



# Q4 REPORT PRESENTATION

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## Q4 highlights: solid organic growth, result pressured by high personnel costs

- Overall solid organic growth y/y due to occupancy and price development
- Price renegotiations in Finland for 2022 completed in line with our expectations
- Continued solid customer inflow and occupancy development in Scandinavia
- Sales and personnel costs impacted by high sick leave numbers on the back of Omicron. Although high transmission, few customers seriously ill.
- Expecting negative impact on personnel costs and sales in Finland also in Q1



# Group highlights in Q4 2021

Net Sales, growth<sup>1</sup>

**10% (5%org.)**

Q3/21: 10%      Q4/20: 2%

Lease adjusted EBITA<sup>2</sup>, SEKm

**65 (2.0%)**

Q3/21: 208 (6.4%)      Q4/20: 87 (2.8%)

Adjusted Earnings Per Share, SEK

**0.21**

Q3/21: 0.83      Q4/20: 0.31

Quality Index

**89%**

Q3/21: 90%      Q4/20: 86%



Leverage (Lease adj ND/Lease adj EBITDA<sup>2</sup>)

**2.6x**

Q3/21: 2.8x      Q4/20: 2.6x

Total Occupancy<sup>3</sup>

**84%**

Q3/21: 83%      Q4/20: 81%

Opened beds in own operation<sup>4</sup>

**99**

Q3/21: 243      Q4/20: 198

Total # of beds in operation<sup>3</sup>

**21,093**

Q3/21: 20,935      Q4/20: 20,349

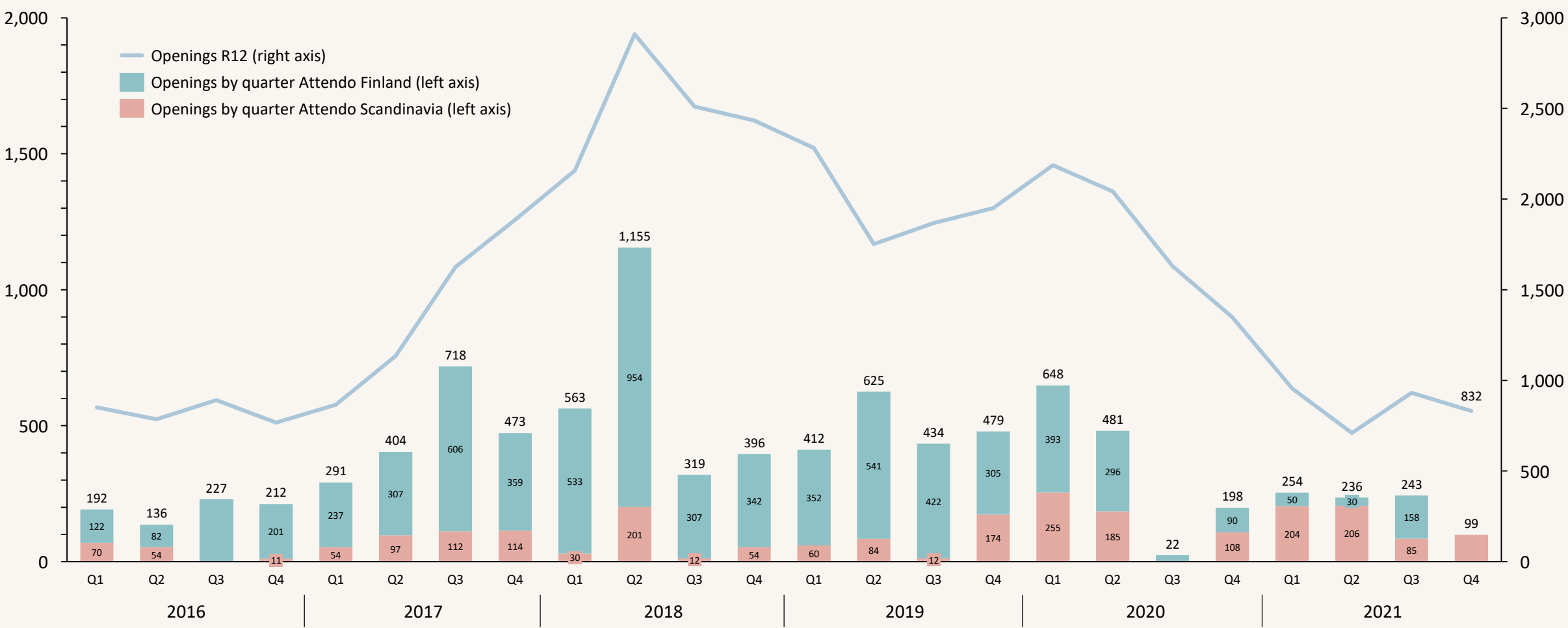
1. Excluding currency effects
2. Excluding items affecting comparability
3. All own and outsourced nursing and care homes.
4. Own nursing homes (care for older people, CoP) and own care homes (care for people with disabilities, social psychiatry and individual and family care).



# Own operations: openings of new homes

## Scandinavia accounts for main part of new openings in 2021

No. of opened beds in own operation<sup>1</sup> , by quarter and rolling 12 months

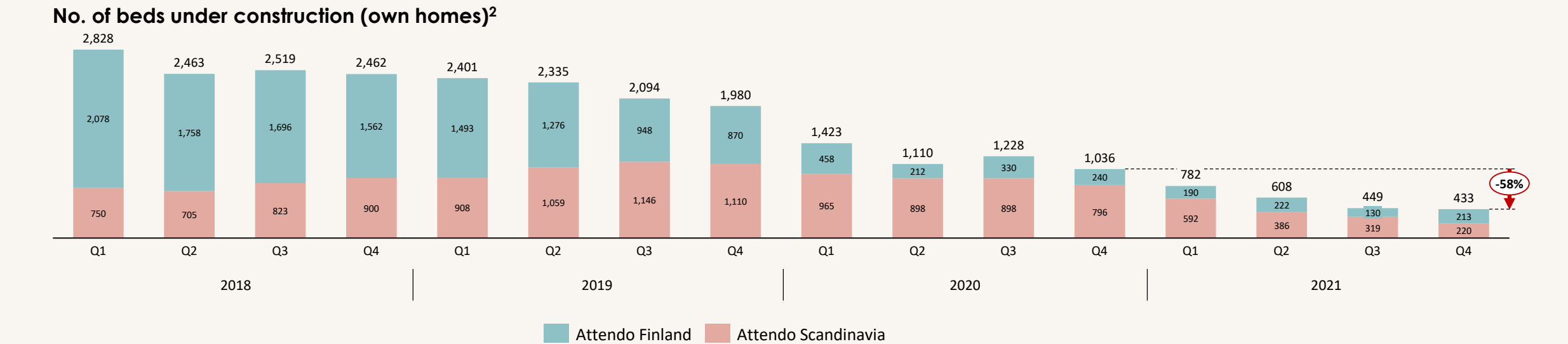
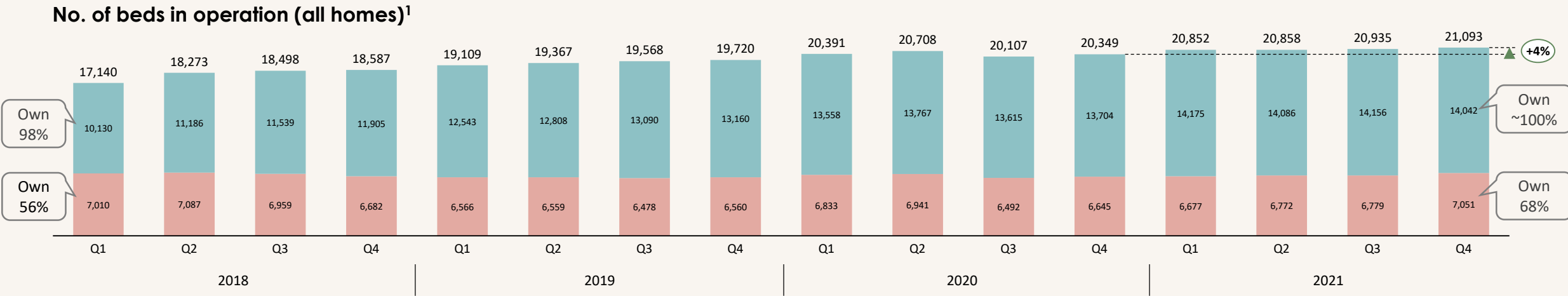


1. Own nursing homes (care for older people, CoP) and own care homes (care for people with disabilities, social psychiatry as well as individual and family from 2018)



# Beds in operation and under construction

## Balanced portfolio of new projects

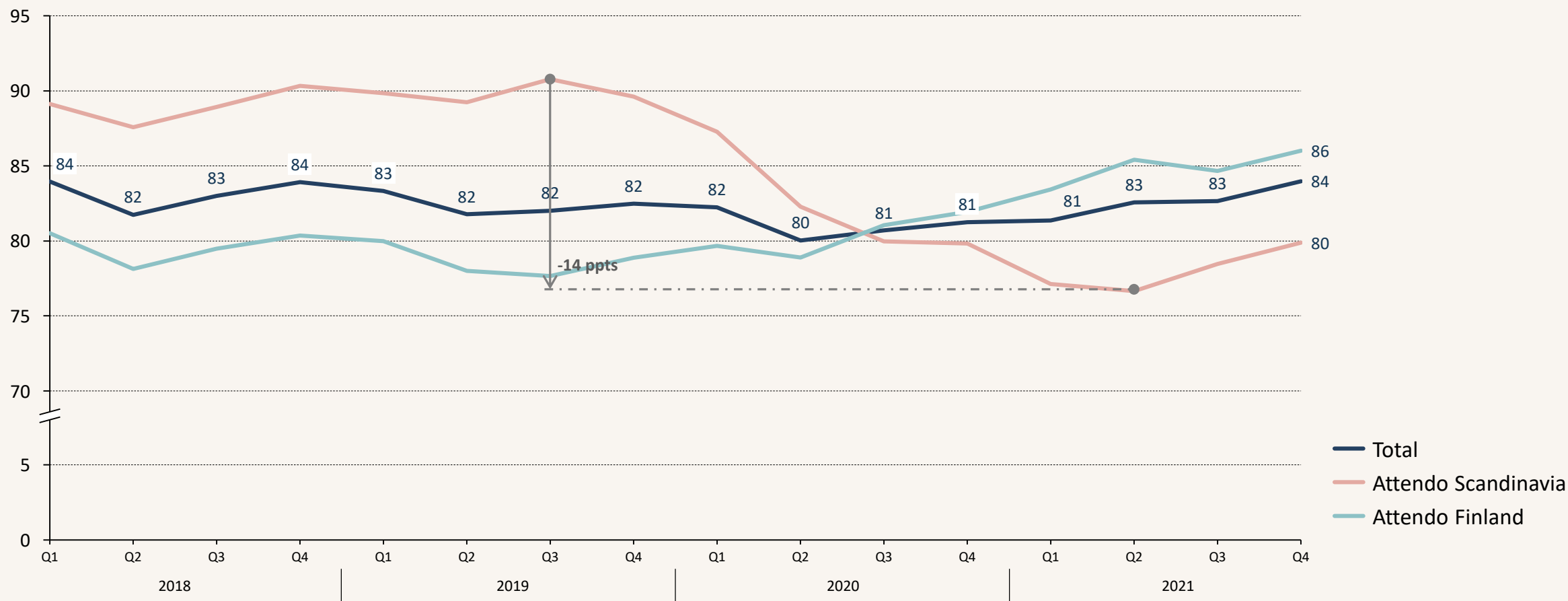


1. All own and outsourced nursing and care homes.  
2. Own nursing homes (CoP) and own care homes (care for people with disabilities, social psychiatry and individual and family care).

# Occupancy development by business area

## Higher occupancy due to better inflow and lower number of openings

Occupancy in all homes<sup>1</sup>

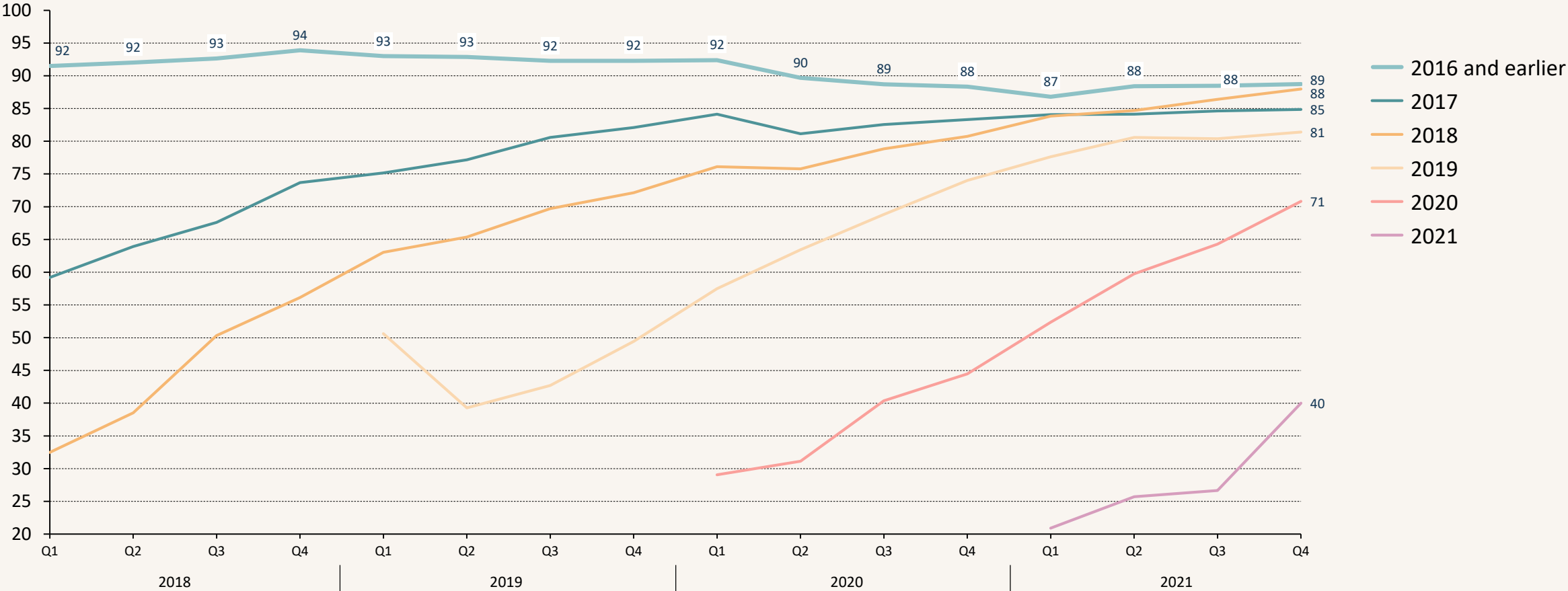


1. All own and outsourced nursing and care homes.

# Occupancy development for own openings by vintage

## Improvement in all vintages during Q4

Occupancy in own homes<sup>1</sup>

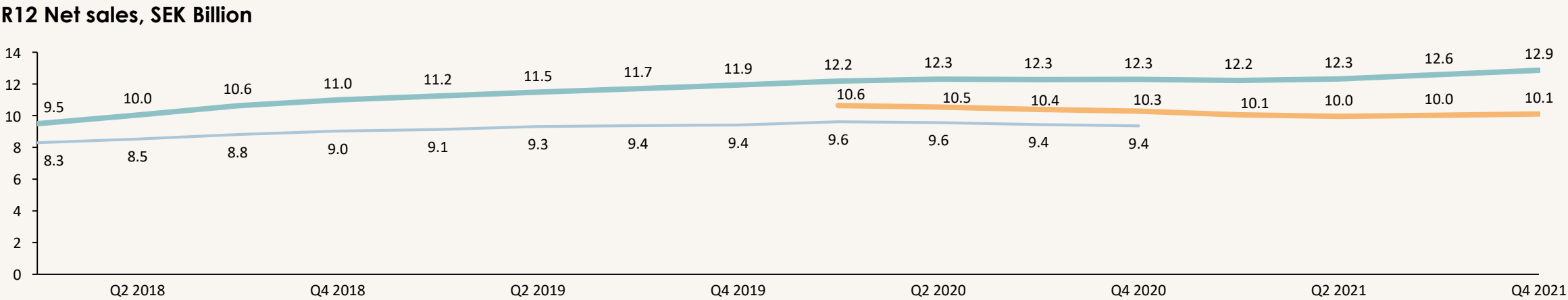
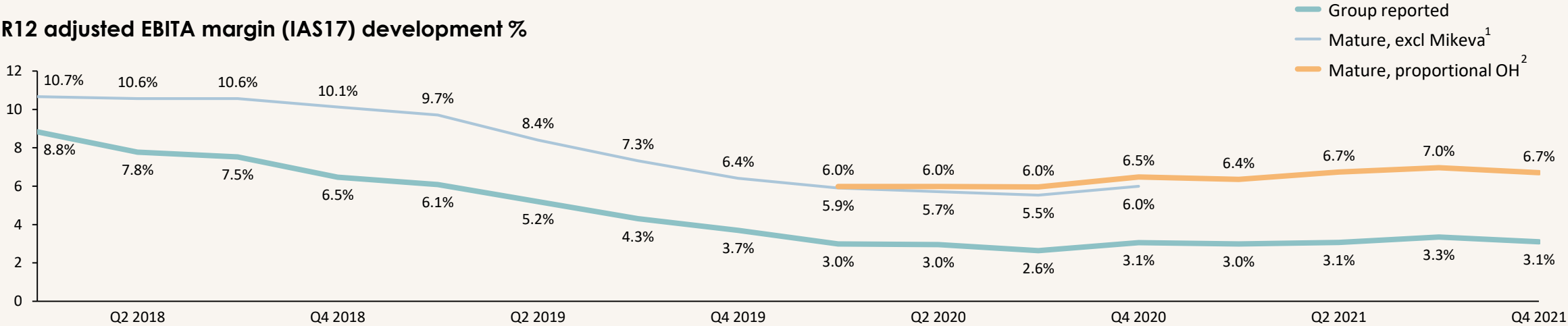


1. Own openings: Own nursing homes (care for older people, CoP) and own care homes (care for people with disabilities, social psychiatry). Excluding Mikeva and Uudenmaan Seniorikodit Oy acquisitions.



# Mature units: margin and net sales development

## Margin slightly down as Corona-support fades out



Note: Figures according to IAS 17.

1. Group financials excluding start-up units<sup>3</sup>, acquired Mikeva units and one-offs such as real estate gains. Including all overhead costs.
2. Group financials excluding start-up units<sup>3</sup> and one-offs such as real estate gains. OH allocated based on share of net sales. Mature includes Mikeva.
3. Start-up units defined as: Own units opened the last 12 months up until 2019, while from 2019, units opened 2018-2021 as well as outsourced, home care, individual and family care units operating less than 12 months.



# P&L: Good organic growth but lower operating margin

SEKm	Q4 2021	Q4 2020	Change (%)
<b>Net sales</b>	<b>3,338</b>	<b>3,065</b>	<b>9</b>
Organic, %	5.4	4.8	-
Acquired, %	4.5	-2.5	-
Currency, %	-0.9	-1.9	-
<b>Lease adjusted operating profit (EBITA)<sup>1</sup></b>	<b>65</b>	<b>87</b>	<b>-25</b>
<b>Lease adjusted operating margin (EBITA)<sup>1</sup>, %</b>	<b>2.0</b>	<b>2.8</b>	<b>-</b>
IFRS16 adjustment	107	106	-
<b>Operating profit (EBITA)<sup>1</sup></b>	<b>172</b>	<b>193</b>	<b>-10</b>
<b>Operating margin (EBITA)<sup>1</sup>, %</b>	<b>5.2</b>	<b>6.3</b>	<b>-</b>
Amortization	-13	-31	-
Items affecting comparability	-	6	-
<b>Operating profit (EBIT)</b>	<b>159</b>	<b>168</b>	<b>-5</b>
Financial net	-159	-164	-
Income tax	-8	-	-
<b>Profit for the period</b>	<b>-8</b>	<b>4</b>	<b>n/a</b>
Diluted earnings per share, SEK	-0.06	0.02	-
<b>Adjusted earnings per share<sup>2</sup>, SEK</b>	<b>0.21</b>	<b>0.31</b>	<b>-32</b>

1. Excluding items affecting comparability

2. Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets, IFRS 16 and items affecting comparability and related tax effects divided by the average number of shares outstanding, after dilution.

# Attendo Scandinavia Q4 2021

## Continued improvement in customer inflow

### Solid rate of move-ins of new customers to nursing homes

- Good organic growth due to improved customer inflow
- Total occupancy on 80% - still on a low level, impacted by the pandemic and a high number of openings recent year

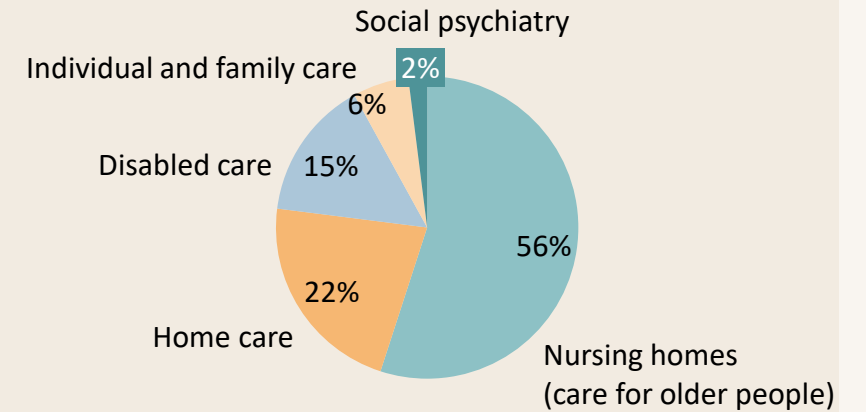
### Profit slightly lower due to high sick leave and lower public compensation

- Higher net negative impact from the pandemic versus last year
- Higher sick leave had a negative cost impact

### Other

- Positive customer inflow expected to continue
- Sick leave numbers expected to maintain on a high level
- Good results from customer satisfaction evaluation of disabled care, carried out by the National Board of Health and Welfare

Net sales per service offering, Q4 2021



SEKm	Q4		Chg (%)
	2021	2020	
Net sales	1,584	1,475	7
Lease adjusted EBITA	105	112	-6
Lease adjusted EBITA margin, %	6.7	7.6	-
Operating profit (EBITA)	151	155	-3
Operating margin (EBITA), %	9.6	10.5	-

# Attendo Finland Q4 2021

## Profit impacted by high sick leave on back of Omicron

### Good organic growth

- Continued good organic growth due to more occupied beds in nursing homes, earlier price increases and acquisitions
- Slight increase in occupancy due to closed units. Constrained capacity to take on new customers due to lack of staff

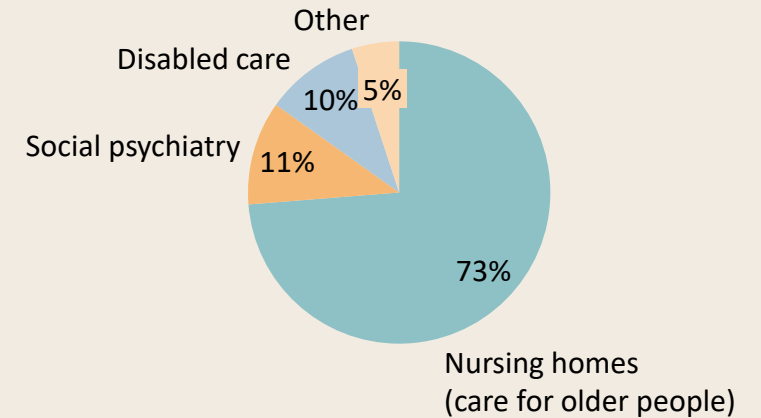
### Profit improvement impacted by the high sick leave and other covid related effects

- Underlying profit improvement y/y due to positive price effects and higher occupancy
- Higher net negative impact of the covid-situation.
- Sick leave expected to remain on a historically high level and we expect significant adverse impact profit in first-quarter profit

### Main part of price negotiations for 2022 finalized

- 12 percent average price adjustment of renegotiated contracts
- Price increases resulted in positive price effects of about 5 percent of total net sales
- Cost increases expected to more than 4 percent on a full-year basis

Net sales per service offering, Q4 2021



SEKm	Q4		Chg (%)
	2021	2020	
Net sales	1,754	1,590	10
Lease adjusted EBITA <sup>1</sup>	-24	-15	-40
Lease adjusted EBITA <sup>1</sup> margin, %	-1.4	-0.9	-
Operating profit (EBITA) <sup>1</sup>	37	48	-23
Operating margin (EBITA) <sup>1</sup> , %	2.1	3.0	-

1. Excluding items affecting comparability

# Cash flow: free cash flow in line with last year

SEKm	Q4 2021	Q4 2020
<b>Operating profit (EBITA)<sup>1</sup></b>	<b>172</b>	<b>193</b>
Change in working capital, paid tax, non cash items and depreciation	436	369
<b>Cash flow after changes in working capital</b>	<b>608</b>	<b>562</b>
Net investments in tangible and intangible assets	-48	-40
<b>Operating cash flow</b>	<b>560</b>	<b>522</b>
Interest received/paid	-12	-24
Interest costs and amortization IFRS 16	-395	-366
<b>Free cash flow</b>	<b>153</b>	<b>132</b>
Net change in assets and liabilities held for sale	-	-
Net of acquisitions/divestments	-	-3
Change in financing	100	-178
<b>Total cash flow</b>	<b>253</b>	<b>-49</b>
Lease adjusted net debt	1,590	1,573
Lease adjusted net debt / Lease adjusted EBITDA <sup>1</sup>	2.6x	2.6x
Net debt	13,366	12,268
Net debt/EBITDA <sup>1</sup>	6.2x	6.0x

1. Excluding items affecting comparability



# In 2021 we set new financial targets:

## Profit target

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>4 SEK

*The ambition is to achieve adjusted earnings per share of SEK 4 or better by 2023*

## Dividend policy

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30%

*The target is to distribute 30 percent of the company's adjusted profits as dividends*

## Capital structure

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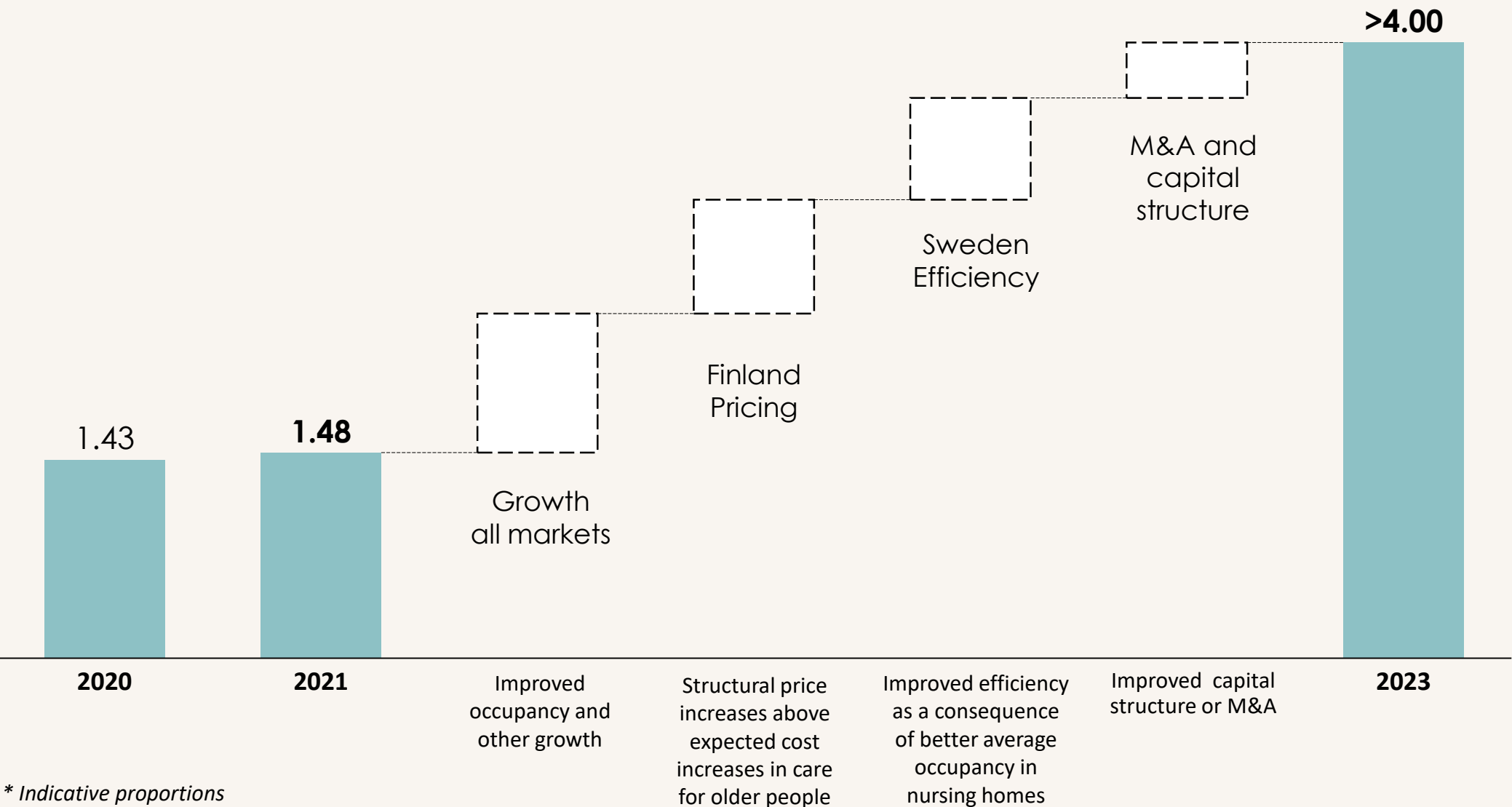
>3.75

*Adjusted net debt in relation to adjusted EBITDA should not exceed 3.75 over the long term*

# Update; Progress of key initiatives to reach financial targets 2023

	Area	Progress
2021-2023	1 <b>Execute on turn-around &amp; recover Covid impact</b>	<ul style="list-style-type: none"><li>• Finland: Improved occupancy trend. Strong outcome of price renegotiations for 2022, important to continue for 2023.</li><li>• Sweden: Sales rate normalizing post-covid, current sales runrate on track to reach occupancy ambition for 2022 and 2023.</li><li>• R12 growth in sales and margins. Solid balance sheet</li></ul>
	2 <b>Innovation and industry-leading Attendo platform</b>	<ul style="list-style-type: none"><li>• Continue investing in innovation for an industry-leading operating model – ‘Attendo Way’ – to capture current and future growth potential</li><li>• Operational and scalable excellence based on shared tools and best-practice</li><li>• Quality Leadership – Digitalization journey – Service Innovation</li></ul>
2023+	3 <b>Drive growth on back of the ‘elderly boom’</b>	<ul style="list-style-type: none"><li>• Continuous establishment of new own units in the Nordics</li><li>• In-market bolt-on acquisitions in attractive segments – leveraging ‘Attendo Way’</li><li>• Strengthened platform leading to financial and operational readiness for entering new markets</li></ul>

# Key drivers for adjusted EPS growth to 2023\*



\* Indicative proportions

# Summary

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- Solid organic growth
- Continued solid customer inflow and occupancy development in Scandinavia
- Sales and personnel costs impacted by high sick leave numbers on the back of Omicron. Although high transmission, few customers seriously ill
- Expecting negative impact on personnel costs also in Q1
- Good progress of main activities necessary to reach our financial targets for 2023





*Thank you*