



Humana

Everyone is entitled to a good life.

Interim report April-June, Q2, 2021

Rasmus Nerman, Noora Jayasekara, 20 August 2021



Continued steady progress in the second quarter

- Good overall progress in Group
- Operationally, ramp up of four OWM units in Elderly Care in focus
- Pandemic well under control but still a focus
 - Situation improved following vaccinations of both residents and staff
 - Occupancy still dampened
- Continuous steady financial performance
- Humana continues to grow organically
- Contract signed to acquire Balans Behandling. Transfer of operations will occur in Q4



Financial highlights Q2 2021

Growth

- **Revenue:** SEK 2,058m (1,980), +4% vs LY
- **Organic growth:** 3.4% (3.4)

Profitability

- **Operating profit:** SEK 107m (100m), +7%
- **Adj. operating profit:** SEK 107m (83m), +28%
- **Operating margin:** 5.2% (5.1%)

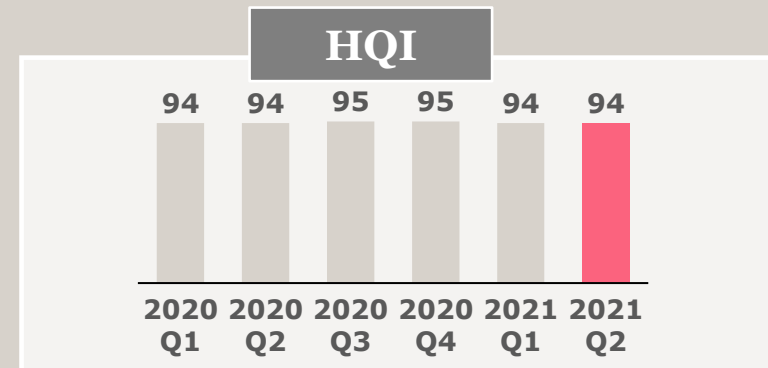
Cash flow & leverage

- **Operating cash flow:** SEK 251m (221)
- **Net debt:** SEK 3,909 (3,591), +SEK 318m
- **Net debt/EBITDA:** 4.5x (4.6)



Quality: Intense quarter

- Most of customers, clients and employees have received Covid-19 vaccine
 - Situation well under control but we continue to apply strict procedures for all care operations
- Humana Quality Index, HQI, stable a 94 in Q2
 - Customer satisfaction index at 85%
- Number of serious deviations reported in line with last year
 - One Lex Sarah refers to the tragic incident at Platea in June





Stable path for personal assistance

- Solid performance continues
- Growth of 3%, of which organic growth was 1.1%
- An investigation on the right to personal assistance was presented during the quarter. If proposals are realised, it would be positive for individuals with functional disabilities and their families
 - Humana actively contributes to work
- Increased regulatory focus but industry concerns regarding unpredictability

Stable progress in turbulent quarter

- Steady performance continues with stable demand in all segments
- Tragic incident in one of our care homes (Platea)
 - Thorough investigation conducted
 - Platea's residential care homes immediately closed
 - Actions taken to further develop systematic quality control
- Balans Behandling AB with full year revenue of SEK 60m and about 20 employees to be acquired
 - Closing planned for Q4



**Individual
& Family**

An intense quarter with four new units opened

- The ramp up of new units under own management is proceeding according to plan
 - Four new units with a total 260 apartments opened; Norrtälje, Vallentuna, Ängelholm and Falkenberg
 - Another unit to be opened in Norrtälje in Q3
- The pandemic continues to be focus
 - Most of our customers and employees are now vaccinated
 - Demand still dampened but signs of improvement during Q2





Finland

Improvement efforts paying off

- Improvement efforts in Finland moving in the right direction
- Occupancy improving
 - The pandemic continues to have a negative effect on revenue due to lower occupancy
- Organic growth of 1% after two quarters with negative growth
- Additional focus on organic growth, especially in I&F segments

Momentum in Norway continues

- Operations in Norway continue to develop well
- Strong organic growth of 15.7 percent mainly driven by
 - Net customer intake in assistance (BPA) and disabled care (HOT)
 - Stable occupancy in I&F segments
- During the end of the quarter Humana also won several smaller tenders in disabled care (HOT)

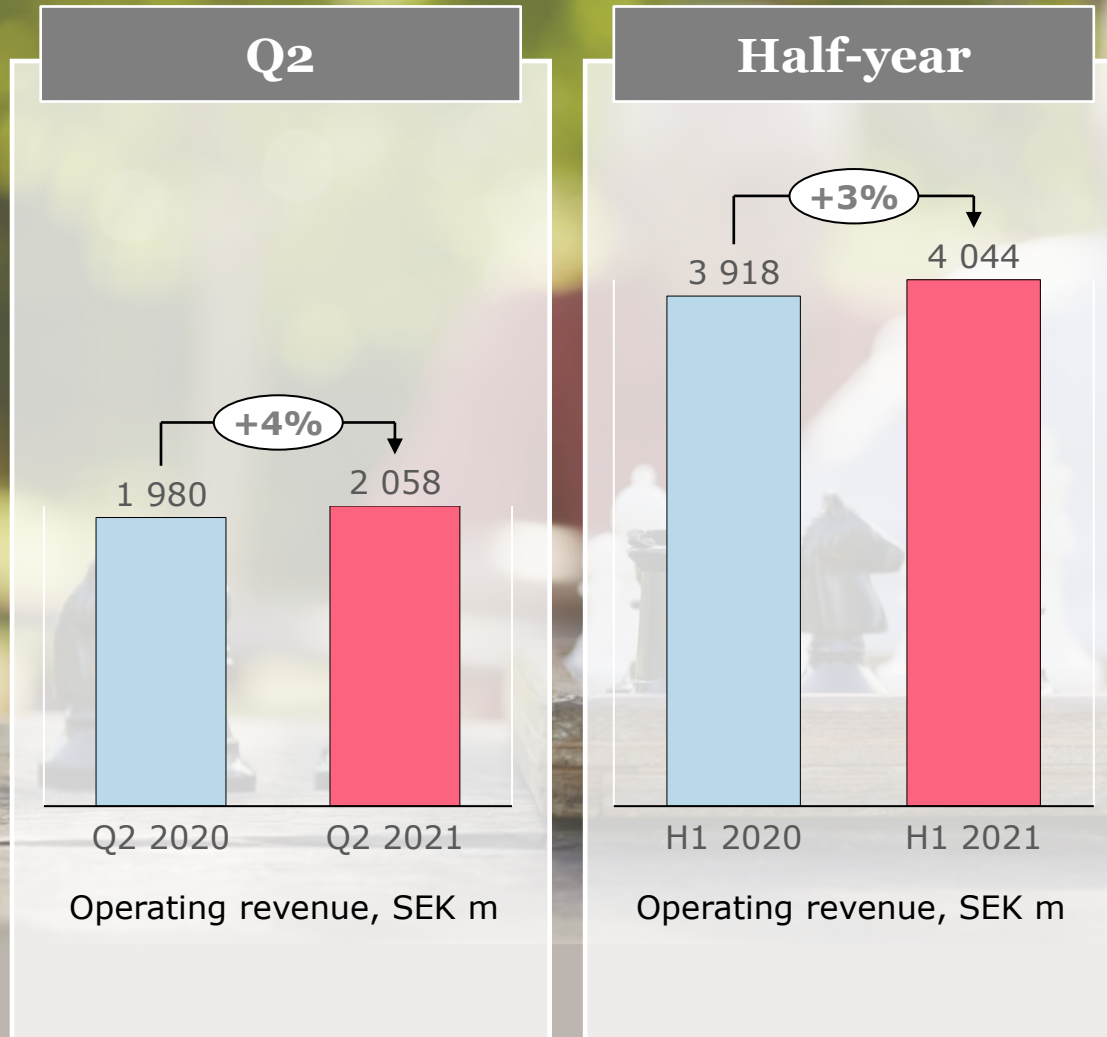


Norway



CFO highlights Q2 2021

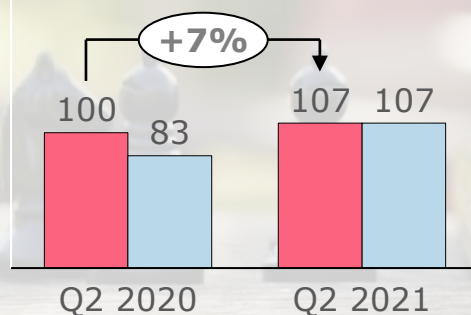
- Financially another stable quarter – leverage in line with target and strong operative cash flow
- Continued progress within digitalisation
- A new financing agreement signed ensuring our long-term financing. Improved terms compared to previously.





Operating revenue

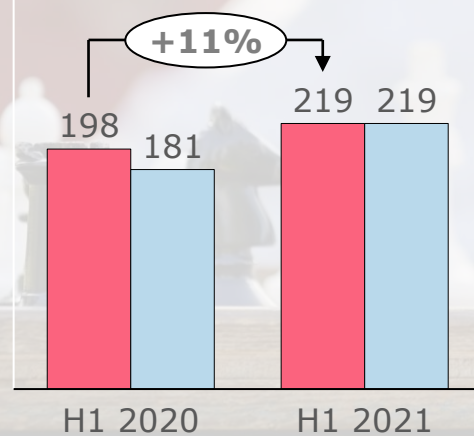
- An increase in revenues by 4%
 - Individual & Family, Personal Assistance and Norway contributing
- Organic growth 3.4% (3.4)
- Acquired operations accounted for SEK 40m
- Somewhat negative impact from Covid-19
 - Lower occupancy in elderly care in Sweden and Finland



Q2



 Operating profit, SEK m
 Adjusted operating profit, SEK m

Half-year

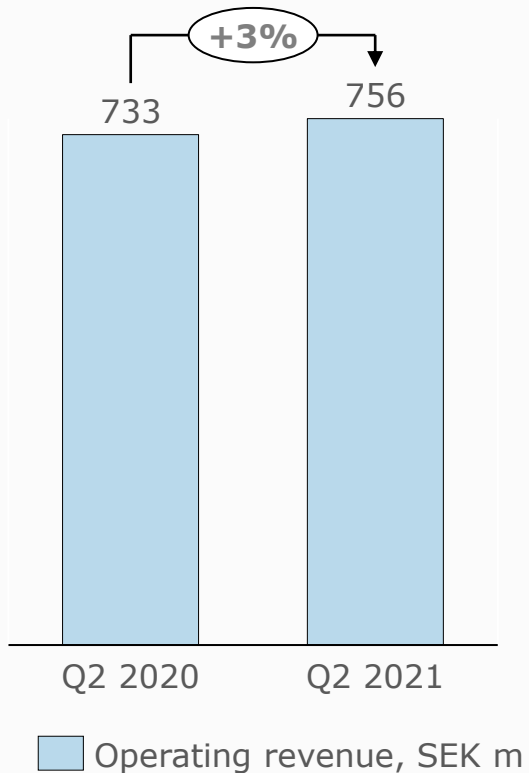


 Operating profit, SEK m
 Adjusted operating profit, SEK m

Profitability

- Operating margin 5.2% (5.1) in Q2
- Operating profit increased by 7%, adjusted operating profit by 28%
 - All business areas contributing to the increase except for Elderly Care
- Covid-19 affected the profit marginally
 - Lower occupancy
 - Increased sickness absences and increased use of PPE
- Effect on operating profit of IFRS 16: SEK 16m (9)

Revenue



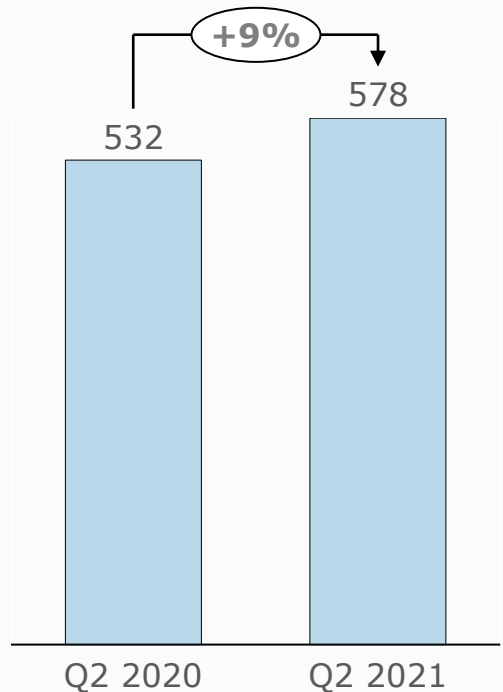
Profitability



Personal Assistance

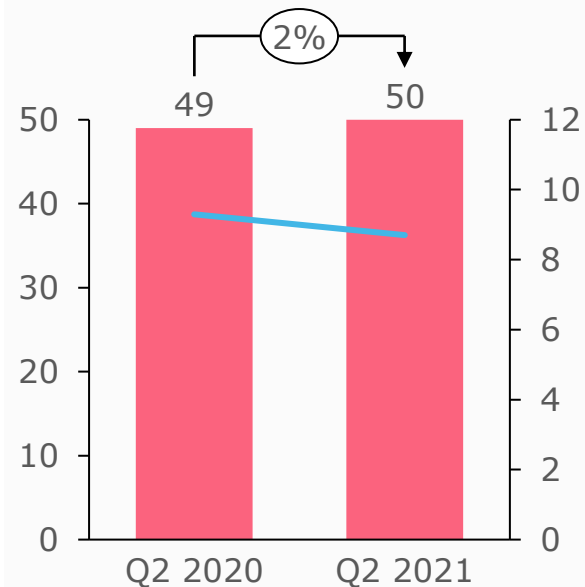
- Revenue increased by 3%
 - Organic growth was 1.1% (5.4)
 - Higher reimbursement, partly offset by fewer assistance hours
 - Acquired operations contributed
- Operating profit increased by 22%
 - Operating margin was 4.7% (4.0)
 - More efficient cost management, partly due to new digital platform
 - Positive contributions from acquisitions
 - Higher reimbursement
 - Lower social security contributions for young

Revenue



Operating revenue, SEK m

Profitability



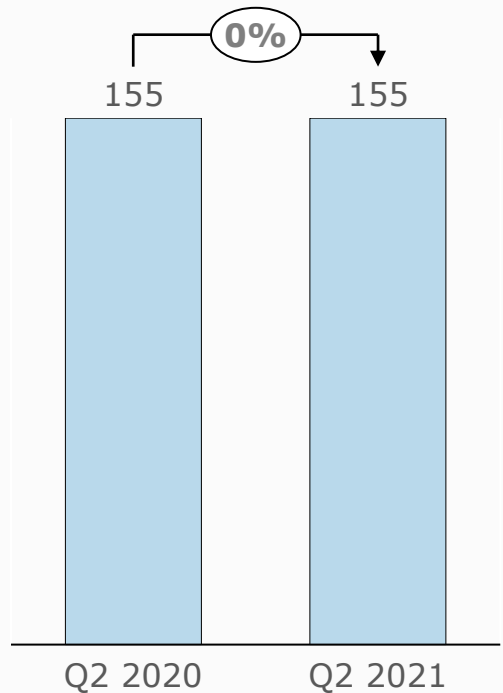
Operating margin, %

EBIT, SEK m

Individual & Family

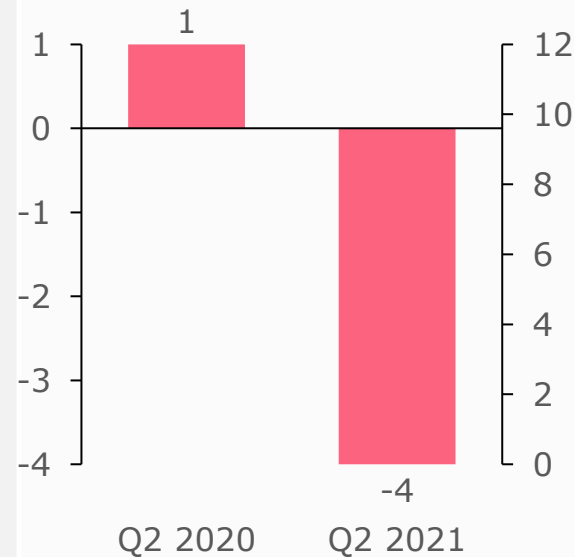
- Revenue increased by 9%
 - Organic growth of 4.2% (-0.7).
 - Stable occupancy in several segments
 - New units and acquisitions contributed
- Operating profit increased by 2%
 - Operating margin was 8.7% (9.3)
 - Stable occupancy and contributions from acquired companies behind

Revenue



Operating revenue, SEK m

Profitability



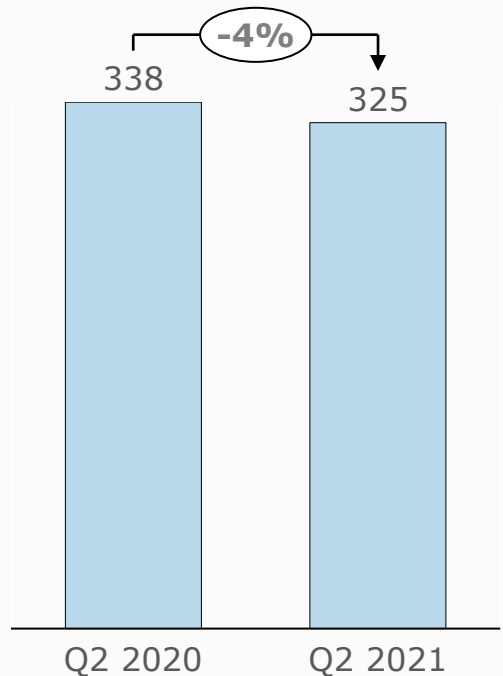
Operating margin, %

EBIT, SEK m

Elderly Care

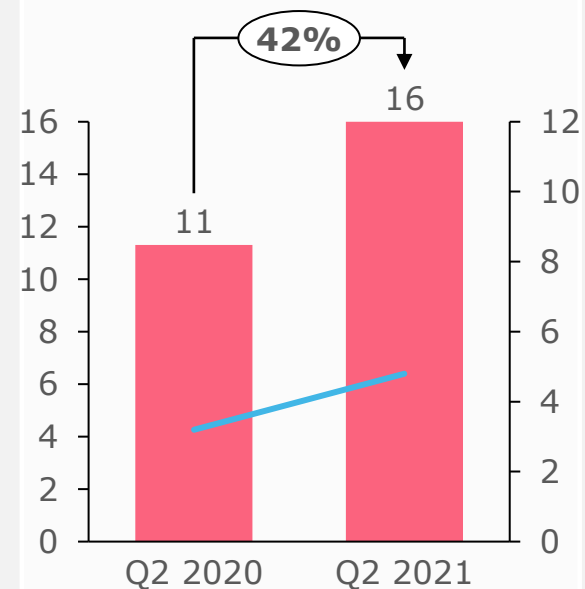
- No revenue growth
 - Lower occupancy due to Covid-19
 - New units
- Operating profit was negative, SEK -4m
- Operating margin was -2.4%(0.7)
 - Lower occupancy due to Covid-19 affected the profit
 - Costs for starting up the new elderly care homes under own management

Revenue



Operating revenue, SEK m

Profitability



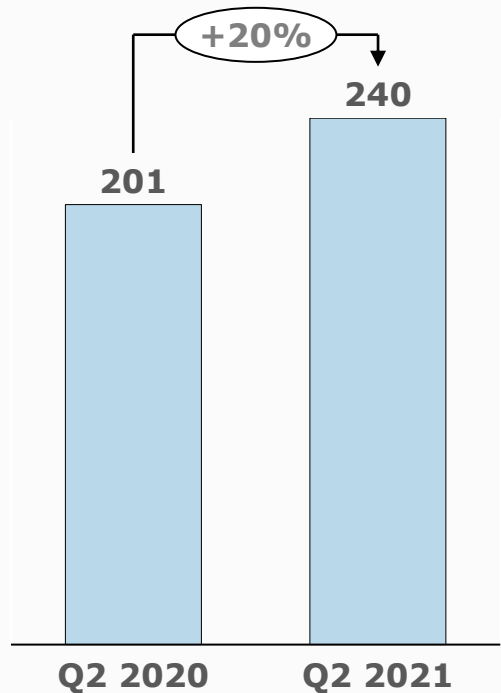
Operating margin, %

EBIT, SEK m

Finland

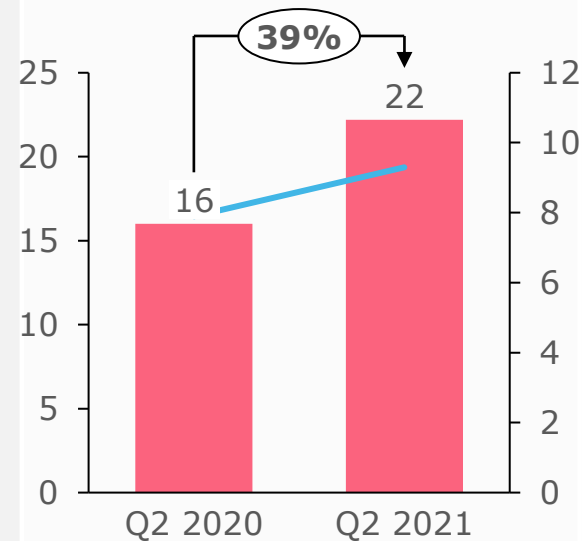
- Revenue decrease of 4%
 - Organic growth was 1.0% (0.0)
 - The organic growth in the second quarter is due to increased occupancy
- Operating profit increased by 42%
 - Operating margin was 4.8% (3.2)
 - Increased occupancy and better operational efficiency behind the improvement

Revenue



Operating revenue, SEK m

Profitability



Operating margin, %

EBIT, SEK m

Norway

- Revenue increase of 20%
 - Organic growth was 15.7% (9.5)
 - Increase in customers in personal assistance and the care home segment
- Operating profit increased by 39%
 - Operating margin for the quarter was 9.3% (7.9)
 - The increase is due to a greater number of customers and higher operational efficiency

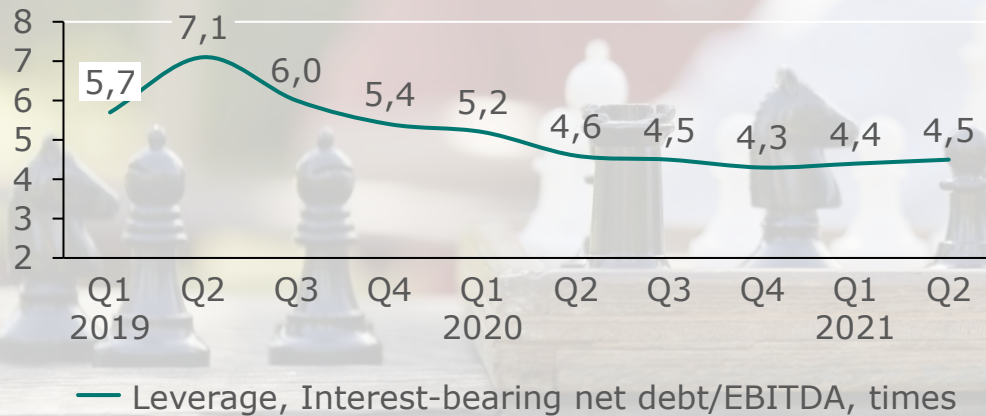
Q2

SEK m	Q2 2020	Q2 2021
Underlying central costs	33	29
Acquisition related costs	0	0
Effects of IFRS 16	-9	-16
Sales of real estate	-17	0
Central overhead costs	7	13

Central costs

- Underlying central costs slightly below previous year
- Capital gain from sale of real estate decreased central costs Q2 last year
- Positive effects of IFRS 16 of SEK 16m on central costs (and operating profit) in the quarter

Leverage, development



Financial position

- Interest-bearing net debt increased, year-on-year, by SEK 318m to SEK 3,909m (3,591)
 - Debt increased due to investments in new elderly care homes but was more than compensated for by higher profit
- Leverage, interest-bearing net debt in relation to adj. EBITDA, was 4.5x (4.6)
 - Leverage in line with target

Operating cash flow

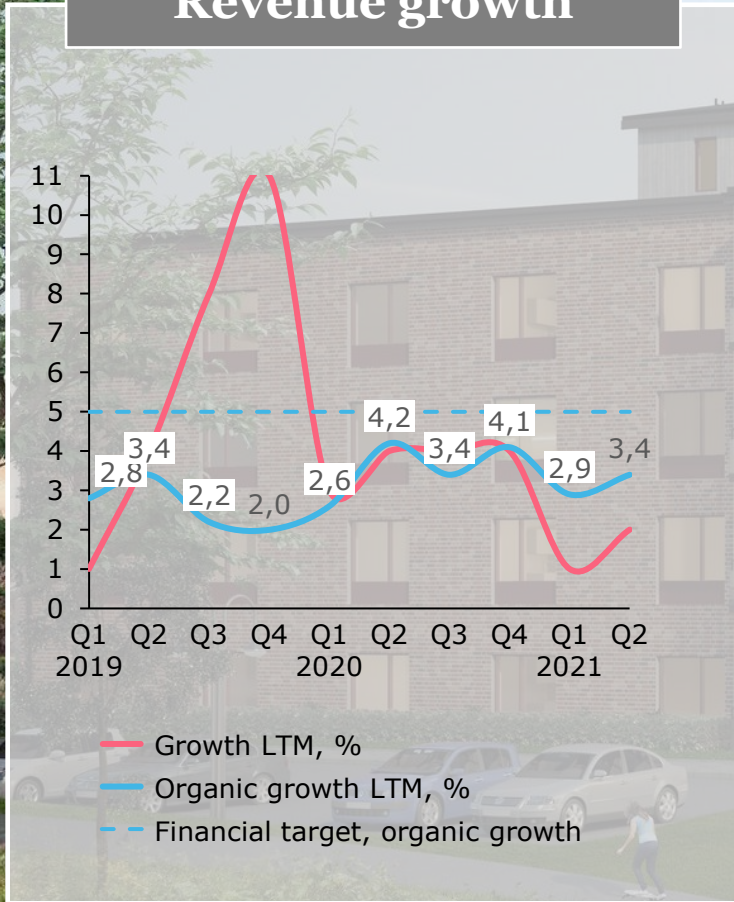
SEK m	Q2 2020	Q2 2021
Operating profit	100	107
Depreciation	93	102
Changes in working capital	61	80
Investments in other non-current assets, net	-34	-38
Operating cash flow	221	251

Cash flow

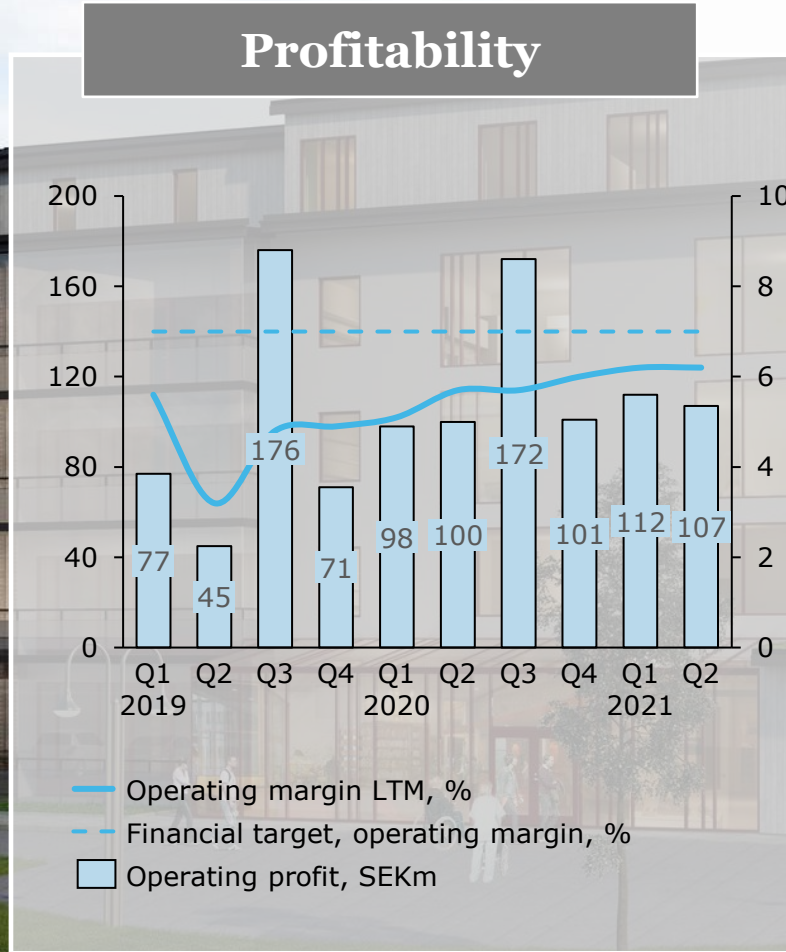
- Operating cash flow SEK 251m (221)
 - The higher cash flow is mainly due to improved profit
- Cash flow for the quarter SEK 133m (185), where
 - Net cash flow from operating activities was SEK 249m (181)
 - Cash flow from investing activities was SEK -40m (48)
 - Cash flow from financing activities was SEK -77m (-44)

Financial targets and development

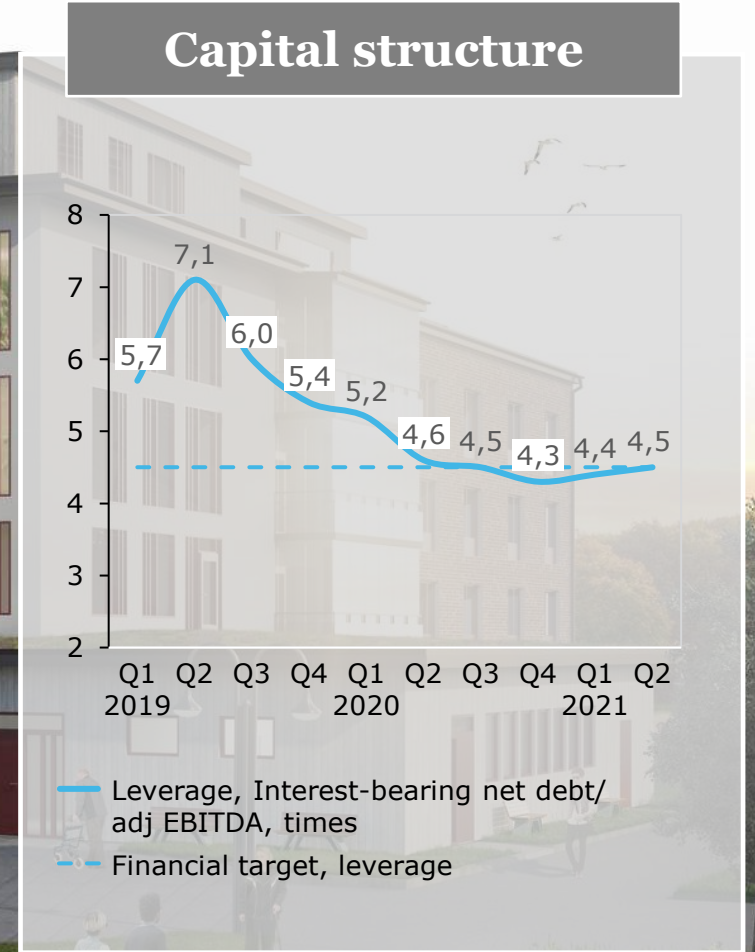
Revenue growth



Profitability



Capital structure





CEO

**Rasmus
Nerman**

Summary

- ✓ Q2 2021- another stable quarter
 - ✓ Humana continued to grow organically, four new elderly care homes opened in the quarter
 - ✓ Remained focus on the pandemic
 - ✓ Improved operating profit
 - ✓ Strong cash flow
 - ✓ New agreement ensures long-term financing

Priorities going forward

- Continued focus on value creation and stability/predictability
- Drive organic growth coupled with accretive add-on's
- The Board has started the process of recruiting a new CEO

Thanks!

Financial calendar

Interim report Jan-Sep and Q3 2021
Year-end report Jan-Dec and Q4 2021

11 Nov 2021
10 Feb 2022

Further information

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