	-	-	-	-	-11.9	-5.4	-17.3
Share capital increase/distribution of dividend in non-controlling interests	-	-	-	-	-	-	-	-	-	-0.9	-0.9
Changes in put option and liquidity obligation with non-controlling interests	-	-	-	-	-18.1	-	-	-	-18.1	-5.4	-23.5
Dividend	-	-	-	-17.8	-	-	-	-	-17.8	-	-17.8
Distribution of performance shares to employees	-	0.1	-0.1	3.5	-	-	-	-3.5	-	-	-
Share-based payments	-	-	-	-	-	-	-	9.0	9.0	-	9.0
Total transactions with owners	-	0.1	-0.1	-26.2	-18.1	-	-	5.5	-38.8	-8.2	-47.0
Closing balance as at 31 December 2022, restated	30.4	-0.6	458.6	124.9	-96.3	-66.7	1.3	20.8	472.4	36.1	508.5

€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
Opening balance as at 1 January 2023	30.4	-0.6	458.6	124.9	-96.3	-66.7	1.3	20.8	472.4	36.1	508.5
Profit for the period	-	-	-	17.6	-	-	-	-	17.6	0.8	18.4
Other comprehensive income/(loss)	-	-	-	-	-	31.1	-1.0	-	30.1	-0.3	29.8
Total comprehensive income/(loss) for the period	-	-	-	17.6	-	31.1	-1.0	-	47.7	0.5	48.2
Transactions with owners:											
Issue of shares	0.3	-	-	-	-	-	-	-	0.3	-	0.3
Acquisition of treasury shares	-	-0.3	-	-	-	-	-	-	-0.3	-	-0.3
Business combinations	-	-	-	-	-	-	-	-	-	-0.8	-0.8
Changes in interests in subsidiaries	-	-	-	-1.1	-	-	-	-	-1.1	-2.2	-3.3
Distribution of dividend in non-controlling interests	-	-	-	-	-	-	-	-	-	-0.1	-0.1
Changes in put option and liquidity obligation with non-controlling interests	-	-	-	-	-13.5	-	-	-	-13.5	-1.7	-15.2
Dividend	-	-	-	-17.9	-	-	-	-	-17.9	-	-17.9
Distribution of performance shares to employees	-	0.1	-0.1	5.0	-	-	-	-5.0	-	-	-
Share-based payments	-	-	-	-	-	-	-	8.9	8.9	-	8.9
Total transactions with owners	0.3	-0.2	-0.1	-14.0	-13.5	-	-	3.9	-23.6	-4.8	-28.4
Closing balance as at 31 December 2023	30.7	-0.8	458.5	128.5	-109.8	-35.6	0.3	24.7	496.5	31.8	528.3

CONSOLIDATED CASH FLOW STATEMENT

€m	Oct-Dec 2023	Oct-Dec 2022 ¹⁾	Jan-Dec 2023	Jan-Dec 2022 ¹⁾
Profit before income tax	10.4	3.1	23.6	19.5
Adjustments for:				
Depreciation, amortisation and impairment	47.4	44.3	182.4	161.9
Share-based payments	1.7	2.7	9.4	9.6
Net interest expense	13.4	9.6	47.0	31.8
Unrealised foreign exchange (gain)/loss	-4.9	-4.7	-6.5	3.9
Other non-cash transactions	-5.3	1.5	-7.7	2.2
Income tax paid	-9.1	-5.0	-28.8	-19.1
Cash generated from operations before working capital changes	53.6	51.5	219.4	209.8
Changes in operating assets and liabilities:				
(Increase)/decrease in inventories	-5.5	3.4	-5.1	12.7
Increase in trade and other receivables	-14.7	-12.9	-29.1	-26.7
Increase/(decrease) in trade and other payables	9.1	-0.8	19.8	-25.6
Net cash from operating activities	42.5	41.2	205.0	170.2
Investing activities:				
Payment for acquisition of intangible assets and property, plant and equipment	-36.6	-40.8	-110.5	-140.6
Proceeds from disposal of intangible assets and property, plant and equipment	0.2	0.3	1.4	3.0
Dividends received from associates	-	0.0	0.1	0.1
Payment for other financial assets	-	0.0	-	-0.5
Proceeds from other financial assets	-	0.5	-	0.5
Payment for acquisition of subsidiaries, net of cash acquired	-3.2	-41.4	-19.6	-229.1
Disposal of subsidiaries, net of cash	0.4	-	14.0	-
Payment of loans granted	-7.6	0.0	-7.6	0.0
Repayment of loans granted	0.0	-	0.1	-
Payment for short-term investments	-5.6	-5.2	-21.0	-6.3
Proceeds from short-term investments	4.2	2.0	19.4	186.4
Interest received	1.0	0.3	3.9	1.7
Net cash used in investing activities	-47.2	-84.3	-119.8	-184.8
Financing activities:				
Issue of shares, net of transaction cost	0.3	-	0.3	-
Acquisition of treasury shares	-0.3	-	-0.3	-
Acquisition of non-controlling interests	-0.9	0.0	-4.6	-7.7
Repayment of loans	-128.8	-58.1	-397.3	-434.7
Proceeds from loans received	171.2	89.9	461.9	524.1
Repayment of leases	-17.0	-13.9	-65.5	-50.6
Interest paid	-16.4	-10.5	-46.5	-32.4
Dividend paid	-	-	-17.9	-17.8
Distribution to non-controlling interests	-3.3	-1.5	-3.8	-6.0
Proceeds from non-controlling interests	-	0.0	-	0.8
Net cash from/(used in) financing activities	4.8	5.9	-73.7	-24.3
Total cash flow	0.1	-37.2	11.5	-38.9
Cash and cash equivalents				
Cash balance as at beginning of the period	52.5	77.3	40.4	81.9
Net effects of exchange gain/(loss) on cash balances	-1.8	0.3	-1.1	-2.6
Cash balance as at end of the period	50.8	40.4	50.8	40.4
Increase/(decrease) in cash and cash equivalents	0.1	-37.2	11.5	-38.9

PARENT COMPANY INCOME STATEMENT

€m	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	0.5	0.3	0.9	0.7
Operating expenses	-4.2	-4.9	-16.0	-15.5
Operating loss	-3.7	-4.6	-15.1	-14.8
Income from participation in group companies	24.7	1.1	29.3	10.8
Interest income/(expense) from group companies	0.0	-0.9	0.2	0.1
Interest expense	-0.8	0.0	-2.4	-0.3
Other financial income/(expense)	0.1	0.0	0.2	0.0
Profit/(loss) after financial items	20.3	-4.4	12.2	-4.2
Income tax	-	-	-	-
Profit/(loss) for the period	20.3	-4.4	12.2	-4.2

As the profit/(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	31 Dec 2023	31 Dec 2022
Property, plant and equipment	0.0	0.0
Investments in subsidiaries	514.8	584.8
Total non-current assets	514.8	584.8
Current receivables	191.6	28.5
Cash and bank	0.0	0.0
Total current assets	191.6	28.5
Total assets	706.4	613.3
Restricted equity	30.7	30.4
Non-restricted equity	569.5	566.5
Total equity	600.2	596.9
Current liabilities	106.2	16.4
Total liabilities	106.2	16.4
Total equity and liabilities	706.4	613.3

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 year-end 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 year-end 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.

The amendment to IAS 12 *Income taxes: International tax reform – Pillar Two model rules* is effective from 1 January 2023: The amendment clarifies that IAS 12 applies to income tax arising from tax law enacted or substantively enacted to implement the Pillar Two model rules. These rules introduce a global minimum effective tax rate of 15% on income arising in low-tax jurisdictions. The Group's operations in countries with a tax rate lower than 15% is limited. Medicover AB qualifies as a partial owned parent entity and will apply the Income Inclusion Rules ("IIR") to its subsidiaries.

The Group expects that the IIR or UTPR (Undertaxed Profits Rule) will not lead to material tax effects for the financial year 2024 as the OECD transitional CbCR safe harbour can be applied. The Group applies the exemption not to recognise deferred tax related to Pillar Two.

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.

No amendments to standards that are effective as from 1 January 2024 are expected to have a material impact on the consolidated financial statements when applied for the first time.

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. In December 2023 Medicover entered into an agreement to acquire the non-controlling shares of 7.5% (23.3% economic interest) in one of the Group's German subsidiaries with an effective date of January 2024. The purchase price was not reflecting the economic substance, hence judgement was used. The underlying nature of the transactions has been considered as deferred payments for non-controlling interest rather than following the legal form as remuneration contracts, resulting in recognition of a liability to be settled over a 10 year period. Refer to note 6 c).

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.

2. Segment information

	Oct-Dec 2023				Oct-Dec 2022 ¹⁾			
€m	Healthcare Services	Diagnostic Services	Central/ other	Group total	Healthcare Services	Diagnostic Services	Central/ other	Group total
Revenue	324.4	143.1	0.2		259.0	143.9	0.5	
Inter-segment revenue	-0.4	-5.2	-0.2		-0.5	-4.7	-0.5	
Revenue from external customers	324.0	137.9	0.0	461.9	258.5	139.2	0.0	397.7
By payer:								
Private	271.6	91.5	0.0	363.1	222.8	91.7	0.0	314.5
Public	52.4	46.4	0.0	98.8	35.7	47.5	-	83.2
By country:								
Poland	213.5	16.1	0.0	229.6	164.6	12.5	0.0	177.1
Germany	13.1	69.3	-	82.4	10.8	73.1	-	83.9
Romania	32.6	22.3	-	54.9	25.8	20.4	-	46.2
India	48.0	-	-	48.0	44.0	-	-	44.0
Ukraine	2.1	15.6	-	17.7	1.9	11.6	-	13.5
Other countries	14.7	14.6	0.0	29.3	11.4	21.6	0.0	33.0
Operating profit	12.8	7.2	-1.0	19.0	9.6	8.0	-8.7	8.9
<i>Margin</i>	4.0%	5.1%		4.1%	3.7%	5.5%		2.2%
Depreciation, amortisation and impairment	33.4	13.2	0.8	47.4	28.8	15.0	0.5	44.3
EBITDA	46.2	20.4	-0.2	66.4	38.4	23.0	-8.2	53.2
<i>Margin</i>	14.3%	14.3%		14.4%	14.8%	15.9%		13.3%
Right-of-use depreciation/impairment	-13.7	-5.5	-0.1	-19.3	-11.4	-5.5	-0.1	-17.0
Interest on lease liabilities	-5.4	-0.9	0.0	-6.3	-5.1	-1.0	0.0	-6.1
Segment result: EBITDAaL	27.1	14.0	-0.3	40.8	21.9	16.5	-8.3	30.1
<i>Margin</i>	8.4%	9.9%		8.8%	8.4%	11.4%		7.5%
Other income/(costs)				0.3				-0.3
Net interest expense				-13.4				-9.6
Other financial income/(expense)				4.5				4.0
Share of profit of associates				-				0.1
Income tax				-1.8				-0.8
Profit for the period				8.6				2.3

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

	Jan-Dec 2023				Jan-Dec 2022 ¹⁾			
€m	Healthcare Services	Diagnostic Services	Central/ other	Group total	Healthcare Services	Diagnostic Services	Central/ other	Group total
Revenue	1,197.7	571.2	0.4		917.1	612.5	0.8	
Inter-segment revenue	-1.4	-21.3	-0.2		-1.1	-18.5	-0.6	
Revenue from external customers	1,196.3	549.9	0.2	1,746.4	916.0	594.0	0.2	1,510.2
By payer:								
Private	1,017.4	365.5	0.2	1,383.1	800.9	386.0	0.2	1,187.1
Public	178.9	184.4	0.0	363.3	115.1	208.0	-	323.1
By country:								
Poland	778.7	60.1	0.0	838.8	592.7	51.7	0.0	644.4
Germany	48.0	274.0	-	322.0	10.8	313.4	-	324.2
Romania	121.4	93.4	-	214.8	95.2	82.3	-	177.5
India	184.8	-	-	184.8	166.0	-	-	166.0
Ukraine	8.0	61.2	-	69.2	6.7	48.4	-	55.1
Other countries	55.4	61.2	0.2	116.8	44.6	98.2	0.2	143.0
Operating profit	44.9	35.1	-18.6	61.4	25.4	58.9	-29.1	55.2
<i>Margin</i>	3.7%	6.2%		3.5%	2.8%	9.6%		3.7%
Depreciation, amortisation and impairment	126.9	53.0	2.5	182.4	100.2	59.8	1.9	161.9
EBITDA	171.8	88.1	-16.1	243.8	125.6	118.7	-27.2	217.1
<i>Margin</i>	14.3%	15.4%		14.0%	13.7%	19.4%		14.4%
Right-of-use depreciation/impairment	-52.2	-21.8	-0.3	-74.3	-41.8	-22.0	-0.3	-64.1
Interest on lease liabilities	-21.0	-3.6	0.0	-24.6	-18.3	-3.8	0.0	-22.1
Segment result: EBITDAaL	98.6	62.7	-16.4	144.9	65.5	92.9	-27.5	130.9
<i>Margin</i>	8.2%	11.0%		8.3%	7.1%	15.2%		8.7%
Other income/(costs)				8.0				-3.2
Net interest expense				-47.0				-31.8
Other financial income/(expense)				1.1				-0.9
Share of profit of associates				0.1				0.2
Income tax				-5.2				-5.8
Profit for the period				18.4				13.7

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

3. Share capital

Share capital as at 31 December 2023 was €30.7m (€30.4m) and corresponded to the following shares:

	Class A shares	Class B shares	Class C* shares	Total
1 January 2022	77,569,276	70,781,275	3,584,644	151,935,195
Conversion of class A to class B shares	-194,400	194,400		
Conversion of class C to class B shares		603,016	-603,016	
31 December 2022	77,374,876	71,578,691	2,981,628	151,935,195
1 January 2023	77,374,876	71,578,691	2,981,628	151,935,195
Conversion of class A to class B shares	-703,500	703,500		
Conversion of class C to class B shares		698,806	-698,806	
Issue of shares			1,600,000	1,600,000
31 December 2023	76,671,376	72,980,997	3,882,822	153,535,195

* held by the Company as treasury shares.

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

The number of shares used to calculate the basic earnings per share was 149,652,373 (148,953,567) for the quarter and 149,361,363 (148,712,361) for the year. The number of shares used to calculate the diluted earnings per share was 149,652,373 (148,953,567) for the quarter and for the year.

In November 1.6 million class C shares were issued and immediately repurchased. The purpose was to enable future delivery of performance shares in accordance with the incentive programmes. Following the share issue, the share capital increased by €0.3m.

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. Business combinations

During the year, the Group has made minor acquisitions across both segments in Poland, Germany and Bulgaria

(dental/gym/laboratory/medical clinic). None of these acquisitions were individually significant.

Preliminary purchase price allocations are as follows.

€m	Total
Net identifiable assets	3.1
Goodwill	11.0
Total consideration	14.1
Cash and cash equivalents acquired	-0.3
Contingent consideration payable	-2.8
Deferred consideration payable	-1.0
Non-cash movements	0.4
Net cash flow outflow, acquisitions in current year	10.4
Payment related to acquisitions in prior years	9.2
Net cash flow outflow	19.6

Included in the consolidated income statement 2023 was revenue of €8.1m and a net profit of €0.3m related to business combinations in the year. If these acquisitions had occurred on 1 January 2023, revenue would have been €4.7m

higher and net profit would have been €0.1m higher.

Acquisition related expenses (included in administrative expenses) amounted to €-0.7m for the year.

5. Related party transactions

The Group has transactions with non-controlling interests in MHI. The purchase of material and services amounted to €-9.2m (€-6.8m) for the quarter and to €-34.2m (€-32.7m) for the year. The

purchase of fixed assets amounted to €0.2m (€0.3m) for the quarter and to €0.5m (€1.2m) for the year. As at 31 December 2023 trade payables were €6.7m (€6.2m).

6. Financial assets and liabilities

Note	€m	31 Dec 2023			31 Dec 2022		
		Non-current	Current	Total	Non-current	Current	Total
	Financial assets at fair value through profit or loss						
	Short-term investments	-	8.9	8.9	-	8.7	8.7
	Foreign currency swaps	-	2.4	2.4	-	-	-
a)	Other financial assets	2.3	-	2.3	2.2	-	2.2
	Total	2.3	11.3	13.6	2.2	8.7	10.9
	Interest rate swaps used for hedging	0.6	-	0.6	1.0	-	1.0
	Total financial assets at fair value	2.9	11.3	14.2	3.2	8.7	11.9
	Financial assets at amortised cost						
	Other financial assets	13.5	2.3	15.8	15.3	0.0	15.3
	Trade and other receivables ¹⁾	-	219.4	219.4	-	186.4	186.4
	Total	13.5	221.7	235.2	15.3	186.4	201.7
	Cash and cash equivalents	-	50.8	50.8	-	40.4	40.4
	Total financial assets	16.4	283.8	300.2	18.5	235.5	254.0
	Financial liabilities at fair value through profit or loss						
	Foreign currency swaps	-	-	-	-	0.2	0.2
b)	Contingent consideration payable ²⁾	8.0	3.2	11.2	18.5	6.7	25.2
	Total	8.0	3.2	11.2	18.5	6.9	25.4
c)	Put option liquidity obligations with non-controlling interests (with movement through equity) ³⁾	93.6	15.8	109.4	81.7	15.0	96.7
	Total financial liabilities at fair value	101.6	19.0	120.6	100.2	21.9	122.1
	Financial liabilities at amortised cost						
	Borrowings ²⁾	393.3	152.9	546.2	447.7	32.0	479.7
	Lease liabilities	368.2	70.6	438.8	364.7	59.6	424.3
	Other financial liabilities	0.8	2.9	3.7	0.7	5.5	6.2
	Trade and other financial payables ¹⁾	-	71.6	71.6	-	64.4	64.4
	Deferred consideration payable ²⁾	5.1	2.4	7.5	7.2	3.6	10.8
	Total	767.4	300.4	1,067.8	820.3	165.1	985.4
	Total financial liabilities	869.0	319.4	1,188.4	920.5	187.0	1,107.5

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

²⁾ Presented as loans payable in the statement of financial position.

³⁾ 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 schuldschein debt at

fixed interest rates where the carrying value amounted to €235.0m (€235.0m) and fair value to €207.1m (€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 €8.9m (€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 €2.3m (€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:

- In December 2023 Medicover entered into an agreement to acquire the non-controlling shares of 7.5% (23.3% economic interest) in one of the Group's German subsidiaries with an effective date of January 2024 for €41.1m.

As a written put option was previously granted to the minority shareholder, the liquidity obligation of €26.1m (Q3 2023) increased to €41.1m at year-end. €15.8m will be paid in cash on closing in Q1 2024 and €25.3m is deferred and payable over 10 annual instalments to 2033. The closing in January will extinguish the put option. The seller will continue to work in the Group and remuneration for future services will be recognised as salary cost. There are performance conditions attached to the deferred liability which have been considered in the measurement of the liability.

- A put option liquidity obligation with non-controlling interests in Medicover Hospitals India ("MHI") of €58.0m (€54.4m). Half of the put options can be exercised in June 2025 at the earliest and the remaining half (which corresponds to €35.7m) from June 2027.
- Put option liquidity obligations with non-controlling interests in subsidiaries in Norway, Cyprus and Bosnia-Herzegovina of €10.3m (€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
	31 Dec 2023	31 Dec 2022		31 Dec 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	41.1	25.8	Earnings growth factor	-	2.0%	-
			Risk adjusted discount rate	3.8%	1.5%	-
Put option liquidity obligation with non-controlling interests in MHI, India	58.0	54.4	6-year projected CAGR EBITDA	33.1%	47.6%	Increase of 10% in CAGR EBITDA = increase in FV liability of €6.0m
			Risk adjusted discount rate	13.4%	13.8%	Decrease of 1% point in discount rate = increase in FV liability of €1.4m
Put option liquidity obligation with non-controlling interests in a subsidiary in Norway	4.0	10.2	4-year projected CAGR EBITDA	2.6%	29.7%	Increase of 10% in CAGR EBITDA = increase in FV liability of €0.0m
			Risk adjusted discount rate	8.3%	7.6%	Decrease of 1% point in discount rate = increase in FV liability of €0.1m
Put option liquidity obligation with non-controlling interests in a subsidiary in Cyprus	5.8	5.9	5-year projected revenue	8.6%	12.9%	Increase of 10% in revenue = no change in FV liability
			Risk adjusted discount rate	10.7%	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	0.5	0.4	Risk adjusted discount rate	17.8%	22.3%	Decrease of 1% point in discount rate = increase in FV liability of €0.0m
Contingent consideration payable	11.2	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 €0.2m

The projections used to measure the put-option liquidity obligations at fair value have been updated to reflect management's assessment of future business performance and economic environment. From Q4 2023, the risk adjusted discount rate (used for put-options liquidity obligations) corresponds to the cost of equity.

No financial assets or liabilities have been reclassified between the different levels in the fair value hierarchy.

7. Net financial debt and other financial liabilities

€m	31 Dec 2023	31 Dec 2022
Non-current loans payable	406.4	473.4
Current loans payable	158.5	42.3
Total loans payable	564.9	515.7
Less: short-term investments	-8.9	-8.7
Less: cash and cash equivalents	-50.8	-40.4
Loans payable net of cash and liquid short-term investments	505.2	466.6
Non-current lease liabilities	368.2	364.7
Current lease liabilities	70.6	59.6
Total lease liabilities	438.8	424.3
Financial debt	1,003.7	940.0
Less: short-term investments	-8.9	-8.7
Less: cash and cash equivalents	-50.8	-40.4
Net financial debt	944.0	890.9

€m	31 Dec 2023	31 Dec 2022
Other financial liabilities		
Non-current	94.4	82.4
Current	18.7	20.5
Total	113.1	102.9