



Humana

Everyone is entitled to a good life.

Interim Report

Q3 2022

November 10, 2022

Continuous improvements and profitable growth



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Financial performance close to targets



Staffing challenges



Inflation pressure



Introducing social outcomes



Revision of strategy

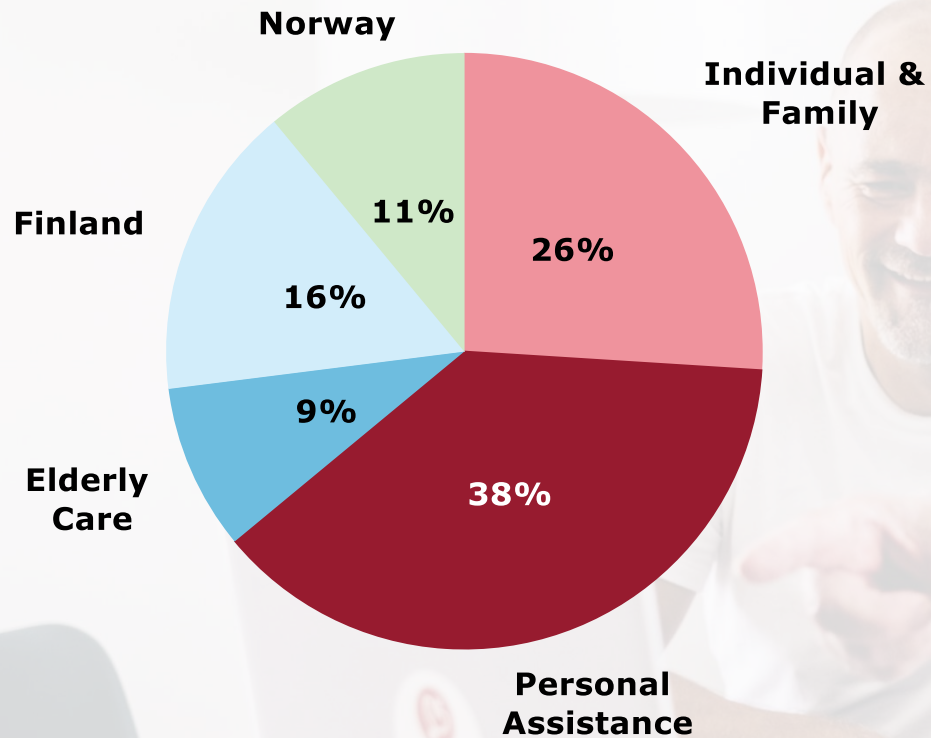


Increased scrutiny

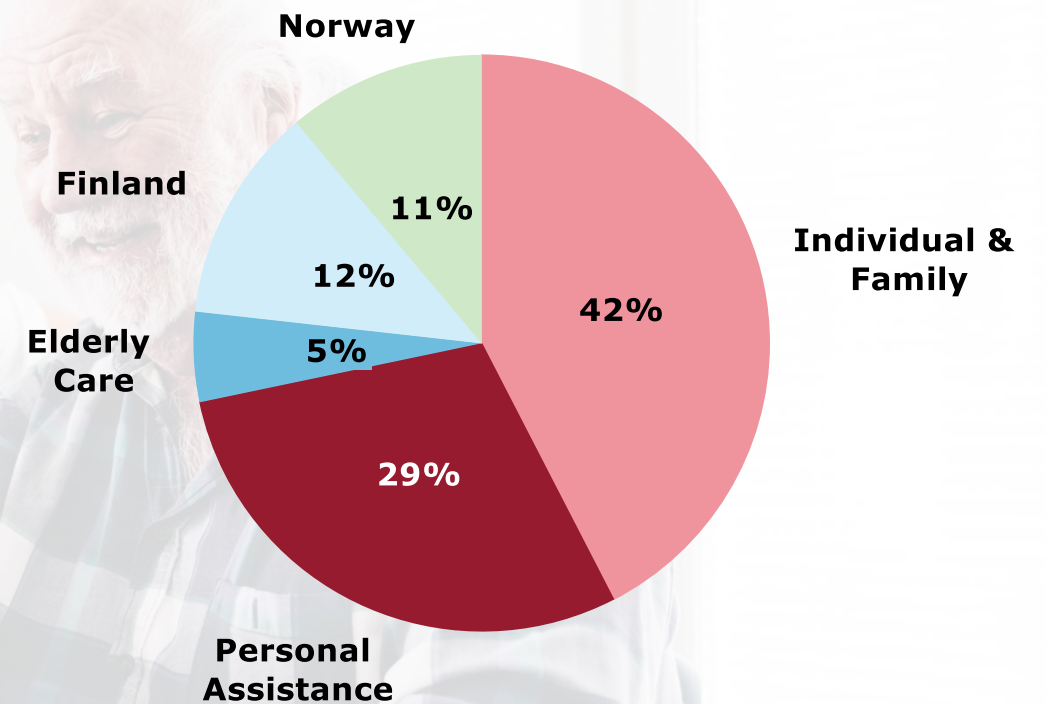


Swedish election

Share of Revenue in Q3 2022

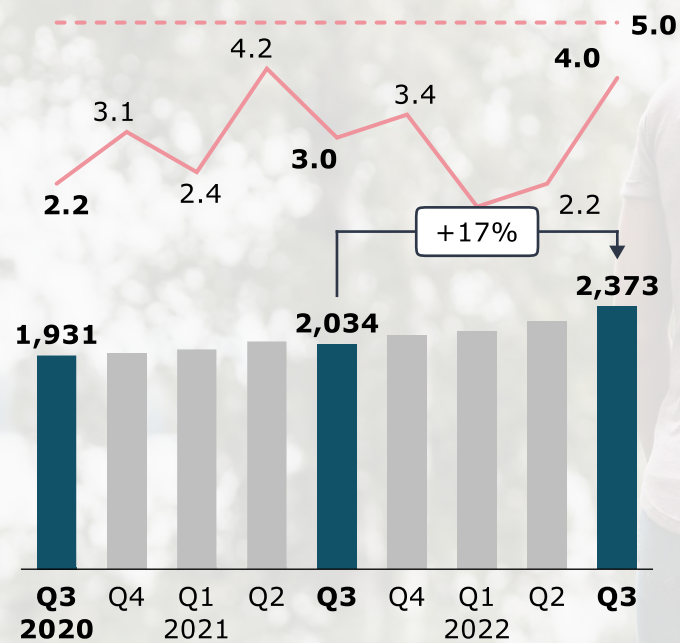


Share of EBIT* in Q3 2022



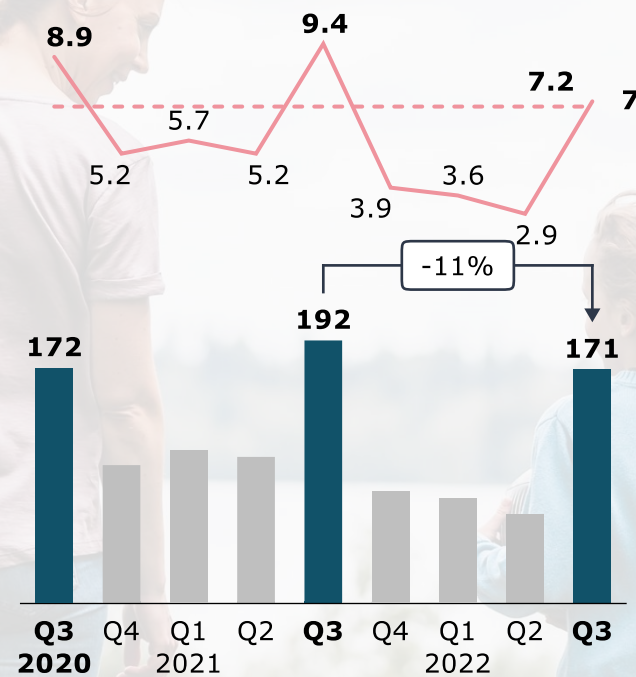
* Net central admin costs

Organic Growth



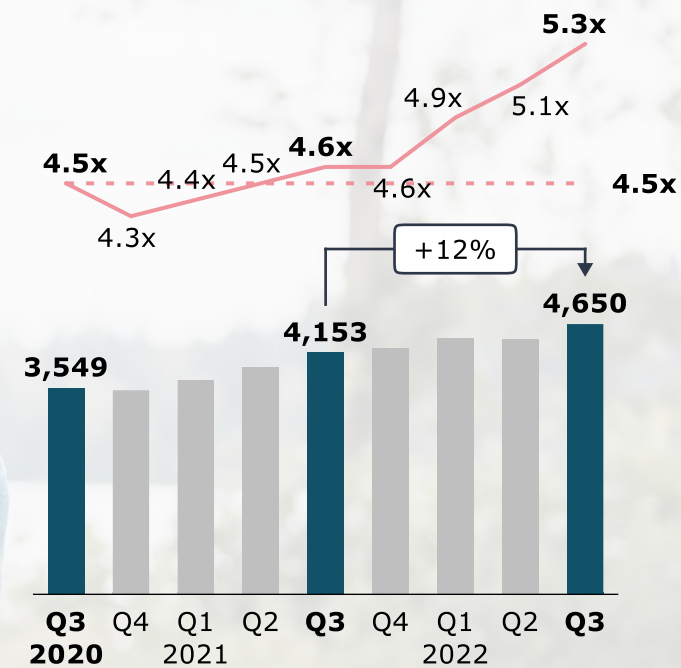
■ Revenue (mSEK) — Organic Growth (%)
 - - Target (%)

Profitability



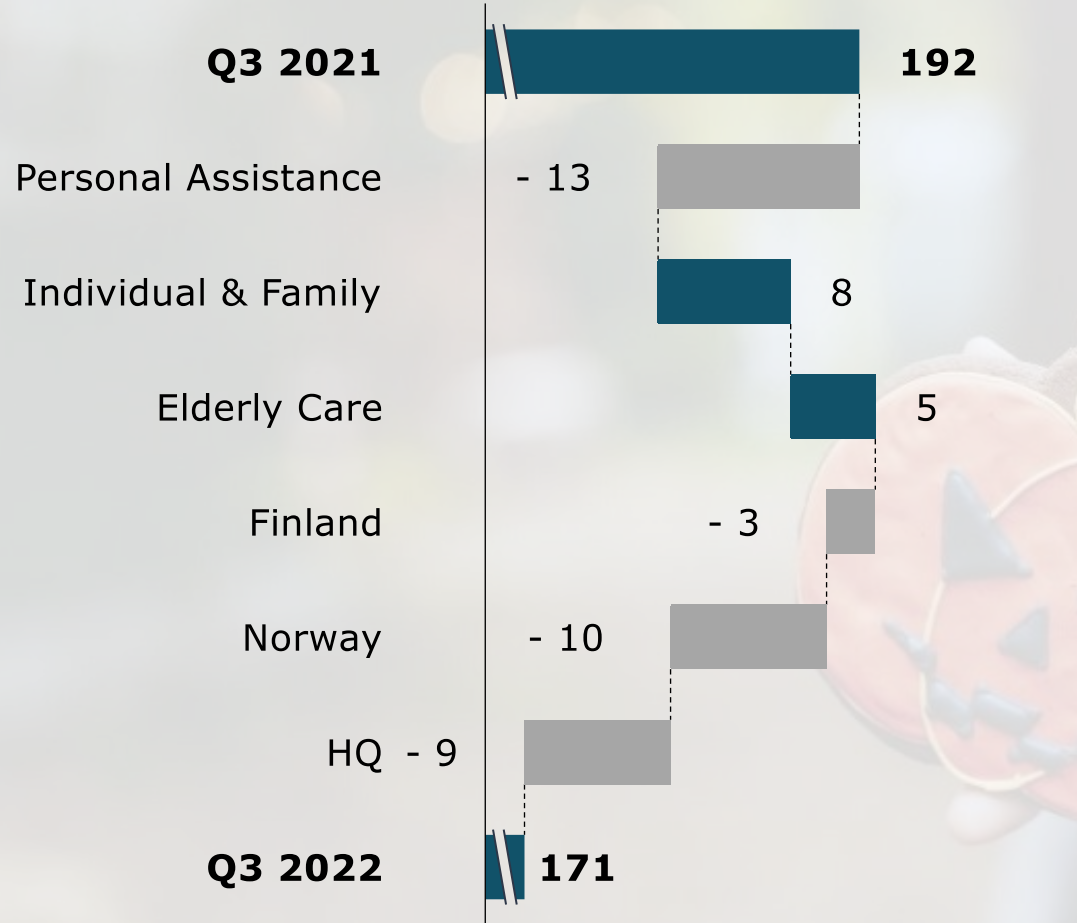
■ Operating Profit (SEKm) — Operating Margin (LTM, %)
 - - Target (%)

Capital Structure



■ Net Debt (SEKm) — Leverage (x)
 - - Target (x)

EBIT Bridge (LY to Actual)



Key Drivers

Growth

- + Acquisitions
- + Ramp-ups

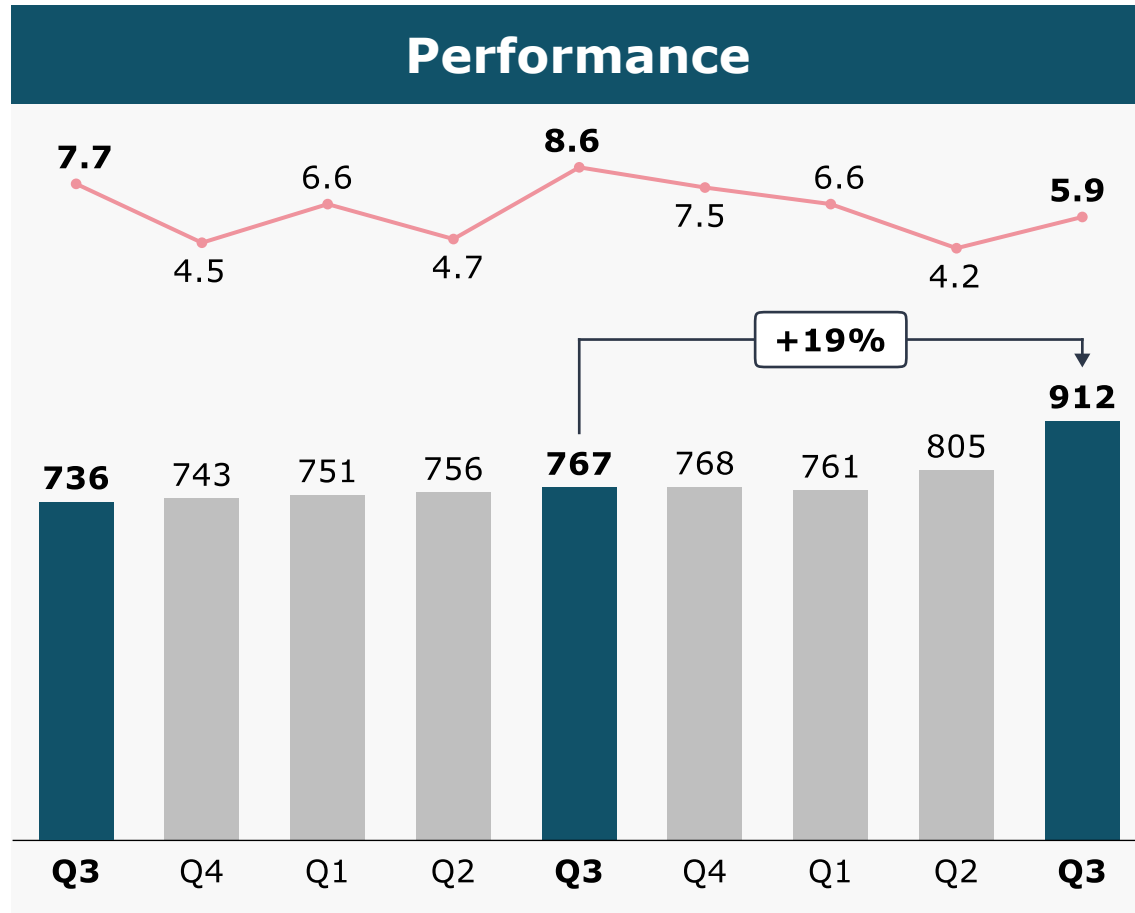
Utilization

- + Improved utilization in Elderly care and Individual & Family
- Fewer assistance hours

Costs

- Inflation
- Higher personnel costs due to staffing challenges temporary resources, and wage increases
- Reinforcement of central functions and admin

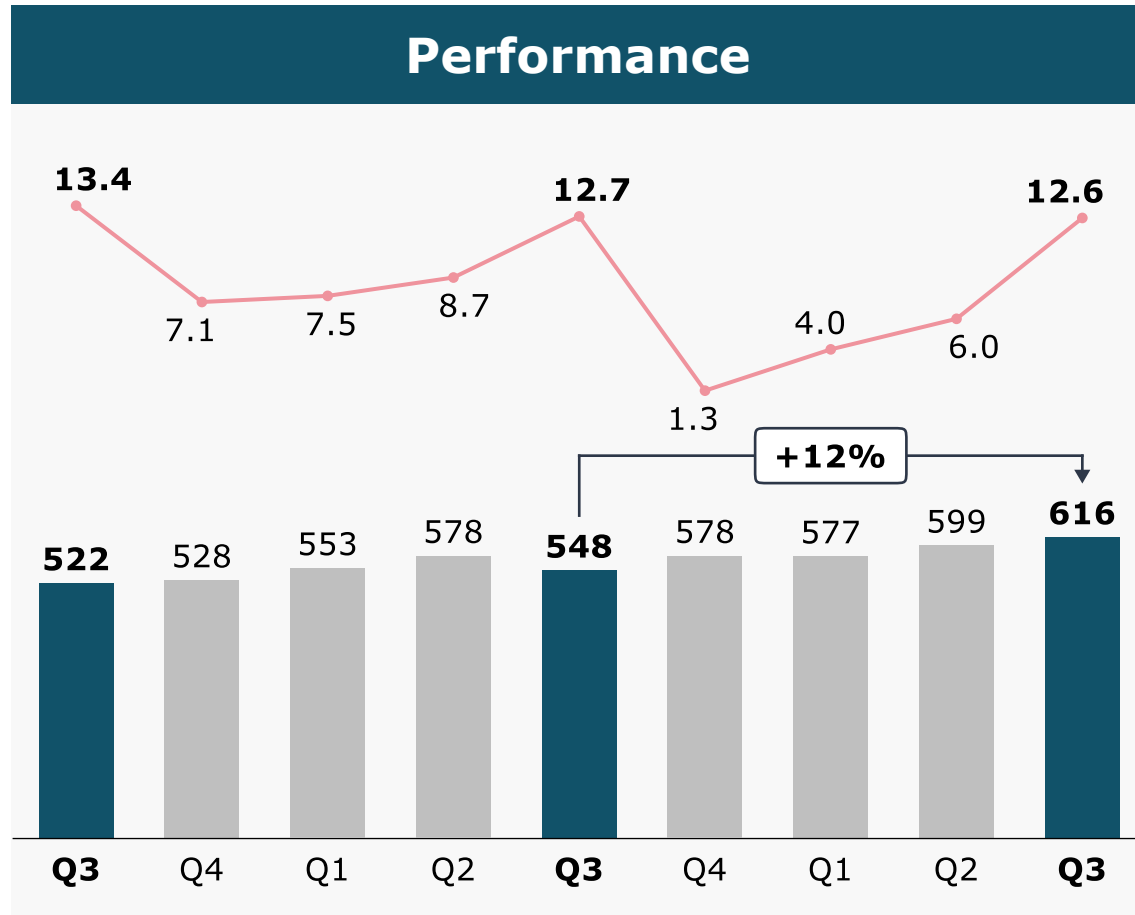
Acquired growth with margin pressure



- ### Key Takeaways
- Sales growth of 19%, negative organic contribution of approximately -1%
 - Salary increase from Jul 1, 2022
 - Reimbursement adjusted from Jan 1, 2023
 - Integration of Assistans för dig according to plan
 - Staffing challenges



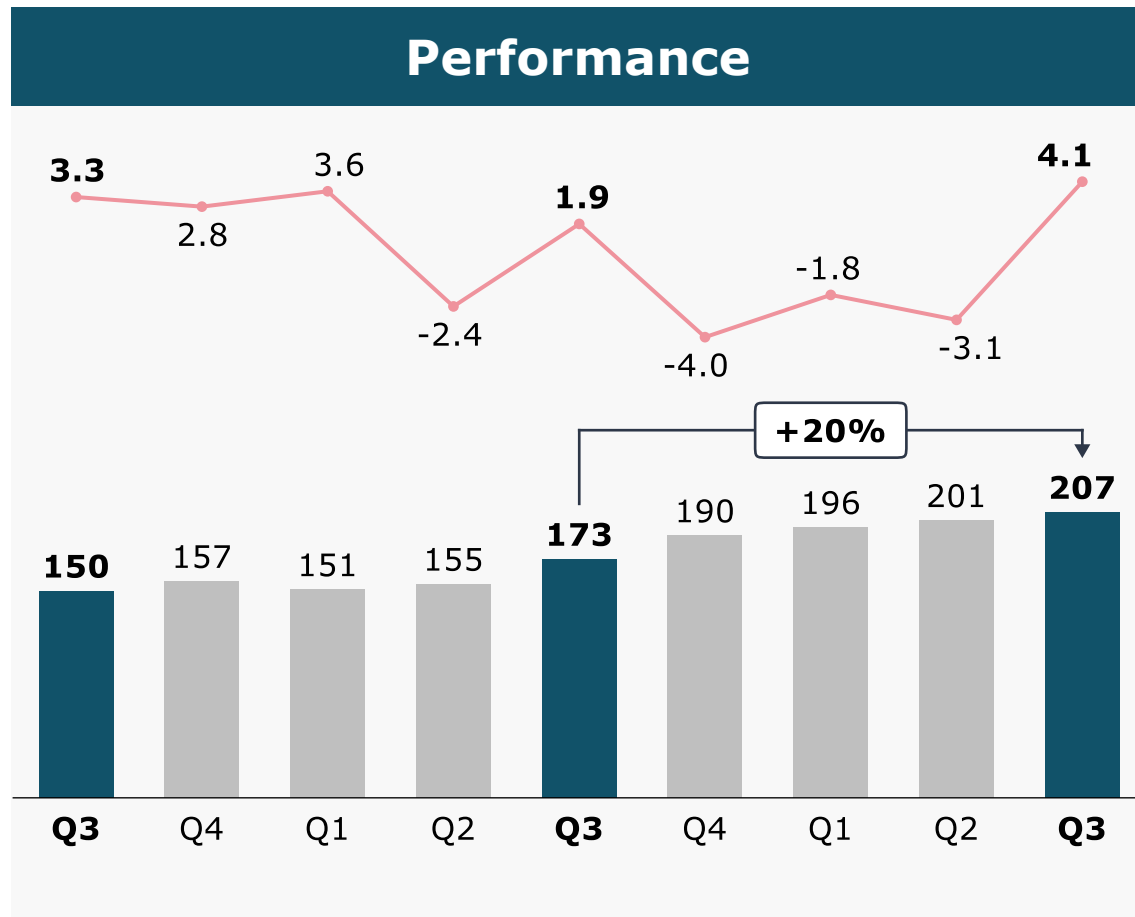
Closing the performance gap



- ### Key Takeaways
- Strong growth of 12%, organic contribution of 6%
 - High occupancy in segment Adult
 - Margin back to last year's level
 - Profitability recovery in Child & Youth
 - Price adjustments giving effect
 - Good pace of ramp ups of newly opened units
 - Staffing challenges still a reality



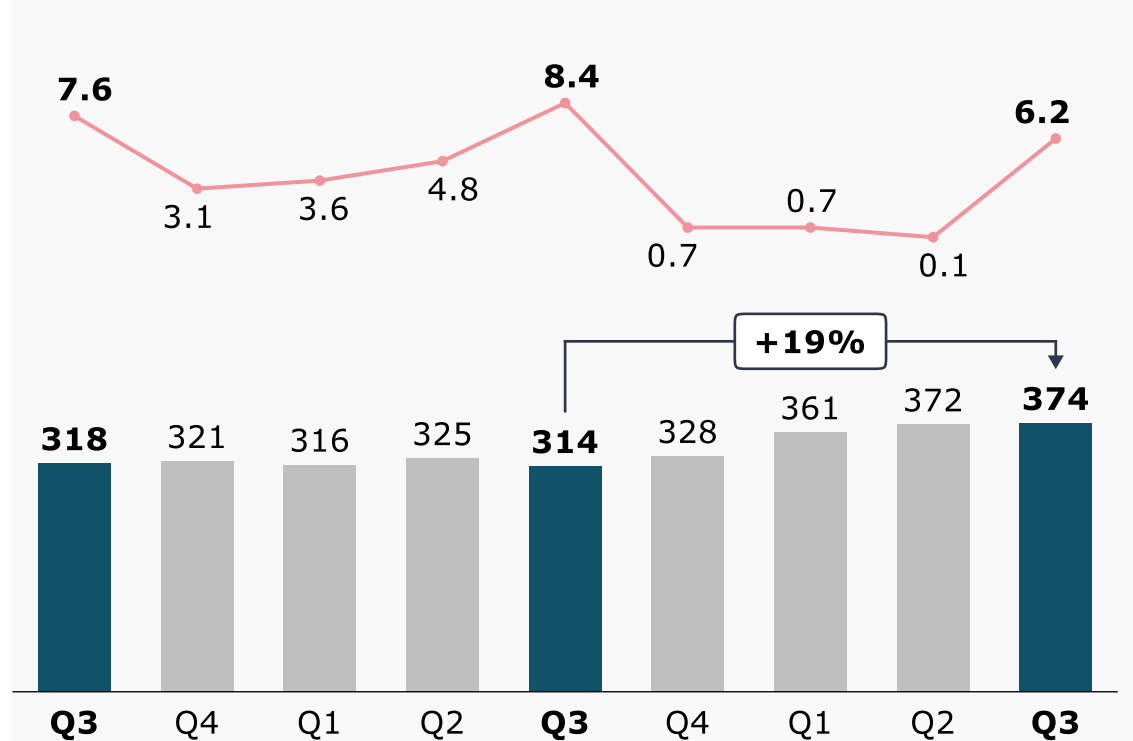
Finally on profitable ground



- ### Key Takeaways
- Good ramp-up pace, with 20% organic growth
 - Effect on targeted efforts to increase occupancy
 - Margins improving, although in seasonally high third quarter
 - Cost efficiency initiatives

Combating staffing challenges and realising specialisation strategy in focus

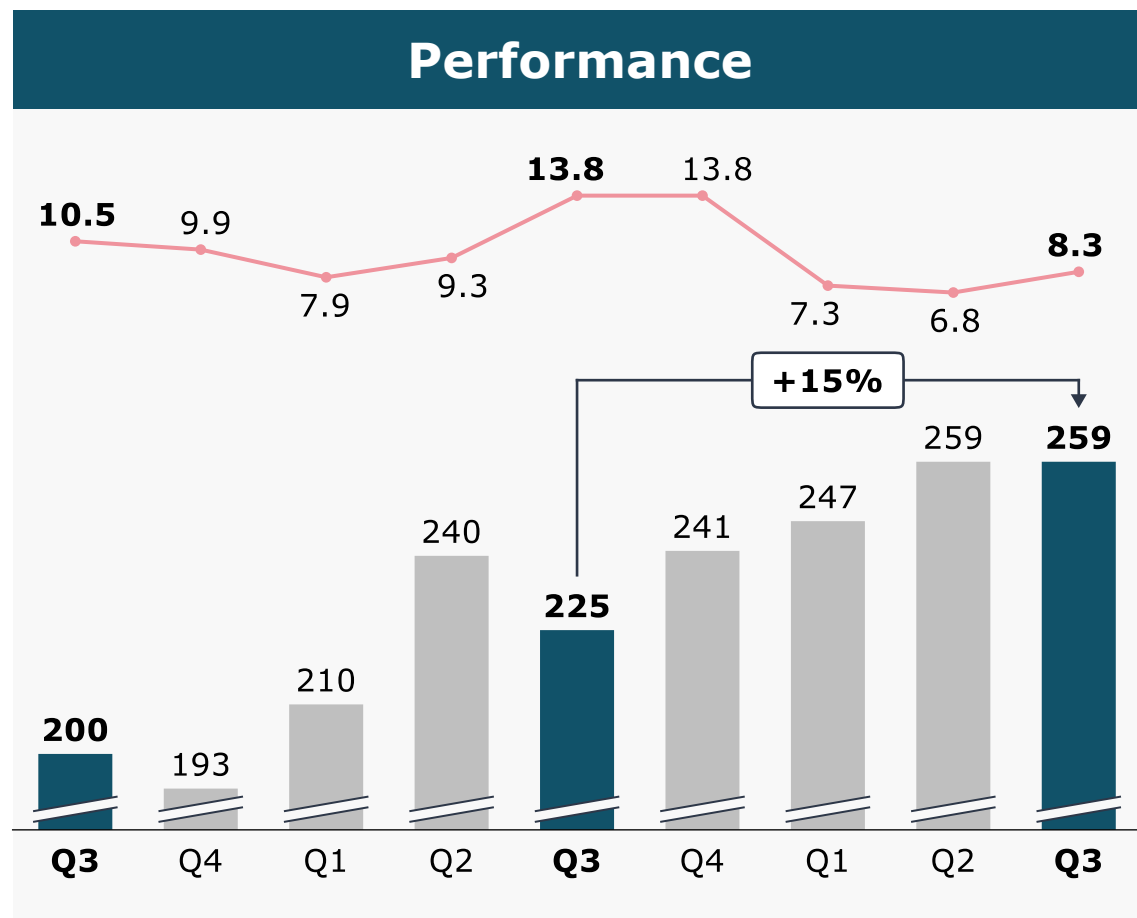
Performance



Key Takeaways

- Continued staffing challenges
- Sick levels approaching normal, but not there yet
- Growth at 19%, 4% organic
- Shifting towards more specialized care within Child and Youth
- Acquisitions performing in line with expectations

Stable performance, adapting to long term sustainability



- ### Key Takeaways
- Stable demand
 - Increased number of clients in all segments except in Child and Youth
 - Political climate and regulatory requirements adds pressure in particularly Child and Youth
 - Staffing challenges
 - More complex clients

Cash flow decreased mainly through lower profit, and working capital tied up related to acquisitions

	Q3 2022 (mSEK)	vs Q3 2021 (mSEK)
Cash flow from operating activities	65	-61
Acquisitions of subsidiaries, net cash impact	-10	63
Sale of properties	1	0
Investments	-36	-17
Cash flow from investing activities	-45	46
Change in liabilities to credit institutions, net	-2	-2
Repayment of lease liabilities	-93	-15
Cash flow from financing activities	-95	-17
Cash flow for the period	-75	-33





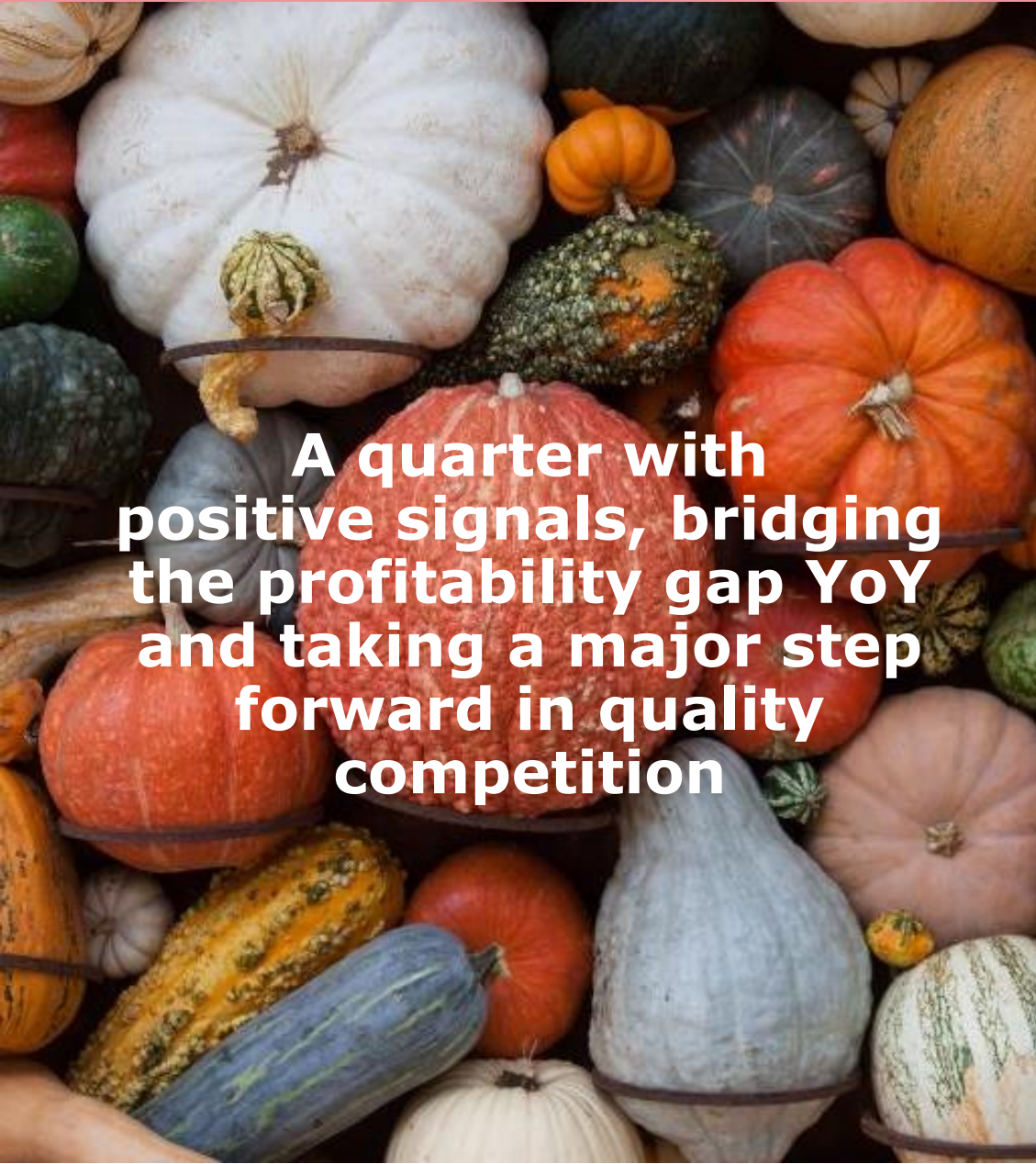
Quality competition and social innovation

Key Takeaways

- Continue measuring quality through HQI
 - Monitor serious repeated deviations
- Increasing demands on social care
- Need for use of evidence-based treatment methods
- Higher degree of industry standardisation and comparability
- See the individual and the system simultaneously
- Focus on quality and social outcomes rather than productivity and activity

Four output measurements I&F

1. Proportion of completed placements that lead to a lower level of care
2. Proportion of client group that achieves the targets in their care plan
3. Parent and child assessments of child wellbeing of IHF treatment
4. Proportion of young people who transfer to lower-intensity care following TFCO placement



A quarter with positive signals, bridging the profitability gap YoY and taking a major step forward in quality competition

Focus going forward

Ensure we have both sufficient staff and the right competence

Secure price increases

Cost management

Increase profitability to offset inflation effects

Continue to develop social outcome measurements

Thanks!



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Financial Calendar

Interim report Jan-Dec, Q4 2022	10 Feb 2023
Interim report Jan-Mar, Q1 2023	4 May 2023
Interim report Jan-Jun, Q2 2023	21 Jul 2023

Further Information

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