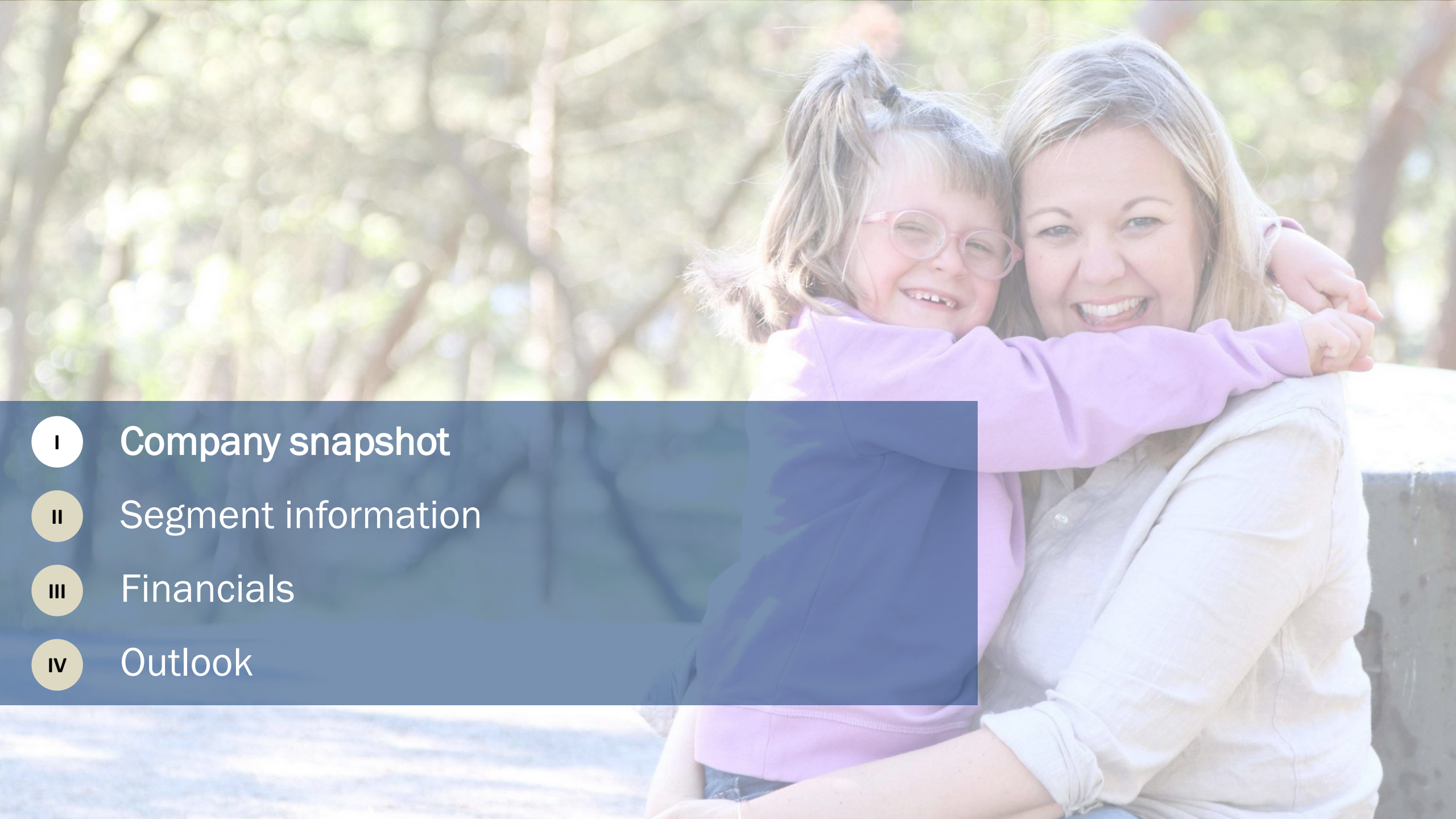




Brado AB (publ) – Frösunda

Capital Markets Day – 2021-12-08

frösunda.



Company snapshot



Segment information



Financials



Outlook

A Care service provider dedicated to the customer's needs

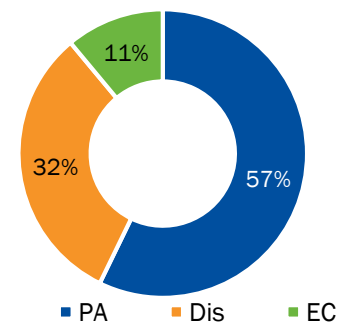
Introduction to Frösunda

- Founded in 1994, Frösunda has become a leading supplier of private care services in Sweden
- Diversified provider with operations in Disability, Personal Assistance and Elderly Care
- 1,935 customers
- Strong segments under one brand with, strategy based on high quality and customer oriented concepts
- Experienced management team and organisation with all necessary central functions in-house
- ~5,500 employees
- Main office in Stockholm (Solna) with services offered throughout Sweden

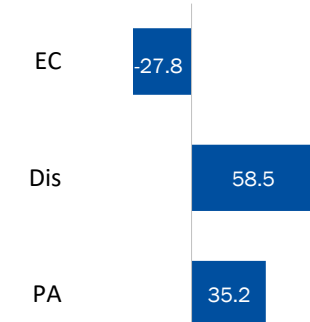
Diversified well balanced portfolio of care services

 <p>Disability</p> <ul style="list-style-type: none">▪ Group homes▪ Activity centres▪ Guidance services▪ Short-term homes▪ Special schools▪ Coaching▪ Family homes and open treatment▪ Homes for customers with social or psychiatric disabilities	 <p>Personal Assistance</p> <ul style="list-style-type: none">▪ Individually tailored services, taking care of customers' needs 24/7▪ Local focus and assistance teams ensuring best possible service for each customer
	 <p>Elderly Care</p> <ul style="list-style-type: none">▪ Housing for elderly who are unable to live on their own▪ Serving needs such as illness, dementia, disabilities or general age weakness

YTD'21 revenue distribution



YTD'21 EBITA distribution



Our Brands

frösunda.

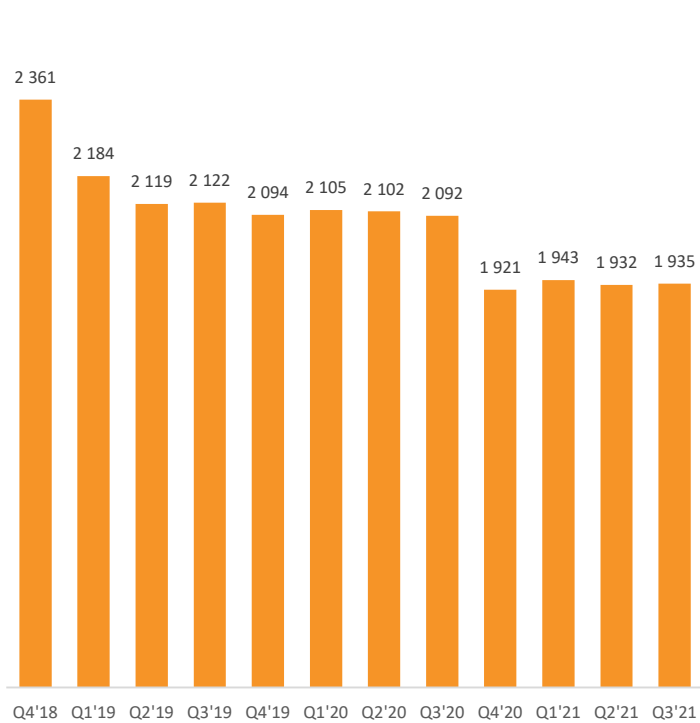
frösunda.
PERSONLIG ASSISTANS

frösunda.
ÄLDREOMSORG

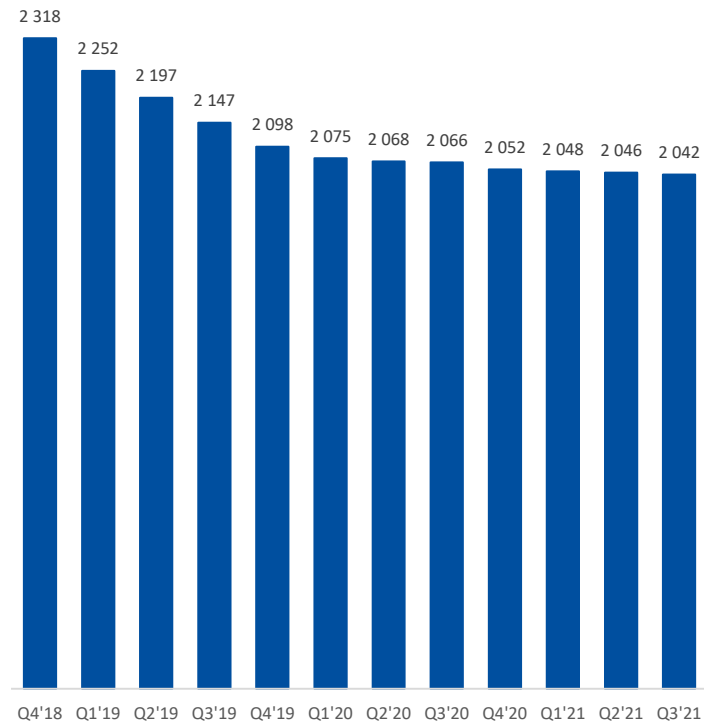
frösunda.
OMSORG

Time for growth

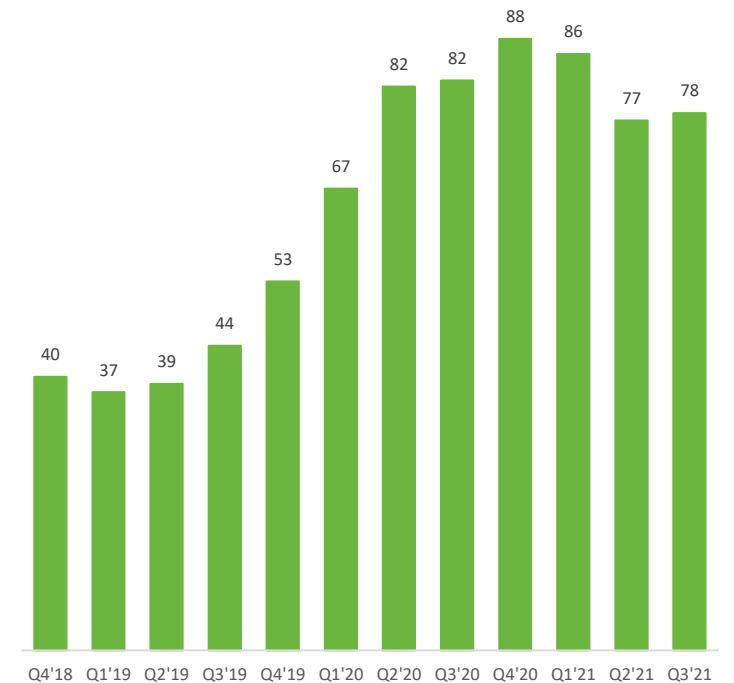
Customers



L4Q Revenues (SEKm)*



L4Q EBITDA (SEKm)*



* Frösunda level, without IFRS 16

Covid-19 effects on our business

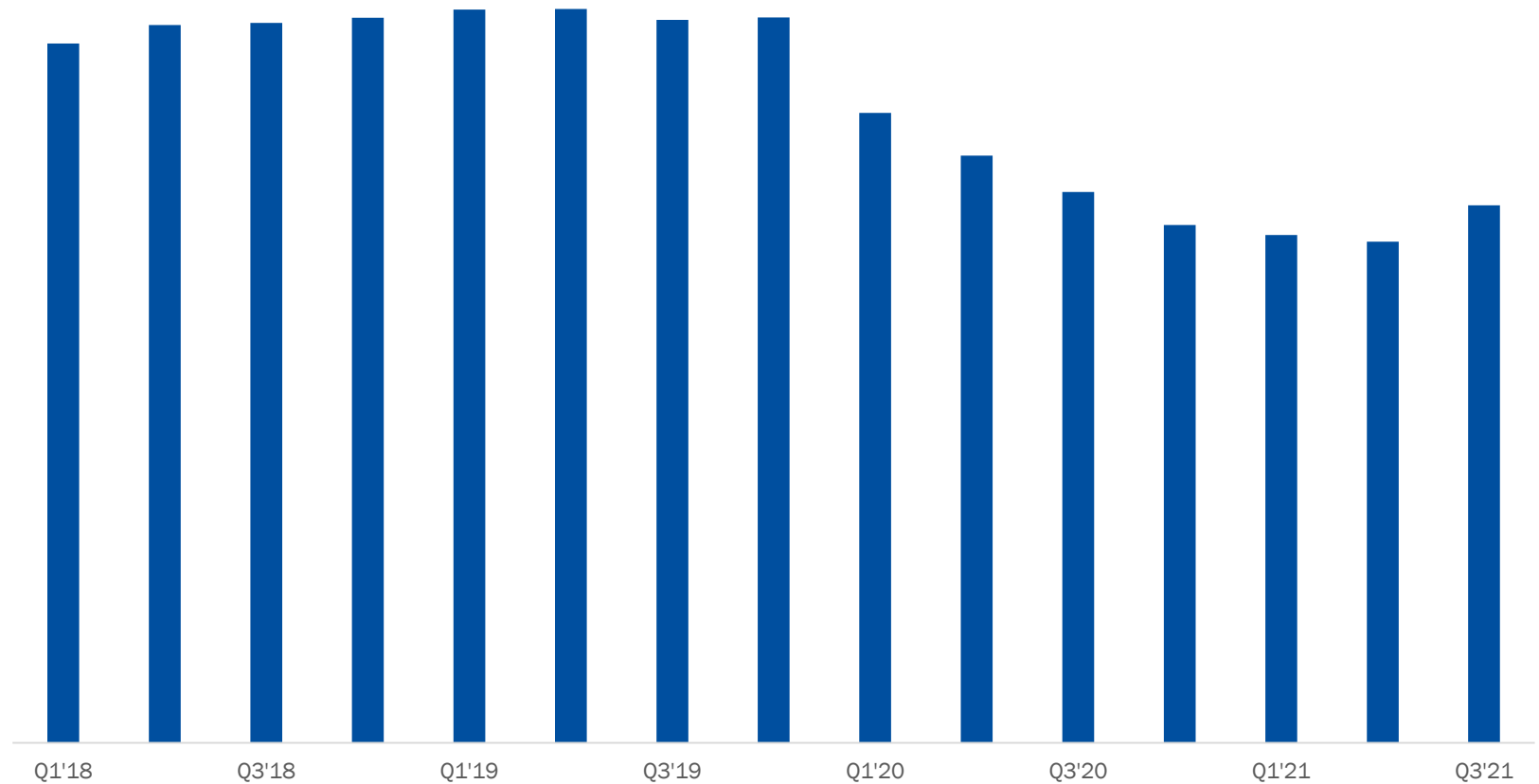
As a welfare operator Covid-19 has had a major impact on our organisation, operations and financial figures

- High impact on our organisation and processes
- Delay in growth initiatives within Personal Assistance
- Drop in occupancy within Elderly Care with two new own management units opened during the pandemic
- Financial support measures discontinued while the pandemic impacts linger (sick leave & occupancy)

Covid-19 effects on our business

Occupancy within Elderly Care

- Units Sättraåsen (72 apt) and Timansstenar (60 apt) were opened in Jan'20 and May'20
- The capacity of these units is equivalent to approximately 30% of the total capacity within the segment



Shifting focus from internal to external

2018 and 2019 – Internal focus

- Quality ✓
- Culture ✓
- Strategy ✓
- Cost ✓
- Processes/routines

2020 – Coordination & growth

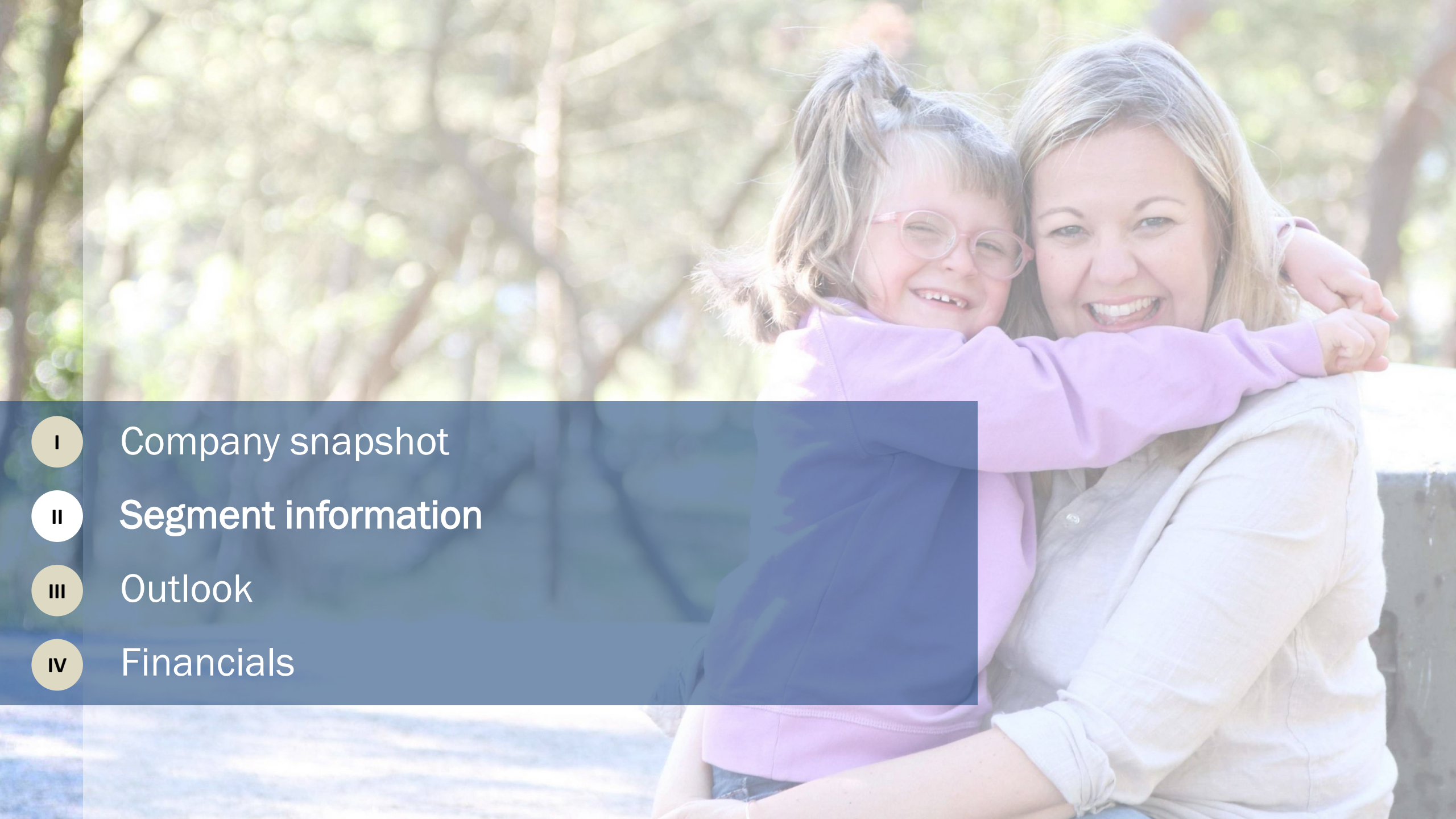
- Quality ✓
- Cost ✓
- Processes/routines ✓
- Growth
- Coordination with NHC ✓
- Pandemic

2021 – Growth & profitability

- Cash flow ✓
- Quality ✓
- Organic growth
- Profitability ✓
- Pandemic

2022

- Organic growth
- Profitability
- Cash flow
- ESG



I

Company snapshot

II

Segment information

III

Outlook

IV

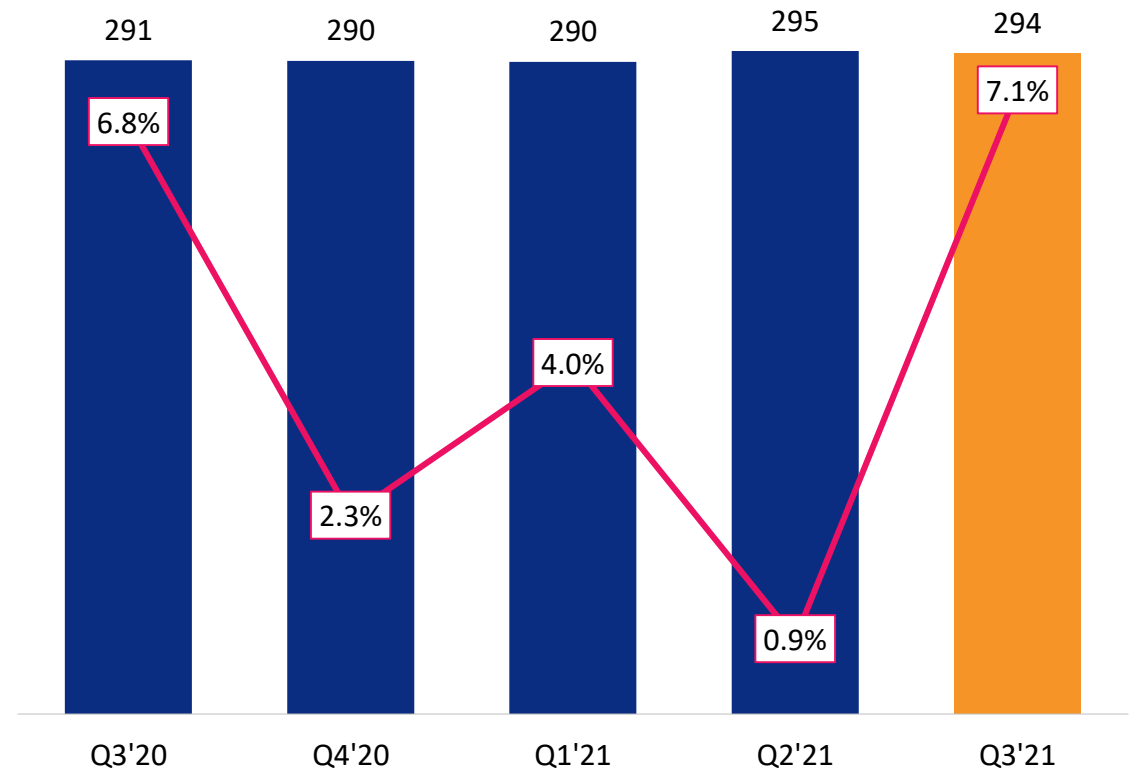
Financials

Personal Assistance – key financials

Comments

- Revenues for Personal Assistance ended at SEK 293.7 million in Q3'21 compared to SEK 290.7 million in Q3'20
- EBITA for Q3'21 ended at SEK 21.0 million (7.1%) compared to SEK 19.7 million (6.8%) in Q3'20
 - EBITDA of Q2-Q3'21 has been reduced by non recurring items amounting to SEK 4.5 million, referring to previous years
- Stabilized customer churn and revenues have been followed by the initialization of the planned marketing campaigns previously delayed by the pandemic.
- Solid market position based on high quality services and high customer satisfaction.
- The industry is still highly fragmented and offers several consolidation opportunities. However, Frösunda has so far chosen not to pursue these opportunities.

Revenue (SEKm) and EBITA margin (%)

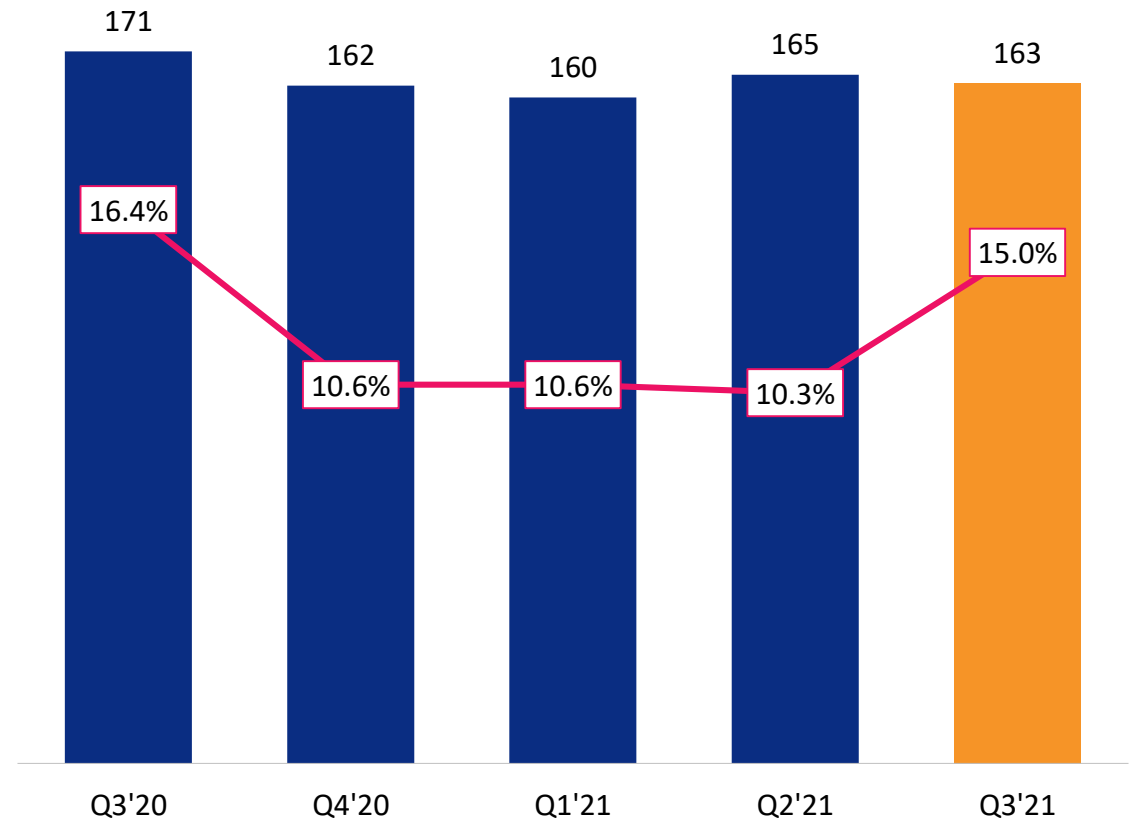


Disability – key financials

Comments

- Revenues within the Disability segment ended at SEK 163.0 million in Q3'21 compared to SEK 170.7 million in Q3'20.
- EBITA for Q3'21 ended at SEK 24.5 million (15.0%) compared to SEK 28.1 million (16.4%) in Q3'20. The slight decrease is caused by a shift in the portfolio.
- The segment is very well organized with satisfied customers and stable, efficient operation.
- Growth is the primary focus, within both tender and own management operations with an increase of property positions.
- The acquisition of the Aberia LSS immature portfolio, has had a negative impact on EBITA during LTM. The occupancy in these units has improved during Q2-Q3'21.
- The sub-segment Family homes has continued to increase the portfolio of framework agreements during 2021. Family homes are contributing positively to the EBITA.

Revenue (SEKm) and EBITA margin (%)

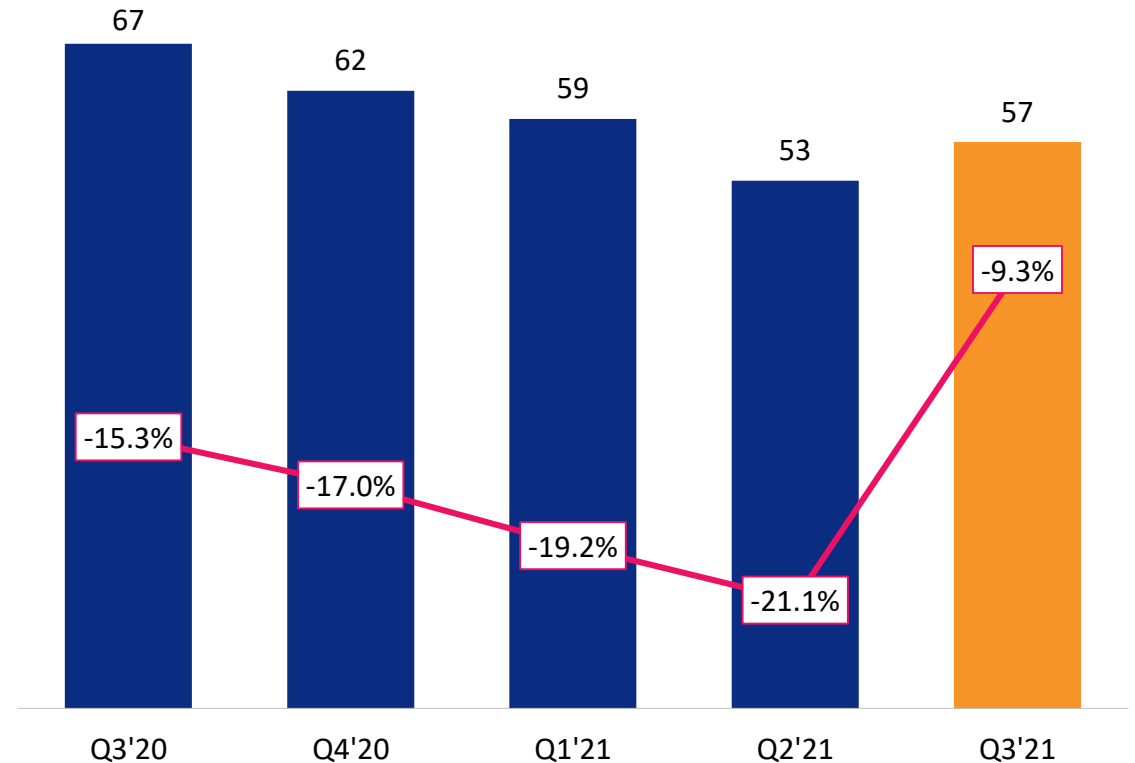


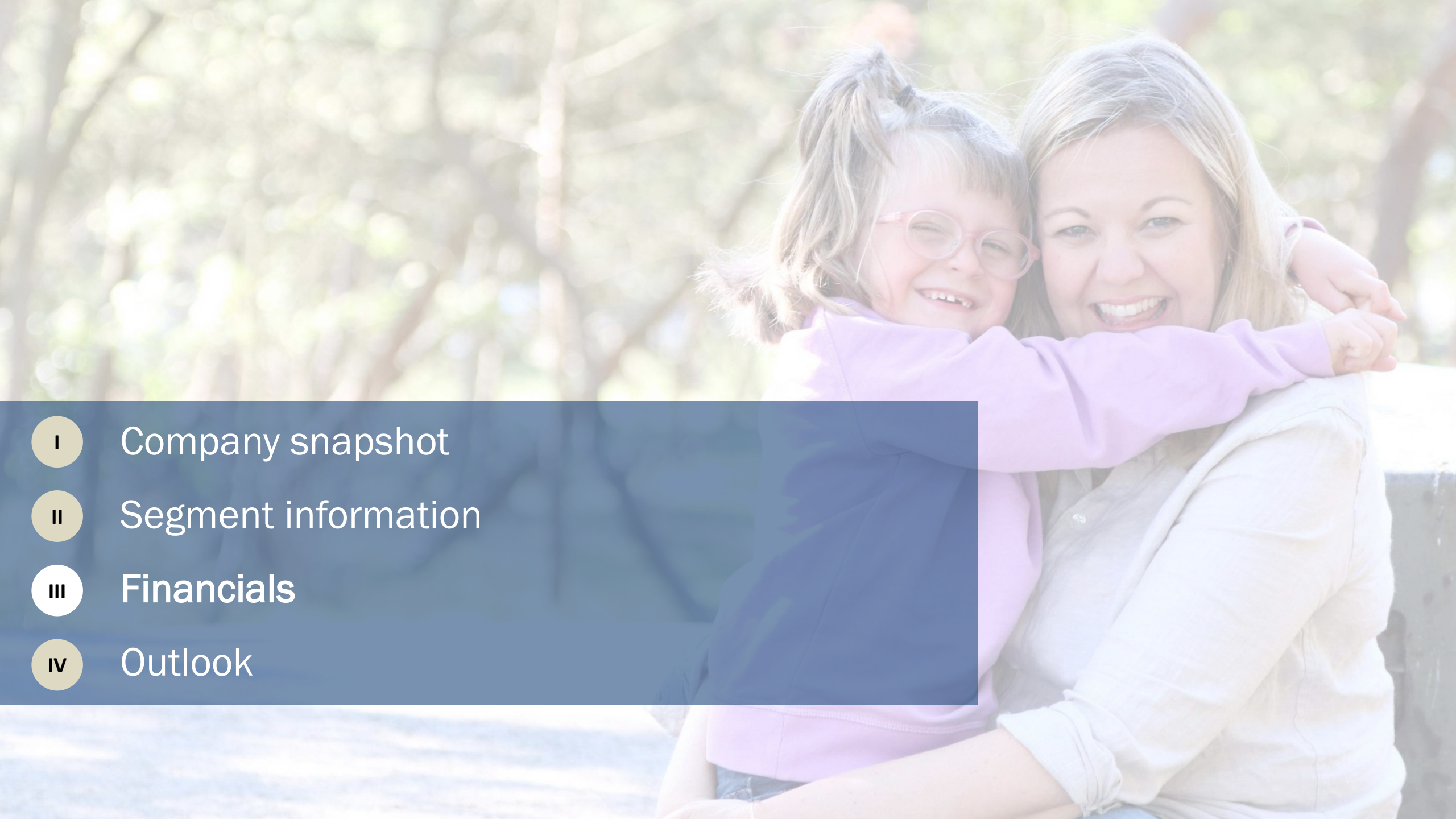
Elderly Care – key financials

Comments

- Revenues for Elderly Care ended at SEK 56.7 million in Q3'21 compared to SEK 66.6 million in Q3'20.
- EBITA for Q3'21 ended at SEK -5.3 million (-9.3%) compared to SEK -10.2 million (-15.3%) in Q3'20.
- During Q4'20 and Q1'21 the contracts in Lomma and Alingsås expired. Two smaller operational contracts started during Q1'21.
- As the two own management units matures, we expect the occupancy to reach satisfying levels and thereby contributing positively.
- The segment has been negatively impacted during the pandemic by increased sick leave, increased costs for protective gear and decreased occupancy.
- The occupancy developed positively in Q2'21 and Q3'21, but still at a not satisfying level.
- The focus forward is to increase occupancy and action plans are ongoing.

Revenue (SEKm) and EBITA margin (%)





Company snapshot



Segment information



Financials



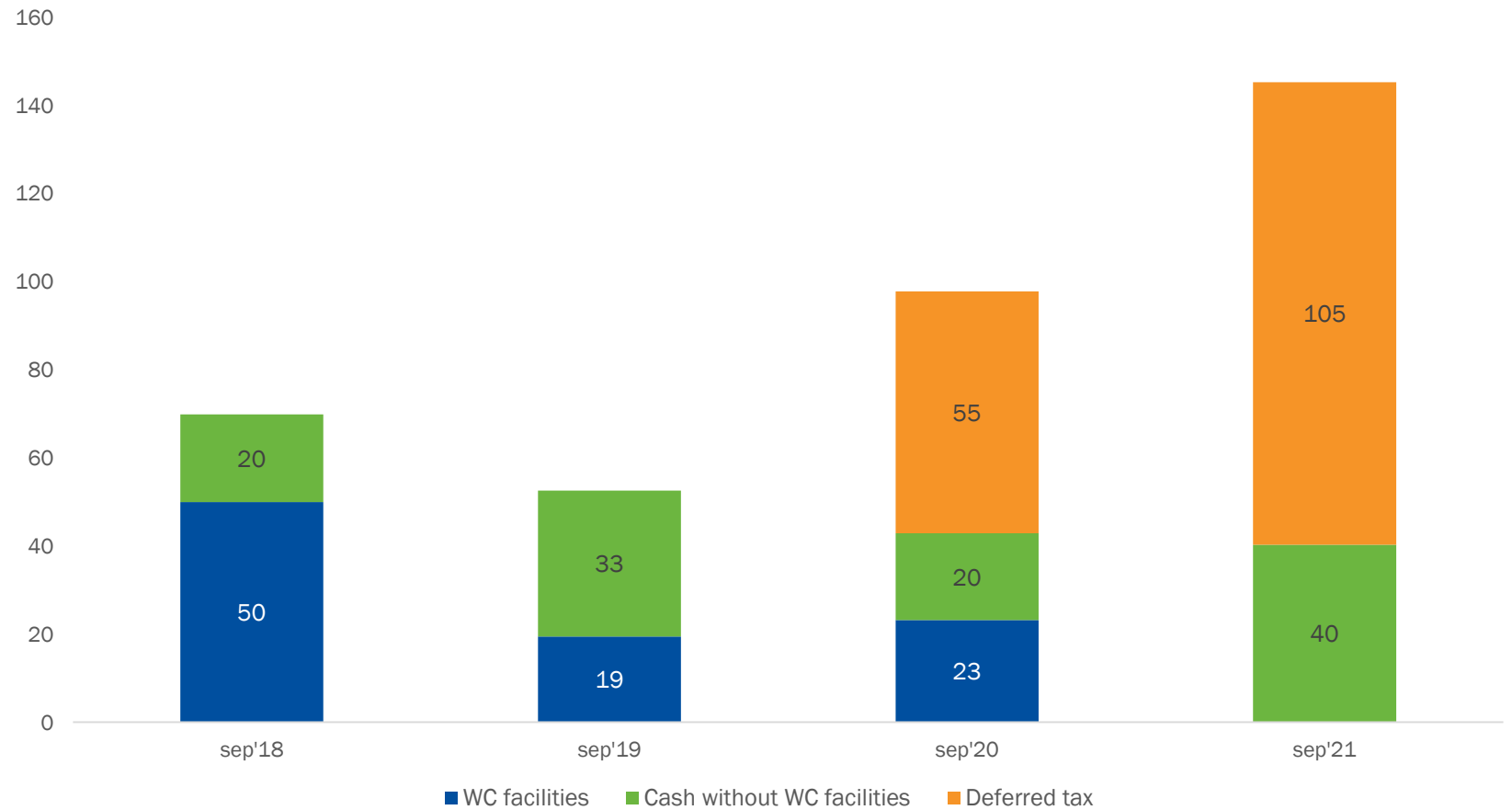
Outlook

Net cash development

Cash position

- Solid cash position er per Q3'21
- The cash balance, excluding effects from working capital facilities and deferred tax, has increased with SEK 20 million over the past twelve months

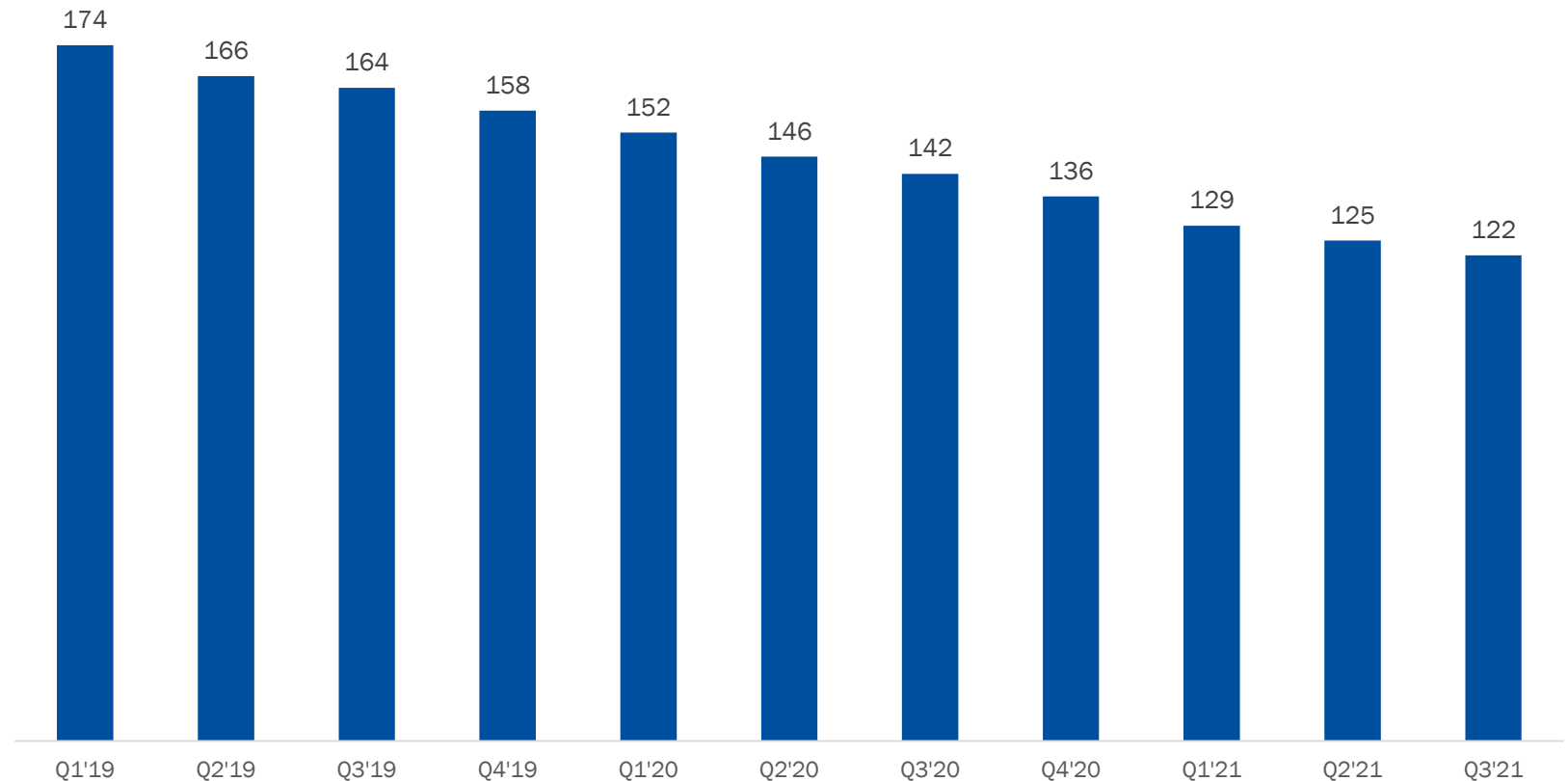
Cash balance per September 2018-2021



Overhead cost declining

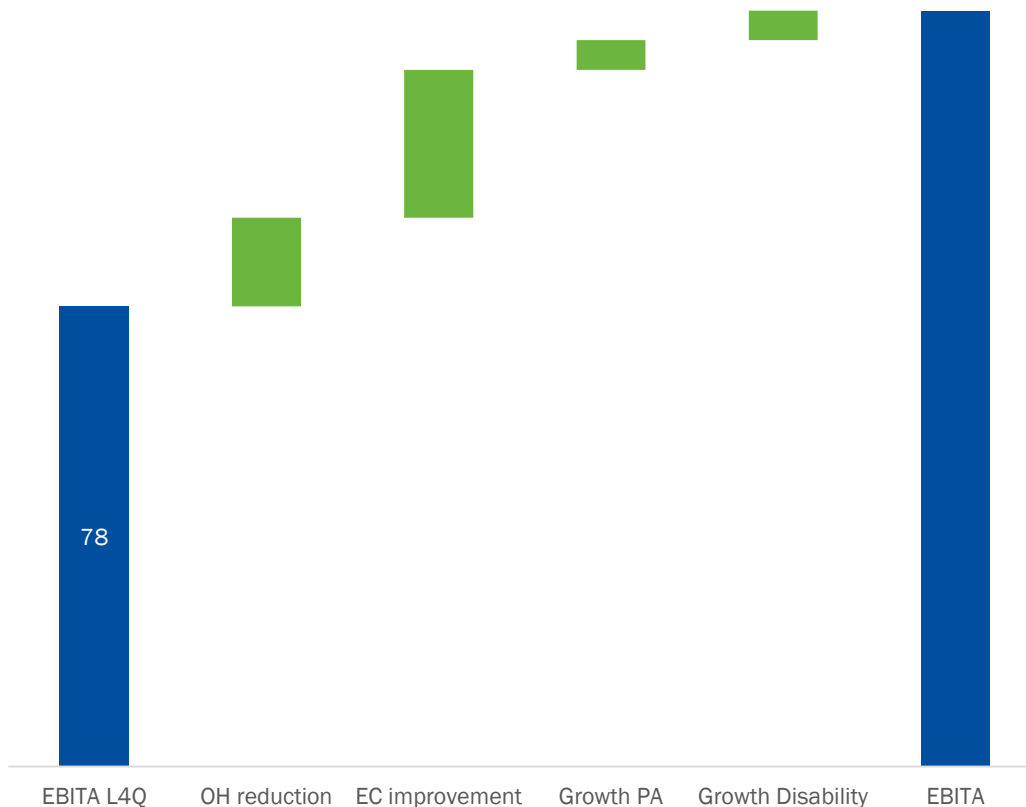
- Overhead cost has decreased continuously since 2018
- Some implemented measures have not reached full LTM effect yet
- Collaboration with NHC gives some potential for further reductions

Overhead cost, LTM (SEK million)

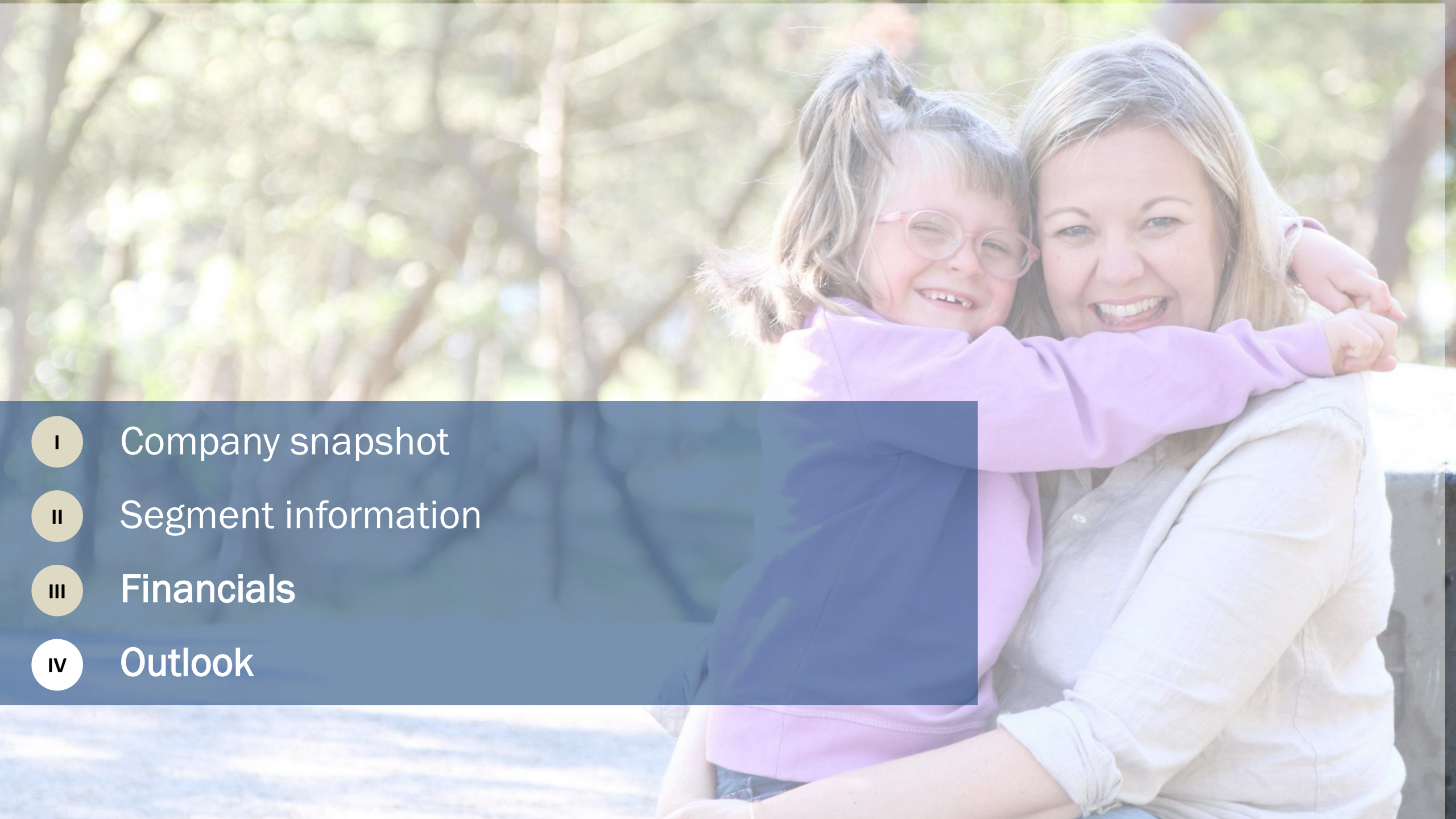


Further improvement in EBITA

Focus on refinancing in 2023 (SEK million)



- OH reduction: Some remaining potential for further reductions in overhead cost. Some measures have already been taken, which will give effect over the coming quarters.
- EC improvement: Once the two immature units within the Elderly Care segment matures, the negative EBITA will decline substantially.
- Growth PA: With the stabilized revenues the segment is shifting focus towards growth.
- Growth Disability: The changes in the contract portfolio levels out and the segment is improving the occupancy in immature units. The property projects that are being realized are also expected to contribute positively.



Company snapshot



Segment information



Financials



Outlook

Outlook

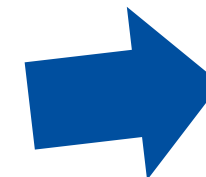
Segment

Outlook and initiative

Trend

Personal Assistance

- The segment has stabilized the operations and is now in a position to grow
- Investments are being made in digitization and marketing
- The segment has historically proven to be good at balancing costs based on current volume and will be able to grow profitably



Disability

- The portfolio has shifted. Some relatively profitable contracts have expired and are replaced by new operations with lower expectations of profitability
- The Occupancy and profitability in the comparable units have continued to improve
- New and immature units are expected to mature and contribute
- Low tender activity expected on the market during the election year
- Family homes are also expected to continue its positive development and growth



Elderly Care

- Elderly Care has attractive units that have historically proved to be the first choice of customers
- The current low occupancy is due to the ongoing pandemic in combination with the segment having two units opened during the pandemic. When the pandemic has subsided the units are expected to refill and contribute with positive results



Hanveden HBTQI example!



Appendix

Income statement

Comments

- The Group reported operating revenue of SEK 513.9 million in Q3'21, compared to SEK 512.8 million in Q2'21 and SEK 529.1 million in Q3'20
- Total operating expenses in the period ended at SEK 441.2 million compared to SEK 472.0 million in Q2'21 and SEK 460.4 million in Q3'20
- Staff cost as percent of total operating revenue was 79.2% in Q3'21 compared to 84.0% in Q2'21 and 79.8% in Q3'20
- Finance expenses in Q3'21 amounted to SEK -19.8 million compared to SEK -20.2 million in Q2'21 and SEK -19.4 million in Q3'20. The effect on net finance from IFRS 16 was SEK -6.0 million in Q3'21.

Income statement

All figures in SEK million	Notes	Q3 21	YTD 21	Q3 20	YTD 20
OPERATING INCOME					
Revenue		504.2	1,508.2	518.9	1,531.9
Other operating revenue		9.8	28.9	10.2	28.5
Total operating revenue	4	513.9	1,537.1	529.1	1,560.4
OPERATING EXPENSES					
Cost of goods sold		-11.9	-35.8	-12.0	-34.8
Personnel expenses		-407.2	-1,263.3	-422.0	-1,281.5
Other operating expenses		-22.1	-75.5	-26.4	-77.7
EBITDA		72.7	162.6	68.7	166.4
Depreciation & amortization		-32.5	-96.7	-31.2	-89.5
Operating profit/loss (EBIT)-bef Property Sales & impairment		40.2	65.9	37.6	76.9
Property Sales & impairment results (gain/loss)			2.0	-0.8	-0.8
Operating profit/loss (EBIT)		40.2	67.8	36.8	76.2
FINANCE					
Finance income	7	0.3	1.1	0.3	8.3
Finance expense	7	-19.8	-59.2	-19.4	-56.0
Profit/Loss before income tax (EBT)		20.7	9.8	17.7	28.4
Income tax	8	-2.6	-5.7	-12.2	-14.5
Profit/Loss for the period		18.0	4.1	5.6	14.0

Balance sheet statement

Comments

- Total assets ended at SEK 2 420.0 million per 30 September 2021
- The increase is mainly due to increased accounts receivables and cash.
- During LTM, properties has been sold and reassessed, whereof the decreased value of property, plant and equipment.
- Total cash and equivalents per end of Q3'21 amounted to SEK 145.3 million

Balance sheet

All figures in SEK million	Notes	2021-09-30	2020-09-30
NON-CURRENT ASSETS			
Goodwill		1,101.3	1,101.3
Other intangible assets		8.5	8.2
Other property, plant & equipment	2	840.0	891.7
Financial assets		5.4	3.7
Total non-current assets		1,955.2	2,004.9
CURRENT ASSETS			
Property, plant & equipment held for sale			2.5
Accounts receivables	6	248.9	218.7
Income tax receivables		35.4	31.0
Receivables from related parties		0.2	0.2
Other short-term receivables		35.0	40.8
Cash and cash equivalents	9	145.3	97.8
Total current assets		464.8	391.1
Total assets		2,420.0	2,396.0

Balance sheet statement

Comments

- Total liabilities ended at SEK 1 962.4 million
- Total equity per end of Q3'21 is SEK 457.6 million

Balance sheet

All figures in SEK million	Notes	2021-09-30	2020-09-30
EQUITY			
Share capital		0.5	0.5
Retained earnings including comprehensive income		457.1	456.8
Equity attributable to owners of the parent		457.6	457.3
Total equity		457.6	457.3
NON-CURRENT LIABILITIES			
Deferred tax liability		4.6	4.0
Bond loans	10	720.2	717.6
Other non-current liabilities	2, 11	723.2	772.6
Total non-current liabilities		1,447.9	1,494.2
CURRENT LIABILITIES			
Accounts payable		32.0	20.7
Other current liabilities	2	482.5	423.8
Total current liabilities		514.5	444.5
Total liabilities		1,962.4	1,938.7
Total equity & liabilities		2,420.0	2,396.0

Cash flow statement

Comments

- Total cash and equivalents per end of Q3'21 amounted to SEK 145.3 million
- The RCF facility of SEK 80 million ended in March and The Group is currently in the process of renewing its RCF facility, a process expected to be finalized during Q4'21.
- During 2021 The Group used the RCF only for 7 days in January.

Cash flow statement

All figures in SEK million	Notes	Q3 21	Q2 21	YTD 21
CASH FLOW FROM OPERATING ACTIVITIES				
Operating result		40,2	10,4	67,8
Adjustments for items not included in cash flow		33,5	32,3	98,2
		73,7	42,7	166,1
Financial items, paid net		-13,5	-13,3	-38,9
Net interest lease debt		-6,0	-6,1	-18,2
Taxes paid		-7,9	-7,8	-24,5
Cash flow from operating activities before changes in working capital		46,3	15,6	84,5
Change in net working capital		-14,8	58,8	40,1
Net cash flow from operating activities		31,6	74,4	124,6
CASH FLOW FROM INVESTING ACTIVITIES				
Gain/loss from sale of assets			1,9	2,3
Net investment in shares in subsidiaries				
Net investment in property, plant and equipment		-2,9	-4,5	-10,2
Net cash flow from investing activities		-2,9	-2,6	-7,8
CASH FLOW FROM FINANCING ACTIVITIES				
Amortization of lease debt		-28,7	-27,8	-83,9
Repayment of interest-bearing debt		0,6		1,2
Net cash flow from financing activities		-28,1	-27,8	-82,7
CHANGES IN CASH AND CASH EQUIVALENTS				
Net change in cash and cash equivalents		0,5	44,0	34,0
Effects of changes in exchange rates on cash				
Cash and cash equivalents at the beginning of period		144,8	100,8	111,3
Cash and cash equivalents at end of period		145,3	144,8	145,3