



Interim report January-September 2018



Continued high growth and focus on business development

- Strong organic growth and improved results in GHP's Nordic businesses
- Seasonal variations have a negative impact on the results in all three segments
- Significant investments in the digital offering and solutions
- New agreement takes Vårdsamverkan to SEK 100 million in revenue on an annual basis

Third quarter 2018

- Sales revenues increased to SEK 218.2 million (191.9)
- Organic growth increased to 12.3 percent (6.1)
- EBITDA increased to SEK 1.7 million (-0.2)
- EBITDA margin increased to 0.8 percent (-0.1)
- Result after tax (EAT) amounted to SEK -4.6 million (-2.8)
- Result per share amounted to SEK -0.08 (-0.05)

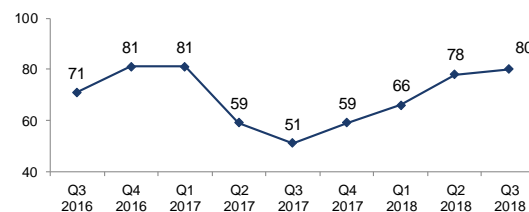
First three quarters of 2018

- Sales revenues increased to SEK 784.4 million (702.3)
- Organic growth increased to 13.3 percent (3.9)
- EBITDA increased to SEK 48.7 million (11.2)
- EBITDA margin increased to 6.2 percent (1.6)
- Result after tax (EAT) increased to SEK 23.1 million (-8.5)
- Result per share amounted to SEK 0.27 (-0.14)

Sales revenues, rolling 12 months
SEK millions



EBITDA, rolling 12 months
SEK millions



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

Segment summary				
Sek millions	Sales revenue		Operating result (EBIT)	
	Third quarter		Third quarter	
	2018	2017	2018	2017
Nordic region	185.8	165.6	-7.7	-11.2
International	15.1	14.3	3.3	5.1
Vårdsamverkan	17.3	12.0	-1.0	-0.3
Total	218.2	191.9	-5.4	-6.4

CEO's comments



GHP is in a very exciting period. The Nordic Region is progressing well, with considerable growth and strong performance in all parts. We are working on many development projects and investments in Vårdsamverkan and International. The aim is to strengthen our position as the leading specialty care provider in the Nordic Region. We also want to expand our business in the Gulf region so that we become a local care provider that has several legs to stand on and to create new types of collaboration and products through Vårdsamverkan. We are expanding with thorough control, with respect for the challenges, and with so as to ensure robust development where every quarter involves a few steps forward.

When we look at the third quarter, **the Nordic Region** is continuing to develop positively. We have organic growth of 13%, which is due to strong demand for our services, where our ability to attract personnel and the increases in capacity gained through the extension of premises and improvements in efficiency will give results. The third quarter is always tough for the Nordic Region in terms of results. Unlike primary care, nursing care and hospital care, our businesses do not have a constant inflow of revenues. The holiday period hits our results very hard. We are therefore pleased to see, despite all of this, a small increase in profitability during this quarter as well. If we look ahead, we expect the negative price trend to wane, or even turn positive. We base this on increased demand and the fact that competitors have closed down businesses, demonstrating that the current situation with public agreements without increased prices is unsustainable. Now we feel that there is an increased understanding that the conditions for private health care providers of high quality needs to be improved, so that we can be a part of the solution of coming challenges for Swedish health care. We expect this pressure of prices to turn into increased pressure for higher salaries. Therefore, it's important that we continue to work hard to be as good an employer as possible. We place great focus on appointing and developing good leaders and ensuring that our personnel feel that they can make a difference and be proud of what they achieve at our work places.

In **International** we continue to develop our four hospitals. We are very proud of how much we have been able to improve care, with greatly improved patient safety and result. Financially speaking, our remuneration is based on how well we can deliver a number of predetermined quality and efficiency KPIs and on a number of activities (such as training, quality audits and the appointment of the relevant personnel). Remuneration for activities is linked to the quarter they are carried out and this year we have an even greater shift towards the fourth quarter compared to last year. This means that we expect a strong result for the end of the year within International. The underlying KPIs remain at a high level. We continue the intense work of winning more agreements and starting new collaboration in the region. We currently have several high-quality projects and we are optimistic about our chances of growing in the segment. After 10 years in

the region, we know that the processes are long and unpredictable.

Vårdsamverkan has taken large steps forward during the quarter. The new collaboration with Trygg Hansa is underway which means that the segment will now reach approximately SEK 100 million per annum. This means that we are now sufficiently big to really invest and extend the collaboration, solutions and necessary development. An important part of this is different forms of digital support. During the third quarter we started up our collaboration with Doctrin. There we work with dynamic forms in order to gather in an efficient and structured manner as much information as possible about patients and their injuries before the first appointment. What makes GHP Vårdsamverkan unique is that we own entire care chains. This is never the case in public health care, where instead the patient bounces from one system to another. This means that we can link up this structured data with precisely what care the patient receives and from what care provider, what the outcome of the care was (that is how well the patient becomes) and what the whole care chain cost. We do this in our own data banks. This knowledge allows us to then constantly continue to develop care through preventive tools, smarter care chains, the right level of care directly and digital support, such as chat or our physiotherapy app. Even though these strategic initiatives entail some costs, we are convinced, that eventually, it will create a great value. We are now fully focused on building all this up and ensuring really good and seamless care chains. To show what we can achieve with Vårdsamverkan, we have produced a movie which is available here:

https://youtu.be/tgQCGt_-PT8

As usual, it is a question of succeeding with all these initiatives at the same time as the whole foundation of our business, that is all our fine clinics in the Nordic Region and the hospitals in the Middle East, functions really well each and every day. We will use our fixed costs to help as many patients as possible as well as possible. We must never allow ourselves to lose this focus.

Daniel Öhman, CEO

Nordic Region

Continued focus on developing existing clinics through greater efficiency, extension of premises and good leadership.

During the third quarter we extended the inpatient capacity in Gothenburg and took over premises for outpatient surgery in central Stockholm. Extension work now awaits in Lund and Copenhagen during the autumn.

International

Continued good results from the assessment criteria that determine our remuneration but an increased shift to the fourth quarter.

Continuing great focus on new business in the United Arab Emirates, Saudi Arabia and Kuwait.

Vårdsamverkan

During the quarter the team was strengthened by competence in digital solutions and the building up/development of care provider networks.

Dynamic form for structured and high-quality knowledge about patients and a Group-wide data bank went live in September. This is an important part of the constant development of care in the segment.

Financial summary

Sales revenues

Sales growth amounted to 14 percent (1) for the third quarter and to 12 percent (3) for the first nine months of 2018, of which 12 percent (6) was organic growth for the third quarter and 13 percent (4) for the nine-month period.

Operating result

The operating result before depreciation and amortisation for the third quarter of 2018 amounted to SEK 1.7 million (-0.2), corresponding to an EBITDA margin of 0.8 percent (0). The EBIT margin amounted to -2.5 percent (-3.3) during the third quarter and 3.6 percent (-1.2) for the nine-month period.

The operating result for the first nine months of 2017 were impacted by divestment of the subsidiaries GHP OPA Privathospital Aarhus A/S and GHP Gastro Clinic Helsinki Oy, amounting to a capital loss of SEK -16.3 million.

Net financial items

Net financial items amounted to SEK -0.8 million (-0.9) for the third quarter of 2018 and to SEK 1.2 million (-2.5) for the first nine months of the year.

Income tax

The tax income amounted to SEK 1.6 million (4.5) for the third quarter and the tax expense to SEK -6.3 million (2.6) for the nine-month period.

The repayment of an investment from a minor holding during 2018 is a non-taxable income. This impacts the effective tax rate positively.

Result for the period

The result after tax for the third quarter of 2018 was SEK -4.6 million (-2.8), of which SEK -5.6 million (-3.4) was attributable to Parent Company shareholders. For the first nine months of 2018 the corresponding figure was SEK 23.1 million (-8.5), of which SEK 18.8 million (-9.6) was attributable to Parent Company shareholders.

Current and non-current interest-bearing liabilities

At 30 September 2018 the company had utilised credit of SEK 152.3 million (165.7). Of this sum, SEK 23.6 million (42.2) is classified as current liabilities and SEK 128.7 million (123.5) non-current liabilities.

Cash flow and financial position

The third quarter of 2018 had a negative cash flow of SEK 0.7 million (-12.1) and the first nine months of the year had a positive cash flow of SEK 5.1 million (-61.2).

The cash flow from operating activities included changes in operating capital of SEK -9.9 million (-23.3) for the third quarter of 2018 and of SEK -15.8 million (-28.2) for the nine-month period.

The cash flow during the third quarter was affected, amongst other things, by investments in hospital equipment and amortisation of a leasing liability and bank loans.

The Group's cash and cash equivalents amounted to SEK 27.4 million (13.7) at 30 September 2018. GHP has a controlling interest in all cash-generating subsidiaries.

Net loan debt amounted to SEK 124.9 million (152.1) at 30 September 2018 and all covenants were met during the period.

Personnel

The average number of employees for the nine-month period of 2018 amounted to 568 (535).

Consolidated sales revenues and results					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Sales revenues	218.2	191.9	784.4	702.3	990.8
Growth, %	13.7	1.5	11.7	2.9	3.7
whereof organic, %	12.3	6.2	13.3	3.9	6.0
whereof acquired/divested, %	-0.2	-4.4	-2.4	-1.6	1.6
Operating result before depreciation and amortisation (EBITDA)	1.7	-0.2	48.7	11.2	42.2
Adjusted operating result before depreciation and amortisation (EBITDA) ¹⁾	1.7	-0.2	48.7	27.5	58.8
Operating result (EBIT)	-5.4	-6.4	28.2	-8.6	16.2
Adjusted operating result (EBIT) ¹⁾	-5.4	-6.4	28.2	7.7	32.8

1) Adjusted for capital loss of SEK -16.3 million for the first three quarters of 2017 and SEK -16.6 million for the full year 2017.

Consolidated cashflow					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Cash flow from operating activities	-10.0	-28.3	23.5	-16.9	31.2
Cash flow from investing activities	-4.6	-8.2	-14.8	-26.9	-31.3
Cash flow from financing activities	14.2	24.9	-5.2	-16.7	-51.9
Exchange rate differences in cash and cash equivalents	-0.3	-0.5	1.6	-0.7	-0.6
Cash flow	-0.7	-12.1	5.1	-61.2	-52.6

Segment summary

Nordic Region

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

Business in the Nordic Region displayed an increase in sales and improved results in the third quarter as well compared with the corresponding period the previous

year. As in previous years, results in the third quarter were weaker, as the period is impacted by holidays. All submarkets in the segment displayed good growth and total organic growth in the Nordic Region amounted to just under 13%. Most clinics improved their results in the quarter even though the impact of the improvement measures carried out during the year are for natural reasons lower during the summer months.

Demand and patient inflows continue to be good. In September a decision was made to expand the orthopaedic outpatient surgery business in Stockholm, whereby a new unit will open at Gärdet in January 2019.

Sales revenues

Third quarter 2018

185,8 Msek

(165,6)

Operating result

Third quarter 2018

SEK -7.7 million

(-11.2)

Operating margin

Third quarter 2018

-4.1 %

(-6.8)

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Seasonal variations

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

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

International

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

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

During the autumn of 2017 a change was made in the remuneration model in dialogue with our customer. This means that the quarterly remuneration is more clearly tied to specific activities carried out in each quarter and that a larger part of the annual remuneration will be paid in the fourth quarter each year.

A limited number of specific activities were carried out in the third quarter. A large number of activities will be carried out at the end of the year. It means that we expect a strong finish of the result within International. Improvement of the hospitals, and the KPIs reflecting this, developed positively during the third quarter as well. In the period, changes in exchange rates has had a positive effect with SEK 1.4 million compared to the same period previous year.

In parallel with developing the existing business in the UAE, work on creating new business in the area continued during the quarter.

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

Sales revenues

Third quarter 2018

SEK 15.1 million
(14.3)

Operating result

Third quarter 2018

SEK 3.3 million
(5.1)

Operating margin

Third quarter 2018

21.9 %
(35.5)

Vårdsamverkan

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

In April 2018 GHP and Trygg-Hansa entered into collaboration whereby GHP Vårdsamverkan will be responsible for ensuring that all of Trygg-Hansa's patients with orthopaedic or spine-related problems receive effective care of the highest quality, from the first symptom until their treatment is complete. In contrast with how health care is traditionally purchased, with the focus on cost per measure taken, this collaboration focuses on quality outcomes, preventive work, service and total health care costs for the population. However, GHP's revenues are also impacted by the amount of care provided, which is

normally lower during holiday periods. The agreement came into force on 1 July 2018. During the third quarter the work under the new agreement was started and has developed well.

During the quarter further investments have been made to expand GHP's digital offering.

GHP reports the Vårdsamverkan segment not as a care provider but as an independent business that innovates and optimises health care for insurance companies by developing existing care chains, with greater focus on preventive and digital tools. At the same time, we follow up, evaluate and challenge health care providers both outside and within our own Group so as to secure the best outcomes. This means that the purchase of care from both GHP's own clinics and from external clinics is seen as costs for Vårdsamverkan and that what is seen as the operating result in Vårdsamverkan is the difference between what payment we manage to obtain from the insurance companies to run health care and the costs for purchasing and developing this care. The positive effect on results for GHP from the actual providing of care for Vårdsamverkan patients arises in the Nordic region segment.

The increase in sales in the quarter is primarily related to the new agreement with Trygg-Hansa. The start-up of the agreement, in combination with investments in the digital offering, means that the segment initially displays negative results.

Sales revenues

Third quarter 2018

SEK 17.3 million
(12.0)

Operating result

Third quarter 2018

SEK -1.0 million
(-0.3)

Operating margin

Third quarter 2018

-5.8 %
(-2.3)

Segment summary							
Sales revenues							
Sek millions	Third quarter		Change	First three quarters		Change	Year
	2018	2017	%	2018	2017	%	2017
Nordic region	192.7	169.4	13.8	713.3	639.3	11.6	900.8
whereof Sweden	155.2	140.1	10.8	597.9	530.1	12.8	753.6
Eliminations	-6.9	-3.8		-16.3	-12.1		-17.1
whereof Vårdsamverkan	-6.9	-3.8		-16.3	-12.1		-17.1
Nordic region	185.8	165.6	12.2	697.0	627.2	11.1	883.7
International	15.1	14.3	5.3	46.9	46.0	1.9	66.3
Vårdsamverkan	17.3	12.0	44.1	40.5	29.1	39.1	40.8
whereof Sweden	17.3	12.0	44.1	40.5	29.1	39.1	40.8
Group sales revenues	218.2	191.9	13.7	784.4	702.3	52.6	990.8
Operating result							
Sek millions	Third quarter			First three quarters			Year
	2018	2017		2018	2017		2017
Nordic region	-7.7	-11.2		23.6	-14.0		7.1
International	3.3	5.1		11.3	10.1		16.6
Vårdsamverkan	-1.0	-0.3		-6.7	-4.6		-7.4
GHP Group operating result	-5.4	-6.4		28.2	-8.6		16.2
Net financial items	-0.8	-0.9		1.2	-2.5		-3.4
Result before tax	-6.2	-7.3		29.4	-11.1		12.8
Operating margin							
%	Third quarter			First three quarters			Year
	2018	2017		2018	2017		2017
Nordic region	-4.2	-6.8		3.4	-2.2		0.8
International	22.0	35.5		24.0	21.9		25.0
Vårdsamverkan	-5.6	-2.3		-16.6	-15.9		-18.2
Group operating margin	-2.5	-3.3		3.6	-1.2		1.6

Consolidated income statement and other comprehensive income

Consolidated Income Statement					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Sales revenues	218.2	191.9	784.4	702.3	990.8
Other operating revenues	0.8	0.4	3.1	2.6	3.4
Operating revenues	219.0	192.3	787.5	704.9	994.2
Purchase of goods and services	-35.1	-34.5	-133.6	-125.5	-175.3
Other external costs	-66.8	-51.3	-196.6	-183.7	-250.3
Personnel costs	-115.4	-106.8	-408.6	-368.3	-509.7
Depreciation, amortisation and write-downs	-7.1	-6.2	-20.5	-19.8	-26.0
Other operating costs	0.0	0.0	0.0	-16.3	-16.7
Operating costs	-224.4	-198.7	-759.3	-713.5	-978.0
Operating result	-5.4	-6.4	28.2	-8.6	16.2
Interest income and similar items	3.7	0.0	3.7	0.0	0.1
Interest expenses and similar items	-0.8	-0.8	-2.4	-2.5	-3.4
Other financial income/expenses	-3.7	-0.1	-0.1	0.0	-0.1
Net financial items	-0.8	-0.9	1.2	-2.5	-3.4
Result before tax	-6.1	-7.3	29.4	-11.1	12.8
Tax on result for the period	1.6	4.5	-6.3	2.6	-3.6
Result for the period *	-4.6	-2.8	23.1	-8.5	9.2
* Result attributable to:				0	0
Parent Company shareholders	-5.6	-3.4	18.8	-9.6	5.3
Non-controlling interests	1.0	0.6	4.3	1.1	3.9
Result per share, SEK:					
Before dilution	-0.08	-0.05	0.27	-0.14	0.08
After dilution	-0.08	-0.05	0.27	-0.14	0.08

Consolidated statement of comprehensive income					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Result for the period	-4.6	-2.8	23.1	-8.5	9.2
Items that will not be reclassified to income statement	-	-	-	-	-
Items that may be reclassified subsequently to income statement:					
Accumulated translation differences reversed to income	0.1	0	-0.7	0.8	0.8
Change in translation reserve	-1.0	-4.4	5.7	-5.5	-4.5
Total other comprehensive income	-0.9	-4.4	5.0	-4.7	-3.7
Comprehensive income for the period *	-5.5	-7.2	28.1	-13.2	5.5
* Attributable to:					
Parent Company shareholders	-6.6	-7.3	23.8	-14.3	1.6
Non-controlling interests	1.1	0.2	4.3	1.1	3.9

Consolidated balance sheet and statement of cash flows

Consolidated balance sheet, summarised				
Sek millions	Note	30 Sep 2018	30 Sep 2017	31 Dec 2017
Assets				
Non-current assets				
Intangible assets		389.8	389.3	389.8
Other tangible assets		110.5	99.4	102.3
Total non-current assets		500.3	488.7	492.1
Current assets				
Trade receivables and other assets		219.2	187.4	180.1
Cash and cash equivalents		27.4	13.6	22.3
Total current assets		246.6	201.1	202.4
Total assets		746.9	689.8	694.5
Equity and liabilities				
Equity pertaining to Parent Company shareholders		378.5	338.9	352.4
Total equity		378.5	338.9	352.4
Non-current liabilities	6	176.9	171.6	183.6
Current liabilities	6	191.5	179.4	158.5
Total liabilities		368.4	350.9	342.1
Total equity and liabilities		746.9	689.8	694.5

Consolidated statement of cash flows						
Sek millions	Note	Third quarter		First nine months		Full Year
		2018	2017	2018	2017	2017
Operating activities						
Operating result		-5.4	-6.4	28.1	-8.6	16.2
Depreciation/amortisation and write-downs		7.1	6.2	20.5	19.8	26.0
Interest received		0.0	0.0	1.5	0.0	0.1
Interest paid		-0.7	-0.8	-2.2	-2.2	-3.0
Paid tax		-1.2	-2.0	-6.7	-8.2	-5.4
Other adjustments – net		0.1	-2.0	-1.9	10.5	16.7
Change in working capital – net		-9.9	-23.3	-15.8	-28.2	-19.4
Cash flow from operating activities		-10.0	-28.3	23.5	-16.9	31.2
Investing activities						
Divestment of subsidiary		0.0	-3.9	0.0	-7.3	-7.9
Other investments		-4.8	-4.3	-15.0	-19.6	-23.5
Other disposals		0.2	0.0	0.2	0.0	0.1
Cash flow from investing activities		-4.6	-8.2	-14.8	-26.9	-31.3
Financing activities						
Acquisition of participating interest from non-controlling interests	4	0.0	-0.1	-4.2	-9.4	-10.4
Contribution/reimbursement non-controlling interests		0.0	0.0	-0.3	-0.2	-0.2
Divestment of participating interest to non-controlling interests		0.0	0.0	1.3	0.0	0.2
Dividend to shareholders		0.0	0.0	0.0	-20.5	-20.5
Dividend to non-controlling interests		0.0	-0.3	-2.9	-1.4	-1.4
Repayment of financial lease debt		-1.8	0.0	-5.7	0.0	-7.2
New borrowings		16.0	25.3	6.6	44.5	44.4
Repayment of loans		0.0	0.0	0.0	-29.7	-56.8
Cash flow from financing activities		14.2	24.9	-5.2	-16.7	-51.9
Exchange rate differences in cash and cash		-0.3	-0.5	1.6	-0.7	-0.6
Cash flow for the period		-0.7	-12.1	5.1	-61.2	-52.6
Cash and cash equivalents at beginning of period		28.1	25.7	22.3	74.9	74.9
Cash and cash equivalents at end of period		27.4	13.7	27.4	13.7	22.3

Consolidated statement of changes in equity

Consolidated statement of changes in equity, summarised			
Sek millions	Third quarter		
	2018		
	Shareholders' share	Attributable to non-controlling interests	Total
Opening balance	384.0	0.0	384.0
Result after tax	-5.6	1.1	-4.6
Other comprehensive income	-1.0	0.0	-1.0
Total comprehensive income	-6.6	1.0	-5.6
Transfer of surplus value between majority owners and non-controlling interests	0.0	0.0	0.0
Dividend to non-controlling interests	0.0	0.0	0.0
Re-payment of capital injection to/ capital injection from non-controlling interests	0.0	0.0	0.0
Sales to (+) acquisitions from (-) non-controlling interests	0.0	0.0	0.0
Reclassification of non-controlling interests	1.0	-1.0	0.0
Closing balance	378.5	0.0	378.5

	Third quarter		
	2017		
	Shareholders' share	Attributable to non-controlling interests	Total
Opening balance	345.6	0.0	345.6
Result after tax	-3.4	0.6	-2.8
Other comprehensive income	-4.0	-0.4	-4.4
Total comprehensive income	-7.4	0.2	-7.2
Transfer of surplus value between majority owners and non-controlling interests	0.0	0.0	0.0
Dividend to non-controlling interests	-	-0.3	-0.3
Re-payment of capital injection from non-controlling interests	0.0	0.1	0.1
Sales to (+) acquisitions from (-) non-controlling interests	-1.0	1.6	0.6
Reclassification of non-controlling interests	1.6	-1.6	0.0
Closing balance	338.9	0.0	338.9

	First nine months		
	2018		
	Shareholders' share	Attributable to non-controlling interests	Total
Opening balance	352.4	0.0	352.4
Result after tax	18.8	4.3	23.1
Other comprehensive income	4.8	0.1	4.9
Total comprehensive income	23.6	4.5	28.0
Transfer of surplus value between majority owners and non-controlling interests	0.0	0.0	0.0
Dividend to shareholders	0.0	-	0.0
Dividend to non-controlling interests	-	-2.9	-2.9
Re-payment of capital injection from non-controlling interests and other capital injection from NCI	-	-0.3	-0.3
Sales to (+) acquisitions from (-) non-controlling interests	-0.2	1.5	1.3
Reclassification of non-controlling interests	2.7	-2.7	0.0
Closing balance	378.5	0.0	378.5

	First nine months		
	2017		
	Shareholders' share	Attributable to non-controlling interests	Total
Opening balance	369.1	0.0	369.1
Result after tax	-9.6	1.1	-8.5
Other comprehensive income	-4.7	0.0	-4.7
Total comprehensive income	-14.3	1.1	-13.2
Transfer of surplus value between majority owners and non-controlling interests	-0.2	0.2	0.0
Dividend to shareholders	-20.5	-	-20.5
Dividend to non-controlling interests	-	-1.4	-1.4
Re-payment of capital injection from non-controlling interests and other capital injection from NCI	-	-0.1	-0.1
Sales to (+) acquisitions from (-) non-controlling interests	-2.3	7.2	4.9
Reclassification of non-controlling interests	7.0	-7.0	0.0
Closing balance	338.9	0.0	338.9

Consolidated statement of changes in equity, summarised

	Year		
	2017		
	Shareholders' share	Attributable to non-controlling interests	Total
Opening balance	369.1	0.0	369.1
Result after tax	5.3	3.9	9.2
Other comprehensive income	-3.7	0.0	-3.7
Total comprehensive income	1.6	3.9	5.5
Transfer of surplus value between majority owners and non-controlling interests	-0.2	0.2	0.0
Dividend to shareholders	-20.5	-	-20.5
Dividend to non-controlling interests	-	-1.4	-1.4
Re-payment of capital injection from non-controlling interests and other capital injection from NCI	-	-0.1	-0.1
Sales to (+) acquisitions from (-) non-controlling interests	-0.1	7.7	7.6
Revaluation liability put option	-7.8	-	-7.8
Reclassification of non-controlling interests	10.3	-10.3	0.0
Closing balance	352.4	0.0	352.4

Quarterly figures

Quarterly figures					
Consolidated Income statement					
Sek millions unless otherwise stated	17Q3	17Q4	18Q1	18Q2	18Q3
Sales revenues	191.9	288.5	278.7	287.6	218.2
Other operating revenues	0.4	0.8	0.6	1.5	0.8
Operating revenues	192.3	289.3	279.3	289.1	219.0
Purchase of goods and services	-34.5	-49.8	-48.2	-50.2	-35.1
Other external costs	-51.2	-66.7	-63.2	-66.6	-66.8
Personnel costs	-106.8	-141.4	-142.1	-151.1	-115.4
Depreciation, amortisation and write-downs	-6.2	-6.3	-6.5	-6.8	-7.1
Other operating costs	0.0	-0.3	0.0	0.0	0.0
Operating costs	-198.6	-264.5	-260.0	-274.9	-224.4
Operating result	-6.4	24.8	19.3	14.3	-5.4
Interest income and similar items	0.0	0.0	0.0	0.0	3.7
Interest expenses and similar items	-0.8	-0.9	-0.8	-0.8	-0.8
Other financial income/expenses	-0.1	0.0	0.0	3.7	-3.7
Net financial items	-0.9	-0.9	-0.8	2.8	-0.8
Result before tax	-7.3	23.9	18.5	17.1	-6.1
Tax on result for the period	4.5	-6.2	-4.4	-3.5	1.6
Result for the period *	-2.8	17.7	14.1	13.6	-4.6
* Result attributable to:					
Parent Company shareholders	-3.4	14.9	12.4	12.0	-5.6
Non-controlling interests	0.6	2.8	1.7	1.6	1.0
	-2.8	17.7	14.1	13.6	-4.6
Key ratios					
EBITDA	-0.2	31.0	25.8	21.1	1.7
EBITDA margin, %	-0.1	10.7	9.3	7.3	0.8
Adjusted EBITDA ¹⁾	n/a	31.3	n/a	n/a	n/a
Adjusted EBITDA margin, % ¹⁾	n/a	10.9	n/a	n/a	n/a
EBIT	-6.4	24.8	19.3	14.3	-5.4
EBIT margin, %	-3.3	8.6	6.9	5.0	-2.5
Adjusted EBIT ¹⁾	n/a	25.1	n/a	n/a	n/a
Adjusted EBIT margin, % ¹⁾	n/a	8.7	n/a	n/a	n/a
Cash flow from operating activities per share, SEK	-0.41	0.62	0.26	0.24	-0.15
Cash flow per share, SEK	-0.60	0.13	0.03	0.06	-0.01
Equity/assets ratio, %	49	51	52	51	51
Net loan debt	152.1	126.8	117.2	110.0	124.9
Equity per share, SEK	4.96	5.16	5.41	5.62	5.54

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

Quarterly figures					
Alternative performance measures					
Sek millions unless otherwise stated	17Q3	17Q4	18Q1	18Q2	18Q3
EBITDA					
Operating result	-6.4	24.8	19.3	14.3	-5.4
Reversal: Depreciation and amortization	6.2	6.3	6.5	6.8	7.1
EBITDA	-0.2	31.0	25.8	21.1	1.7
Adjusted EBITDA					
EBITDA	-0.2	31.0	25.8	21.1	1.7
Reversal exit loss	0.0	0.3	0.0	0.0	0.0
Adjusted EBITDA	-0.2	31.3	25.8	21.1	1.7
Sales revenues, change					
Sales revenues	191.9	288.5	278.7	287.6	218.2
Sales revenues compared with corresponding period previous year	189.1	272.8	260.8	249.6	191.9
Sales revenues, change	2.8	15.7	17.9	38.0	26.3
Acquisitions/divestments	8.4	10.8	10.0	6.6	0.4
Fluctuations in exchange rates	0.4	1.8	-0.1	-2.1	-3.2
Organic growth	11.6	28.3	27.9	42.4	23.5
Acquisitions/divestments, %	-4.4	-4.0	-3.9	-2.6	-0.2
Organic growth, %	6.1	10.4	10.7	17.0	12.3
Net loan debt					
Interest-bearing provisions and liabilities	165.7	149.1	141.5	138.1	152.3
Minus: Interest-bearing assets	-13.6	-22.3	-24.3	-28.1	-27.4
Net loan debt	152.1	126.8	117.2	110.0	124.9

Definitions etc.

Sales revenues

Revenues from the core business.

EBITDA

Operating result before depreciation and amortisation.

Adjusted EBITDA

Operating result before depreciation and amortisation and one-time expenses/revenues. Items affecting comparability are items of a one-time nature such as capital gains/losses when companies are divested.

EBITDA margin, %

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

Adjusted EBITDA-margin, %

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

EBIT

Operating result.

Adjusted EBIT

Operating result before one-time expenses/revenues. Items affecting comparability are items of a one-time nature such as capital gains/losses when companies are divested.

EBIT margin, %

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

Adjusted EBIT margin, %

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

Cash flow from operating activities per share

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

Cash flow per share

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

Equity/assets ratio

Total equity as a percentage of the total assets.

Net loan debt

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

Equity per share, SEK

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

Organic growth

Growth adjusted for currency effects and acquisitions/divestments.

Share data

Result per share

The average number of ordinary shares outstanding amounted to 68,282,585 (68,282,585) for the third quarter of 2018 and to 68,282,585 (68,282,585) for the first three quarters of 2018.

With regards to the convertible instrument programme implemented during the second quarter of 2016, there has been no dilution effect pursuant to IAS 33 for the third quarter of 2018. Convertible liabilities do not give rise to a dilution effect when their

interest per ordinary share that can be obtained upon conversion is greater than the result per share before dilution.

Share capital

As of 30 September 2018, there were 68,282,585 ordinary shares outstanding (68,282,585) with a nominal value of SEK 1 per share.

Quarterly figures					
Share data	17Q3	17Q4	18Q1	18Q2	18Q3
Result per share before dilution, SEK ¹⁾	-0.05	0.22	0.18	0.18	-0.08
Result per share after dilution, SEK ¹⁾	-0.05	0.22	0.18	0.18	-0.08
Number of outstanding shares in thousands	68,283	68,283	68,283	68,283	68,283
Average number of shares outstanding before dilution, thousands	68,283	68,283	68,283	68,283	68,283
Average number of shares outstanding after dilution, thousands	68,283	68,283	68,283	68,283	68,283

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

Note 1 Accounting principles

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

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

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

On 27 April 2016 an incentive programme was approved by the Annual General Meeting. The programme consists of issued convertible bonds. During the period 24 February 2020 until 23 March 2020 bond holders are able to convert these to new shares in GHP at a predetermined conversion rate of SEK 9.67. If conversion does not take place, the loan matures on 14 April 2020. A convertible bond is a so-called compound financial instrument which gives rise to a financial liability for the Company and which contains an option for the owner of the instrument to convert the liability into an equity instrument in the Company. These two parts are recognised separately in accordance with IAS 32, p. 29. IFRS 9 deals with the valuation of the financial instrument, which means that the value of the option will form the residual amount after the liability has been valued and deducted from the fair value of the instrument as a whole (IAS 32, p 31, 32). The cost of producing the convertible instrument, SEK 0.5 million, is allocated proportionately to the liability and the option (IFRS 9, p 5.1.1). That part that has been referred to the liability is distributed over the term of the loan and will then be recognised as an interest expense calculated according to the effective interest method together with the liability. The equity component, that is the value of the option, amounts to the price of the option, SEK 1.38, (according to a calculation received from Swedbank) and GHP received SEK 9,650,000, which corresponds to 958,292 convertible instruments. The loan will initially be recognised at its fair value (present value of payments) and during the term of the loan the present value of the convertible instrument will increase up to its nominal value. The difference is distributed over the term of the loan as an interest expense and increases the liability. The Parent Company of the Group, which applies RFR2, recognises the convertible instruments in the same way as the Group

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

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

New accounting principles as from 2018 and 2019

IFRS 9 Financial instruments and IFRS 15 Revenue from Contracts with Customers are applied as from 1 January 2018. Neither of the new standards has had any significant impact on GHP's reporting for the first nine months of 2018. From 2019 accounting according to IFRS16 will be applied which will increase the

balance sheet total and the EBITDA. The effect on earnings after tax will only be affected in limited extent.

Rounding up/down

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

ESMA's guidelines for alternative performance measures

As from 3 July 2016, GHP has applied the guidelines issued by ESMA regarding alternative performance measures. Figures for alternative performance measures are presented on page 13 of this report. Alternative performance measures are used in addition to GAAP key ratios, as company management has assessed that they are relevant for both internal and external stakeholders in their assessment of the company's financial performance.

Seasonal variations

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

Note 2 Risks and uncertainties

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

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

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

Note 3 Transactions with related parties

During the first three quarters of 2018 dividend of SEK 2.9 million was paid to non-controlling interests.

During 2018 a purchase consideration of SEK 4.2 million entered as a liability for an acquisition in December 2016 was paid to non-controlling interests in GHP Arytmi Center Stockholm AB. Furthermore, shares were divested during the first half of the year to new partners. This had an impact of SEK 1.3 million on cash and cash equivalents.

A consultant's fee of SEK 1.3 million has been paid during the year to a doctor who is the husband of the CEO of GHP Gastro Center Skåne. Remuneration was in line with market rates.

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

Note 4 Acquisitions and divestments

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

Shares in GHP Ortho Center Stockholm AB and GHP Ortho Center Göteborg AB were divested to non-controlling interests to the tune of SEK 1.3 million in total.

Acquisition/divestment of subsidiaries and bolt-on acquisition	
	30-sep 2018
Sek millions	Total
Transactions with non-controlling interests – effects on Group's cash and cash equivalents:	
a) Payment of supplementary consideration previously entered as a liability GHP Arytmi Center Stockholm AB	-4.2
b) Divestment of 7.0 per cent of shares in GHP Ortho Center Stockholm AB to non-controlling interests	1.2
c) Divestment of 5.0 per cent of shares in GHP Ortho Center Göteborg AB to non-controlling interests	0.1
Effect on Group's cash and cash equivalents, total net cash flow	-2.9
a) Effects on Group's financial position of settlement of purchase price in GHP Arytmi Center Stockholm AB previously entered as a liability	
Total net value of divested assets and liabilities:	
Additional purchase price entered as a liability, current portion	-4.2
Effect on Group's cash and cash equivalents, total net cash flow	-4.2

Note 5 Information on sub-division of revenues

Sales revenues - sub-market					
Sek millions	Third quarter		First three quarters		Year
	2018	2017	2018	2017	2017
Stockholm area	121.3	107.9	452.0	392.4	553.6
Finland	0.0	0.0	0.0	0.6	0.6
West of Sweden	34.6	29.7	130.8	117.2	168.8
Denmark	30.6	25.4	99.1	96.5	130.9
Skåne	16.7	14.6	55.7	49.6	70.6
United Arab Emirates	15.1	14.3	46.9	46.0	66.3
GHP Group sales revenues	218.2	191.9	784.4	702.3	990.8

Note 6 Financial instruments

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

Measurement of fair value is divided up into three levels:

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

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

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

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

Financial assets and liabilities				
				30-sep 2018
Sek millions	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets available for sale	-	-	0.0	0.0
Total financial assets	-	-	0.0	0.0
Financial liabilities				
Put options entered as a liability, long-term portion	-	-	32.4	32.4
Put options entered as a liability, current portion	-	-	8.5	8.5
Additional purchase price entered as a liability, long-term portion	-	-	0.0	0.0
Additional purchase price entered as a liability, current portion	-	-	0.0	0.0
Total financial liabilities	-	-	40.9	40.9

				30-sep 2017
Sek millions	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets available for sale	-	-	0.0	0.0
Total financial assets	-	-	0.0	0.0
Financial liabilities				
Put options entered as a liability, long-term portion	-	-	30.0	30.0
Put options entered as a liability, current portion	-	-	6.4	6.4
Additional purchase price entered as a liability, long-term portion	-	-	0.1	0.1
Additional purchase price entered as a liability, current portion	-	-	4.2	4.2
Total financial liabilities	-	-	40.7	40.7

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

Parent Company income statement and other comprehensive income

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

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

The operating result amounted to SEK -6.2 million (-3.7) for the third quarter of 2018 and to SEK -19.7 million (-20.1) for the first three quarters.

Shares in subsidiaries amounted to SEK 692.4 million (690.7) at 30 September 2018 while cash and cash equivalents were SEK 0.0 million (0.4).

Parent Company - Income statement summarised					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Operating revenues	0.0	0.0	0.0	0.0	0.0
Operating costs, incl. depreciation and amortisation	-8.6	-8.0	-27.5	-30.2	-39.8
Operating result	-8.6	-8.0	-27.5	-30.2	-39.8
Net financial items	0.7	3.2	2.3	4.5	5.0
Result before tax	-7.9	-4.8	-25.2	-25.7	-34.8
Allocations	0.0	0.0	0.0	0.0	60.0
Result after allocations	-7.9	-4.8	-25.2	-25.7	25.2
Tax on result for the period	1.7	1.1	5.5	5.6	-5.0
Result for the period	-6.2	-3.7	-19.7	-20.1	20.2

Parent Company - Statement of comprehensive income					
Sek millions	Third quarter		First nine months		Year
	2018	2017	2018	2017	2017
Result for the period	-6.2	-3.7	-19.7	-20.1	20.2
Items that will not be reclassified to income statement	-	-	-	-	-
Items that may be reclassified subsequently to income statement	-	-	-	-	-
Total other comprehensive income	0.0	0.0	0.0	0.0	0.0
Comprehensive income for the period	-6.2	-3.7	-19.7	-20.1	20.2

Parent Company balance sheet

Parent company - Balance sheet, summarised			
Sek millions	30-sep 2018	30-sep 2017	31 Dec 2017
Assets			
Non-current assets			
Intangible assets	0.0	0.1	0.1
Tangible assets	0.3	0.4	0.4
Financial assets			
Shares and participations in Group companies	692.4	690.7	692.4
Deferred tax assets	10.1	15.3	4.7
Other financial assets	0.6	0.9	0.9
Total non-current assets	703.4	707.4	698.5
Current assets			
Current receivables from Group companies	175.7	161.0	220.7
Other assets	3.3	2.0	0.9
Cash and cash equivalents	0.0	0.4	0.0
Total current assets	179.0	163.4	221.6
Total assets	882.4	870.8	920.1
Shareholder's equity and liabilities			
Shareholder's equity	682.6	661.9	702.3
Non-current liabilities	9.8	9.9	10.0
Current liabilities to Group companies	168.6	154.4	189.5
Other current liabilities	21.3	44.7	18.3
Total liabilities	199.8	208.9	217.8
Total shareholder's equity and liabilities	882.4	870.8	920.1

Important events after closing day

No important events have occurred after closing day.

25 October 2018
Gothenburg
GHP Specialty Care AB (publ)

Carsten Browall
Chairman of the Board

Bo Wahlström
Member of the Board

Mikael Olsson
Member of the Board

Johan Wachtmeister
Member of the Board

Elisabeth Hansson
Member of the Board

Daniel Öhman
CEO

Auditor's review report

Introduction

We have reviewed the summary financial information (interim report) of GHP Specialty Care AB (publ.), corporate ID number 556757-1103, as of 30 September 2018 and for the nine-month period that came to an end at this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical

and other review procedures. A review has another focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

25 October 2018
Gothenburg

Ernst & Young AB

Mikael Sjölander
Authorised Public Accountant

Financial calendar

Year-end Report 2018	20 February 2019
Interim report January-March 2019	23 April 2019
Annual General Meeting, 2019	24 April 2019
Interim report January-June 2018	12 July 2019
Interim report January-September 2018	24 October 2019

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GHP Specialty Care AB (publ) is required to publish the information herein pursuant to the Swedish Securities Market Act. This information was published, through the agency of the contact persons set out above, on 25 October 2018 at 08:00 am CET. This is a translation of the Swedish version of the Interim report. When in doubt, the Swedish version prevails.



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