MEDICOVER

INTERIM REPORT JULY–SEPTEMBER 2019

Third Quarter

- Revenue increased by 26.7% to €212.1m (€167.4m). Organic revenue grew by 17.4%.
- Operating profit (EBIT) increased by 66.7% to €14.3m (€8.6m), representing an operating margin of 6.7% (5.1%).
- Net profit amounted to €6.3m (€6.7m), which represents a net profit margin of 3.0% (4.0%).
- EBITDA increased by 41.5% to €32.5m (€23.0m), corresponding to an EBITDA margin of 15.3% (13.7%).
- EBITDAaL increased by 50.1% to €22.3m (€14.9m), corresponding to an EBITDAaL margin of 10.5% (8.9%).
- Net cash flow from operating activities was €22.6m (€29.4m).
- Basic/diluted earnings per share were €0.043 (€0.045).

Nine Months

- Revenue increased by 25.3% to €614.7m (€490.4m). Organic revenue grew by 15.1%.
- Operating profit (EBIT) increased by 41.9% to €35.7m (€25.1m), representing an operating margin of 5.8% (5.1%).
- Net profit amounted to €18.1m (€20.7m), which represents a net profit margin of 2.9% (4.2%) affected by lower other income/costs.
- EBITDA increased by 31.4% to €87.3m (€66.4m), corresponding to an EBITDA margin of 14.2% (13.5%), impacted by €2.0m (€0.9m) merger and acquisition related costs expensed.
- EBITDAaL increased by 36.7% to €58.3m (€42.6m), corresponding to an EBITDAaL margin of 9.5% (8.7%).
- Net cash flow from operating activities amounted to €62.4m (€57.8m).
- Basic/diluted earnings per share were €0.120 (€0.145).

REVENUE AND EARNINGS

€ millions (€m)	Q3 2019	Q3 2018	Growth	9M 2019	9M 2018	Growth	FY 2018
Revenue	212.1	167.4	27%	614.7	490.4	25%	671.6
Operating profit	14.3	8.6	67%	35.7	25.1	42%	33.7
Operating profit margin, %	*6.7%*	*5.1%*		*5.8%*	*5.1%*		*5.0%*
Net profit	6.3	6.7	-4%	18.1	20.7	-13%	24.2
Net profit margin, %	*3.0%*	*4.0%*		*2.9%*	*4.2%*		*3.6%*
Basic/diluted earnings per share, €	0.043	0.045	-4%	0.120	0.145	-17%	0.167
EBITDA	32.5	23.0	41%	87.3	66.4	31%	90.7
EBITDA margin, %	*15.3%*	*13.7%*		*14.2%*	*13.5%*		*13.5%*
EBITDAaL	22.3	14.9	50%	58.3	42.6	37%	58.5
EBITDAaL margin, %	*10.5%*	*8.9%*		*9.5%*	*8.7%*		*8.7%*
EBITA	15.7	9.4	67%	39.8	27.0	47%	37.0
EBITA margin, %	*7.4%*	*5.6%*		*6.5%*	*5.5%*		*5.5%*

For definition and reconciliation of alternative performance measures, refer to note 11. As from Q3 2019 margins (including margins of comparative figures) and growth rates have been calculated based on EUR whole figures instead of figures rounded in millions.

Medicover is a leading international healthcare and diagnostic services company and was founded in 1995. Medicover operates a large number of ambulatory clinics, hospitals, specialty-care facilities and laboratories and the largest markets are Poland and Germany. In 2018, Medicover had revenue around €672 million and 20,970 employees. For more information, go to www.medicover.com

CEO STATEMENT

Performance in the third quarter was very strong and market dynamics continue to be favourable in our main operations with good demand for private healthcare. Our long history with strong organic growth continues and is ticking up further and complemented with additional acquisition growth. A strength of the business is the diversification with geographies, different payor and service models, complementing each other. I am pleased to see further margin expansion, evidencing our ability to turn scale and operating efficiency into additional profit.

Revenue grew 26.7% to €212.1m (€167.4m), with organic growth amounting to 17.4% in the quarter. EBITDA for the quarter increased strongly by 41.5% to €32.5m (€23.0m), a 160bps margin-expansion to 15.3% (13.7%), reflecting scale and operating leverage for both divisions.

Our strategy to grow private pay Fee-For-Service, both organically and through acquisitions, is being well executed in both divisions. This is illustrated by the Fee-For-Service segment increasing its quarterly revenue share versus last year in both divisions, in Healthcare Services to 39% (38%) and in Diagnostic Services to 66% (65%), representing strong growth of 32% and 27% for each division respectively versus prior year. For the Group, Fee-For-Service represented 51% of total revenue for the quarter and grew a strong 29% on the prior year period.

Healthcare Services' main growth drivers are our core business, the integrated healthcare model together with good performance for our Fee-For-Service offerings, as well as M&A activities. The division had another strong quarter with revenue growth of 30.0% lifting revenue to €113.0m (€86.9m), with organic growth of 19.6%. At the end of the quarter the division had 1.3 million members and grew 10.9% compared to the same period last year.

Healthcare Services EBITDA grew 29.5% to €16.8m (€13.1m), an EBITDA margin of 14.9% (14.9%).

We have continued to invest in India and our ownership in MaxCure now amounts to 49.2%. During the quarter the 11 MaxCure hospitals have been rebranded to Medicover Hospitals.

Diagnostic Services performed very well, and revenue grew by 23.2% to €102.3m (€83.1m) in the quarter with organic growth of 15.3%. All laboratory operations have grown very strongly. The number of laboratory tests grew by 11.0% to 26.4 million (23.8 million). A total of 18 new blood drawing points (BDPs) opened during the quarter and we are now operating a total of 627 BDPs across all geographies.

Diagnostic Services EBITDA increased by 42.6% to €18.8m (€13.3m), an EBITDA margin of 18.4% (15.9%), reflecting the normalisation in Germany and further scale and efficiency improvements across our network.

We expect to be above our medium-term financial targets of 18-20% organic adjusted EBITDAaL, which were communicated in connection with the IPO and which are valid until year end. Organic adjusted EBITDAaL growth amounted to 28.3% for the quarter and to 23.4% for the nine months. New financial targets for the company will be communicated in connection with the year-end report 2019.

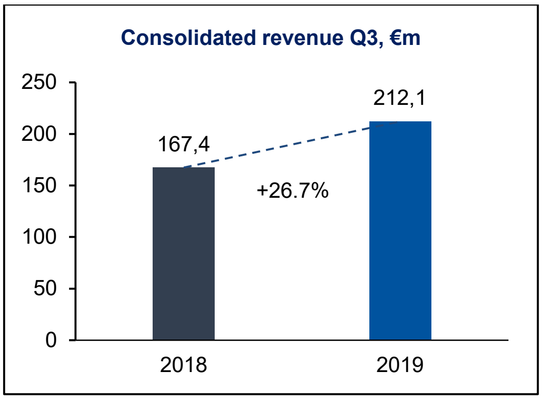
We continue to see a favourable growth environment, reflecting the strong demand for private healthcare services and Medicover's strong brand and market position. Our focus remains on margin expansion and operating cash generation.

Fredrik Rågmark

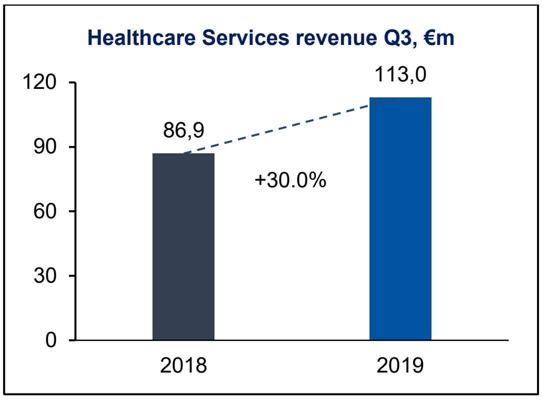
CEO

REVENUE THIRD QUARTER 2019

Consolidated revenue increased by 26.7% to €212.1m (€167.4m) with organic growth of 17.4%. All main revenue lines have grown strongly. Acquisitions made within the last 12 months contributed €16.1m of acquired revenue in the quarter representing just over third of the total year on year growth of €44.7m. These included Neomedic, a leading neonatology and obstetrics hospital group, Klein, a German genetic laboratory, Pelican, a hospital operator in Romania, as well as other Romanian and Polish businesses.



Healthcare Services revenue grew by a very strong 30.0% to €113.0m (€86.9m) with organic growth of 19.6%. Members grew by 10.9% to 1,293K versus prior year quarter (1,166K) with lower member growth than previous quarters from termination of contracts for profitability reasons.

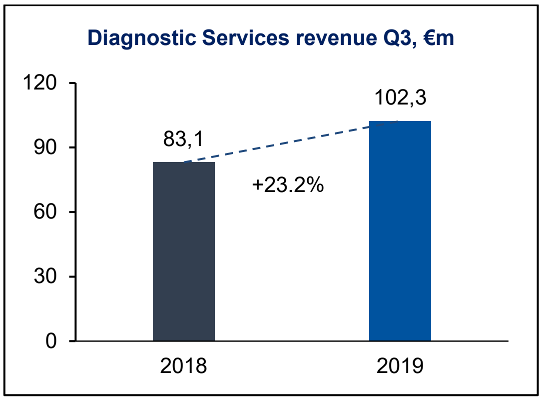


The employment market in the major countries continues to be tight with full employment in many major cities. The trend for out of pocket Fee-For-Service being the larger component of organic growth in the first half has continued into the third quarter representing just over half of the organic growth. Fee-For-Service volume increased in the quarter reflecting demand and the impact of acquisitions and prior investments. Healthcare Services continued to benefit from a good economic background in the major countries of operation.

During the quarter Medicover acquired a dental company operating 3 clinics in Poland.

The MaxCure group, which is an associate and not consolidated, had revenue of approximately €17.6m (€14.1m) with local currency growth of 20.2%. Over the quarter additional existing shares were acquired for €1.5m increasing the interest in MaxCure to 49.2% from 46.7%.

Diagnostic Services revenue grew by 23.2% to €102.3m (€83.1m) with organic growth of 15.3%. The Romanian currency was weaker, the Polish zloty slightly weaker, offset by the Ukrainian currency maintaining its strength. The laboratory test volume increased by 11.0% to 26.4 million (23.8 million).

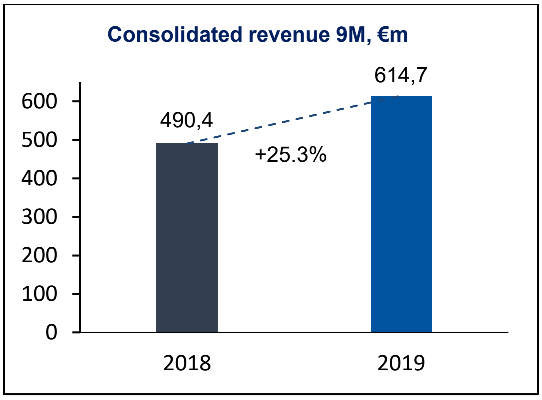


All markets grew strongly reflecting economic development and contribution from prior period investments. Underlying growth in the German laboratory business is clear. This was from a mixture of growth of number of customers and also doctors' referral patterns largely normalised. Volume development was good given that the third quarter is seasonally the lowest for the segment.

The continuing strong economic development in the fast growing markets has led to increased ability to self-pay for healthcare and the expansion of access through more BDPs supports this growth. During the quarter, 18 new BDPs were opened and 5 closed, bringing the total to 627 locations at quarter end.

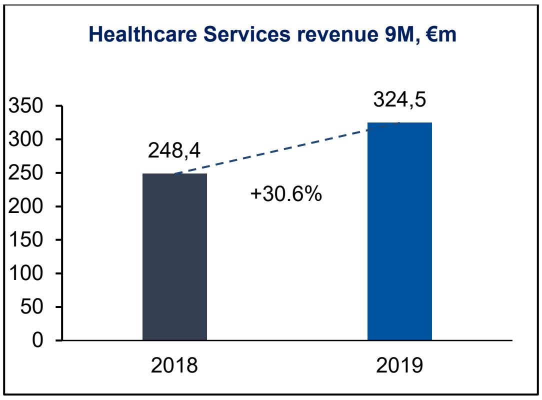
REVENUE NINE MONTHS 2019

Consolidated revenue increased by a very strong 25.3% to €614.7m (€490.4m) with organic growth of 15.1%. Growth has been slightly weighted to the Healthcare Services segment being 58.5% of the organic growth.



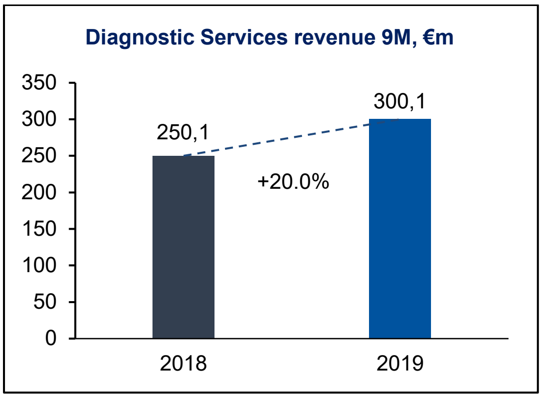
Revenue recognised from acquisitions made in the last twelve months was €51.2m, just over 40% of the total growth.

Healthcare Services revenue grew by 30.6% to €324.5m (€248.4m) with organic growth of 17.5%. A favourable employment market combined with continued good economic development are driving member and revenue growth in the employer funded business. The Fee-For-Service business in both Poland and Romania grew at a faster rate but from a smaller base. The net increase of medical facilities amounted to 27 reaching 195 at the end of the period.



The MaxCure group, which is an associate and not consolidated, had revenue of €49.9m (€41.6m) with local currency growth of 17.7%. The restructuring of the share capital has been completed in 2019 and additional existing shares were acquired for €2.5m, increasing the interest in MaxCure group to 49.2% from 45.1%. Construction work continues with 2 new cancer treatment centres to be commissioned in first half 2020.

Diagnostic Services revenue grew by 20.0% to €300.1m (€250.1m) with organic growth of 13.1%. Growth is strong in all markets, but being particularly marked in Ukraine and Romania.



Revenue for the center for genetic diagnostics of Dr. Klein, Dr. Rost, and colleagues ("Klein") which was acquired in January 2019 amounted to €11.9m.

71 new BDPs were opened and 14 were closed bringing the total to 627 BDPs.

The laboratory test volume increased by 9.0% to 79.9 million (73.3 million), with the increase being predominantly driven from private pay markets and weighted to higher value tests.

€m	Q3 2019	Q3 2018	Growth	9M 2019	% of 9M 2019	9M 2018	% of 9M 2018	Growth
Healthcare Services revenue from external customers	**112.8**	**86.7**	**30.0%**	**324.0**		**248.0**		**30.6%**
Of which funded:								
Privately	100.5	84.9	18.3%	296.7	91.6%	241.1	97.2%	23.0%
Publicly	12.3	1.8	580.0%	27.3	8.4%	6.9	2.8%	297.9%
Originating from:								
Poland	88.9	67.8	31.2%	250.8	77.4%	197.4	79.6%	27.1%
Romania	14.7	10.6	39.0%	44.1	13.6%	26.6	10.7%	65.8%
Other countries	9.2	8.3	9.2%	29.1	9.0%	24.0	9.7%	21.0%
Diagnostic Services revenue from external customers	**99.3**	**80.6**	**23.2%**	**290.5**		**242.2**		**20.0%**
Of which funded:								
Privately	64.8	51.1	26.8%	188.1	64.7%	153.4	63.3%	22.7%
Publicly	34.5	29.5	17.0%	102.4	35.3%	88.8	36.7%	15.2%
Originating from:								
Germany	49.0	41.3	18.6%	145.4	50.1%	121.5	50.2%	19.7%
Romania	15.0	13.2	13.7%	44.9	15.5%	39.4	16.3%	13.9%
Ukraine	16.5	11.9	38.8%	46.0	15.8%	34.1	14.1%	35.1%
Poland	8.8	7.9	9.6%	26.9	9.2%	23.7	9.8%	13.0%
Other countries	10.0	6.3	61.9%	27.3	9.4%	23.5	9.7%	16.5%

PROFIT DEVELOPMENT THIRD QUARTER 2019

Operating profit (EBIT) increased very strongly by 66.7% to €14.3m (€8.6m) with an operating margin expansion to 6.7% (5.1%).

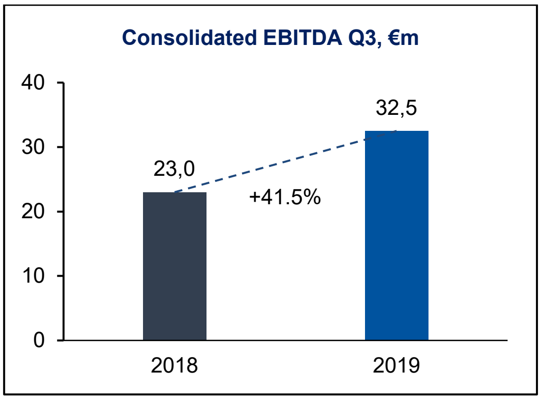
Profit for the period amounted to €6.3m (€6.7m), a margin of 3.0% (4.0%), which was impacted by a share of losses of MaxCure for the year recognised in the third quarter of €-0.9m and foreign exchange losses on lease liabilities of €-1.2m (gain of €0.8m) recognised within the financial result.

Other costs of €-0.8m (other income of €1.1m) included in the movement for non-cash fair value changes in puts written and calls held over share interests in MaxCure.

Net financial cost amounted to €-3.7m (€-0.9m). €3.5m (€1.5m) of interest was charged on the Group’s debt, commitment fees and other discounted liabilities. €1.8m (€1.4m) of the interest charged was in relation to lease liabilities. Foreign exchange losses were €-0.9m (gain of €0.5m) and interest income earned on cash balances amounted to €0.7m (€0.1m).

Basic/diluted earnings per share amounted to €0.043 (€0.045).

Consolidated EBITDA increased by 41.5% to €32.5m (€23.0m), an EBITDA margin of 15.3% (13.7%). Adjusted EBITDA was €33.2m (€23.9m) increasing by 38.8% and with a margin of 15.6% (14.3%). Adjusted EBITDAaL amounted to €23.0m (€15.8m), an increase of 45.5% with a margin of 10.8% (9.4%). 28.3% of this increase was organic.

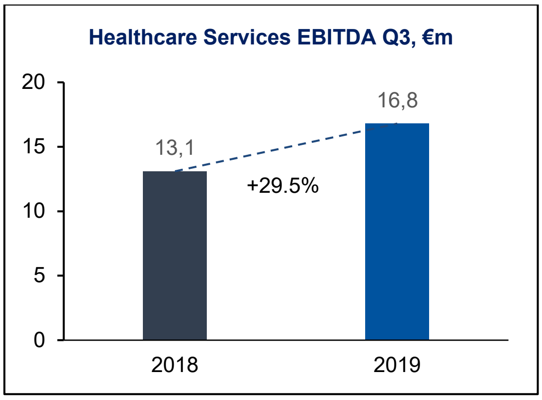


The improvement predominantly reflected the increased revenue in both divisions and flow through to profit, driven by growth, increasing volume in existing facilities as well as acquisitions.

Items affecting comparability

The MaxCure equity stake along with certain rights to call shares and obligations to fulfil put options over MaxCure shares was acquired in the fourth quarter 2017. As these options are recognised as financial instruments they are required to be fair valued using valuation models. The revaluations amounted to €-0.8m (€1.1m), recognised in other income/costs.

EBITDA for **Healthcare Services** increased by 29.5% to €16.8m (€13.1m), an EBITDA margin of 14.9% (14.9%). Organic growth was 10.2% for the quarter. EBITDAaL increased by 33.1% to €11.8m (€9.0m). Contribution from increased volume of activities in major business lines has strongly supported profit development. Cost pressure remains in medical costs in all markets. Pricing is disciplined with likely some dampening of growth rates but supportive of margin development. Acquisitions impacting the quarter include several Polish dental practises and Neomedic in Poland. Neomedic has been consolidated since May. This acquisition has boosted the inpatient activities of the segment and adds 236 beds across 3 hospitals in southern Poland. Medicover is investing to expand the capabilities of Neomedic.

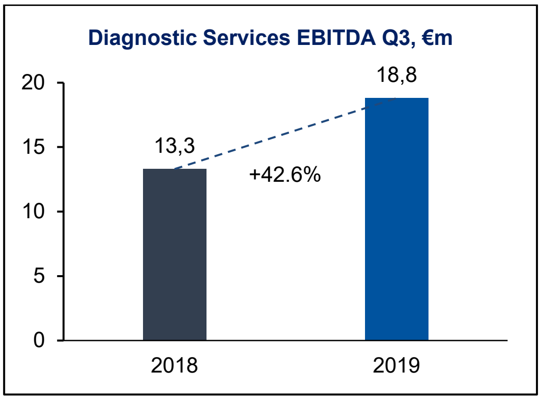


Operating profit increased by 30.6% to €7.1m (€5.6m), a margin of 6.3% (6.3%). All major business units grew strongly in the quarter across all markets.

The segment results were driven by the increase in employer funded members, good growth of the Fee-For-Service business areas such as dental, hospital admissions as well as acquisitions. The expansion of the Pelican hospital is in construction with commissioning expected first half 2020. This will add 100 beds to the current hospital capacity of 142 beds with new medical modalities, expansion of the intensive care unit (ICU) department and new medical imaging diagnostics.

The two main markets for Healthcare Services, Poland and Romania, continued to see strong demand for privately paid healthcare services, driven by strong economic development and real wage growth.

EBITDA for **Diagnostic Services** increased by 42.6% to €18.8m (€13.3m), an EBITDA margin of 18.4% (15.9%), of which 36.4% was organic growth. EBITDAaL increased by 48.6% to €13.7m (€9.3m), a margin of 13.4% (11.1%).



Operating profit increased by 65.2% to €10.6m (€6.4m), a margin of 10.4% (7.8%).

The German clinical business continued to develop with additional doctors within the existing infrastructure were starting to feed through to profitability and existing doctors improving productivity as patients get to know the Medicover clinics and services. The total number of clinics operating was 27 (19) with a new clinic added in Frankfurt in the quarter.

PROFIT DEVELOPMENT NINE MONTHS 2019

Operating profit (EBIT) grew by 41.9% to €35.7m (€25.1m) with an operating margin of 5.8% (5.1%).

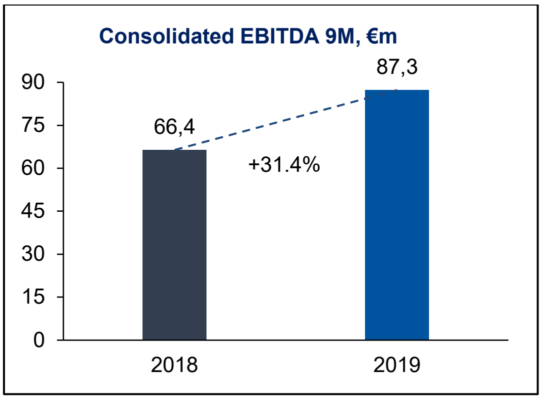
Profit for the period was €18.1m (€20.7m), a margin of 2.9% (4.2%) with lower other income/costs of €-0.2m (€8.0m) mainly relating to fair value changes. Excluding other income/costs, net profit increased strongly by 44.1% from €12.7m to €18.3m.

For the nine months, a loss of €-0.8m was recognised for associates. MaxCure is in a loss position due to the development projects, investments and opening of a new hospital.

Net financial cost amounted to €-9.8m (€-7.2m). €-9.9m (€-6.8m) of interest was charged on the Group's debt, commitment fees and other discounted liabilities. Interest income earned on cash balances amounted to €1.4m (€0.7m). Within the interest charged €5.1m (€4.2m) was related to lease liabilities. Foreign exchange losses were €-1.3m (€-1.1m), of which €-0.9m (€-1.2m) are related to lease liabilities.

Basic/diluted earnings per share were €0.120 (€0.145).

Consolidated EBITDA increased by 31.4% to €87.3m (€66.4m), an EBITDA margin of 14.2% (13.5%), despite higher merger and acquisition related costs being charged for the period. Adjusted EBITDA was €90.6m (€68.4m) increasing by 32.4% with a margin of 14.7% (14.0%). Adjusted EBITDAaL amounted to €61.6m (€44.6m), an increase of 38.0% with a margin of 10.0% (9.1%). 23.4% of this increase was organic.



The increase in EBITDA was slightly weighted to Diagnostic Services, supported by strong contributions from Romania and Ukraine.

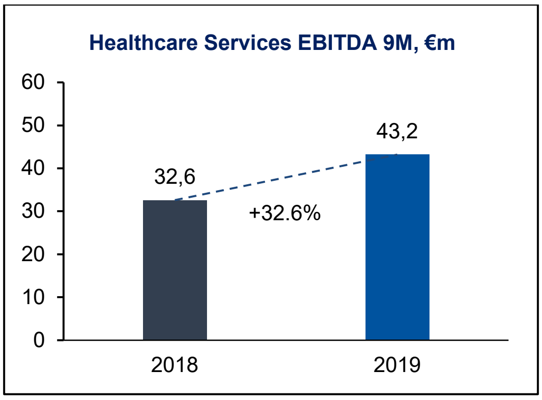
Items affecting comparability

Medicover disposed of its UK based fertility operation in the second quarter 2018 with a non-cash loss of €-1.8m recorded in other income/costs. The EBITDA loss for that business for 2018 was €-0.7m.

Medicover completed and sold a real estate development in Poland in 2018 thereby realising the value of a plot of surplus land, with a profit of €1.5m recognised in other income/costs in the second quarter 2018.

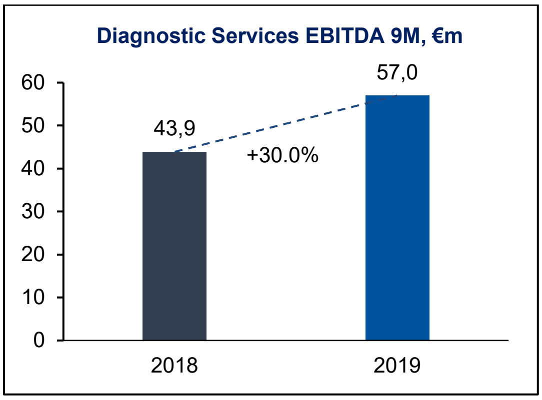
The MaxCure group equity stake along with certain rights to call shares and obligations to fulfil put options over MaxCure shares was acquired in the fourth quarter 2017. These options are recognised as financial instruments and are required to be fair valued using valuation models. The revaluations amounted to €-0.2m (€8.1m), recognised in other income/costs.

EBITDA for **Healthcare Services** increased by 32.6% to €43.2m (€32.6m), an EBITDA margin of 13.3% (13.1%). Organic growth was 14.1%. EBITDAaL increased by 41.5% to €28.8m (€20.4m).



Operating profit amounted to €15.4m (€11.0m), an increase of 40.8% with an operating margin of 4.8% (4.4%).

EBITDA for **Diagnostic Services** increased by 30.0% to €57.0m (€43.9m), an EBITDA margin of 19.0% (17.5%), of which 25.2% was organic growth. EBITDAaL increased by 31.6% to €42.7m (€32.5m), a margin of 14.2% (13.0%). Strong underlying customer demand and volume increase has supported the performance of the segment with flow through to profit of increased contribution.



Operating profit for the segment followed a similar trend with 38.1% growth to €33.9m (€24.5m), a margin of 11.3% (9.8%). Good economic activity in Romania, Ukraine and Poland continued to support out of pocket private pay demand. Diagnostic Services continues to invest in accessibility to services and has increased its number of BDPs and distribution in all geographies, with the addition of 57 BDPs in 2019.

KEY FINANCIAL DATA

Medicover, €m	Jul-Sep 2019	Jul-Sep 2018	Growth	Jan-Sep 2019	Jan-Sep 2018	Growth	FY 2018
Revenue	212.1	167.4	27%	614.7	490.4	25%	671.6
Operating profit	14.3	8.6	67%	35.7	25.1	42%	33.7
Operating profit margin, %	6.7%	5.1%		5.8%	5.1%		5.0%
Net profit	6.3	6.7	-4%	18.1	20.7	-13%	24.2
Net profit margin, %	3.0%	4.0%		2.9%	4.2%		3.6%
Basic/diluted earnings per share, €	0.043	0.045	-4%	0.120	0.145	-17%	0.167
EBITDA	32.5	23.0	41%	87.3	66.4	31%	90.7
EBITDA margin, %	15.3%	13.7%		14.2%	13.5%		13.5%
Adjusted EBITDA	33.2	23.9	39%	90.6	68.4	32%	94.1
Adjusted EBITDA margin, %	15.6%	14.3%		14.7%	14.0%		14.0%
EBTIDAaL	22.3	14.9	50%	58.3	42.6	37%	58.5
EBITDAaL margin, %	10.5%	8.9%		9.5%	8.7%		8.7%
Adjusted EBITDAaL	23.0	15.8	46%	61.6	44.6	38%	61.9
Adjusted EBITDAaL margin, %	10.8%	9.4%		10.0%	9.1%		9.2%
EBITA	15.7	9.4	67%	39.8	27.0	47%	37.0
EBITA margin, %	7.4%	5.6%		6.5%	5.5%		5.5%
Adjusted EBITA	16.4	10.3	59%	43.1	29.0	48%	40.4
Adjusted EBITA margin, %	7.7%	6.2%		7.0%	5.9%		6.0%

Healthcare Services, €m	Jul-Sep 2019	Jul-Sep 2018	Growth	Jan-Sep 2019	Jan-Sep 2018	Growth	FY 2018
Revenue	113.0	86.9	30%	324.5	248.4	31%	346.1
Operating profit	7.1	5.6	31%	15.4	11.0	41%	15.6
Operating profit margin, %	6.3%	6.3%		4.8%	4.4%		4.5%
EBITDA	16.8	13.1	30%	43.2	32.6	33%	45.8
EBITDA margin, %	14.9%	14.9%		13.3%	13.1%		13.3%
EBITDAaL	11.8	9.0	33%	28.8	20.4	42%	29.3
EBITDAaL margin, %	10.4%	10.2%		8.9%	8.2%		8.5%
EBITA	8.2	6.1	38%	18.5	12.0	55%	17.8
EBITA margin, %	7.2%	6.8%		5.7%	4.8%		5.2%
Members (period end) (000's)	1,293	1,166	11%	1,293	1,166	11%	1,209

Diagnostic Services, €m	Jul-Sep 2019	Jul-Sep 2018	Growth	Jan-Sep 2019	Jan-Sep 2018	Growth	FY 2018
Revenue	102.3	83.1	23%	300.1	250.1	20%	336.7
Operating profit	10.6	6.4	65%	33.9	24.5	38%	32.5
Operating profit margin, %	10.4%	7.8%		11.3%	9.8%		9.7%
EBITDA	18.8	13.3	43%	57.0	43.9	30%	58.8
EBITDA margin, %	18.4%	15.9%		19.0%	17.5%		17.5%
EBITDAaL	13.7	9.3	49%	42.7	32.5	32%	43.3
EBITDAaL margin, %	13.4%	11.1%		14.2%	13.0%		12.9%
EBITA	10.9	6.7	62%	34.9	25.4	37%	33.6
EBITA margin, %	10.7%	8.2%		11.6%	10.2%		10.0%
Lab tests (period volume) (m)	26.4	23.8	11%	79.9	73.3	9%	98.1

For definition and reconciliation of alternative performance measures, refer to note 11.

MEDICOVER

CASH FLOW

Third quarter

Cash generated from operations before working capital changes and taxes paid amounted to €34.2m (€23.6m), being 105.3% of EBITDA (102.7%). Net working capital increased by €8.4m (decrease of €6.7m) reflecting the growth in the business. Cash paid tax was €3.2m (€0.9m). Net cash from operating activities was €22.6m (€29.4m).

Investments in tangible and intangible assets amounted to €13.3m (€8.4m) with a focus on Poland with continuing growth of members, dental in Poland as well as laboratory and clinical services in Germany. Investments for acquisitions of subsidiaries and associates amounted to €5.4m (€21.0m). Interest received was €0.8m (€0.2m) earned on cash investments in liquid instruments.

Net loans repaid amounted to €1.9m (net loans drawn €48.2m). Leases repaid were €7.5m (€6.3m). Interest paid amounted to €3.5m (€3.5m), of which €1.8m (€1.4m) related to lease liabilities.

Cash and cash equivalents decreased by €12.6m to €39.8m.

Nine months

Cash generated from operations before working capital changes and taxes paid amounted to €89.6m (€69.3m), being 102.7% of EBITDA (104.4%). Net working capital increased by €17.1m (increase of €2.2m) with an increase in stock, receivables and payables, reflecting the growth in the business. Cash paid tax was €10.1m (€9.3m). Net cash from operating activities was €62.4m (€57.8m).

Investments in tangible and intangible assets amounted to €38.0m (€27.6m) with approximately 56% being growth capital investment and 44% being maintenance investment.

Investments for acquisitions of subsidiaries and associates amounted to €72.8m (€45.5m), with €59.4m paid in cash for the acquisition of Neomedic. Interest received was €1.4m (€0.7m) earned on cash investments in liquid instruments.

Net loans drawn amounted to €89.0m (net loans drawn €69.7m) with a switch in funding during the year from the Group's revolving credit facility to the Group's commercial paper program. Leases repaid were €21.7m (€17.9m). Interest paid amounted to €9.8m (€7.4m), of which €5.1m (€4.2m) related to lease liabilities.

Cash and cash equivalents increased by €0.5m to €39.8m.

FINANCIAL POSITION

Consolidated equity as at 30 September 2019 amounted to €330.4m (€317.5m). The increase in the levels of equity resulted from profit for the nine months and positive movements on translation reserves.

Loans payable amounted to €234.2m (€131.3m) and lease liabilities of €153.1m (€125.4m) for total financial debt of €387.3m (€256.7m). Loans payable net of cash amounted to €194.4m, thus up from €92.9m at year end 2018 funding acquisitions, of which Neomedic was the largest. The ratio of loans payable net of cash to adjusted EBITDAaL for the prior twelve months was 2.5x, up from 1.5x at year end. This has increased temporarily with the largest acquisitions of 2019 yet to be reflected for a full year basis in the earnings measure.

Lease liabilities increased by €27.7m over the nine months with just two thirds being within the organic business with new leases or extensions recognised and one third being as the recognition of leases in acquired businesses.

The Group is also using its commercial paper program backed by its revolving credit facility to achieve lower cost of borrowing. The commercial paper program is classified as short-term debt with maturities of up to six months, however the Group's committed revolving credit facility mitigates any liquidity risks.

After the end of the quarter, the Group issued a schuldschein loan in Germany for €120m with maturities of 5 and 7 years with fixed and floating rate tranches improving its liquidity profile at attractive rates.

TAX

The Group's effective tax rate for the year is forecasted to be 27.0% (29.0%) with a tax charge for the nine months 2019 of €6.8m (€5.5m). Cash paid taxes for the period were €10.1m (€9.3m) with settlements for 2018 and provisional payments for 2019.

PARENT COMPANY

There was no significant revenue. The loss after tax was €-1.9m (€-1.5m) in the quarter and €-5.3m (€-3.6m) for the nine months. The parent company's assets consist of investments in subsidiaries. The business is financed with equity contributed by the owners and a short-term commercial paper program launched in June 2019. €179.8m was drawn at quarter end. The proceeds of the program have been lent to the parent's only subsidiary on the same maturity as the program drawings. Equity of the parent company as at 30 September 2019 was €452.9m (€457.0m at year end).

RISK FACTORS

Operating risks faced by Medicover include risk relating to access to sufficient qualified employees and the related payroll expense to fulfil growth and customer service expectations, risk relating to medical quality or service deficiencies and medical malpractice. External risks include risk relating to the regulatory environment and the general economy, political risk and change in public government funding policies.

Apart from the risks described in the 'Risk and risk management' section of the management report in the annual report 2018 (pages 44-47), no other significant new risks are deemed to have emerged.

Medicover is exposed to various financial risks, such as credit risk, interest rate risk, liquidity risk and foreign currency risk. Financial risks are managed by the central finance department.

For further information on risk management and financial instruments, see the consolidated financial statements of the Group as at and for the year ended 31 December 2018: note 24 on pages 78-80.

BASIS & AUDIT

This interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting*. It should be read together with the consolidated financial statements of the Group as at and for the year ended 31 December 2018 as well with the restatement for IFRS 16, *Leases* and accounting policy update released on 17 April 2019. The comparative amounts presented in this statement have been restated for the impacts of the adoption of IFRS 16.

The interim information on page 1-12 is an integral part of this interim report. This report has been reviewed by the Company's auditor.

The Board of Directors and Chief Executive Officer declare that the interim report for the period January-September 2019 gives a fair overview of the parent company´s and Group´s operations, financial position and results of operations and describes significant risks and uncertainties facing the parent company and companies included in the Group.

Stockholm on 6 November 2019

Fredrik Stenmo
Chairman of the board

Peder af Jochnick
Board member

Robert af Jochnick
Board member

Arno Bohn
Board member

Sonali Chandmal
Board member

Michael Flemming
Board member

Margareta Nordenvall
Board member

Fredrik Rågmark
Board member and CEO

This is information that Medicover AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the agency of the contact person set out below at 7.45 (CET) on 6 November 2019. This interim report and other information about Medicover is available at medicover.com.

Financial Calendar

Year-end report January-December 2019	14 February 2020
Interim report January-March 2020	30 April 2020
Annual General Meeting	30 April 2020
Interim report April-June 2020	24 July 2020
Interim report July-September 2020	6 November 2020

Contact information

For further information, please contact:
Hanna Bjellquist, Head of Investor Relations
Phone: +46 70 303 32 72
E-mail: hanna.bjellquist@medicover.com

Address

Org nr: 559073-9487
Medicover AB (publ)
P.O. Box 5283
S-102 46 Stockholm
Visiting address: Riddargatan 12A
SE-114 35 Stockholm, Sweden
Phone: +46 8-400 17 600

REVIEW REPORT

Medicover AB (publ), org no 559073–9487

Introduction

We have reviewed the interim report for Medicover AB (publ) as at 30 September 2019 and for the nine-month period then ended. The Board of Directors and the Chief Executive Officer are responsible for the preparation and presentation of this interim report in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, Review of Interim Financial Information 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 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 would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion based on a review does not give the same level of assurance as a conclusion 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 for the Group, and in accordance with the Swedish Annual Account Acts for the Parent Company.

Sollentuna, 6 November 2019

BDO Sweden AB

Jörgen Lövgren

Authorised Public Accountant

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Note	€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
2	**Revenue**	**212.1**	**167.4**	**614.7**	**490.4**	**671.6**
	Operating expenses					
	Medical provision costs	-159.1	-127.0	-461.7	-370.1	-507.3
	Gross profit	**53.0**	**40.4**	**153.0**	**120.3**	**164.3**
	Distribution, selling and marketing costs	-10.6	-8.9	-31.6	-25.7	-35.2
	Administrative costs	-28.1	-22.9	-85.7	-69.5	-95.4
	Operating profit	**14.3**	**8.6**	**35.7**	**25.1**	**33.7**
3	**Other income/(costs)**	**-0.8**	**1.1**	**-0.2**	**8.0**	**8.6**
	Interest income	0.7	0.1	1.4	0.7	1.4
	Interest expense	-3.5	-1.5	-9.9	-6.8	-9.6
	Other financial income/(expense)	-0.9	0.5	-1.3	-1.1	-0.6
	Total financial result	**-3.7**	**-0.9**	**-9.8**	**-7.2**	**-8.8**
	Share of profit/(loss) of associates	-0.8	-	-0.8	0.3	-1.8
	Profit before income tax	**9.0**	**8.8**	**24.9**	**26.2**	**31.7**
	Income tax	-2.7	-2.1	-6.8	-5.5	-7.5
	Profit for the period	**6.3**	**6.7**	**18.1**	**20.7**	**24.2**
	Profit attributable to:					
	Owners of the parent	5.7	6.1	16.0	19.3	22.3
	Non-controlling interests	0.6	0.6	2.1	1.4	1.9
	Profit for the period	**6.3**	**6.7**	**18.1**	**20.7**	**24.2**
	Earnings per share attributable to parent:					
	Basic/diluted, €	0.043	0.045	0.120	0.145	0.167

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Note	€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
	Profit for the period	**6.3**	**6.7**	**18.1**	**20.7**	**24.2**
	Other comprehensive income/(loss):					
	Items that may be reclassified subsequently to income statement:					
	Exchange differences on translating foreign operations	-2.3	-2.4	1.3	-6.5	-6.1
	Income tax relating to these items	-0.1	-0.1	-0.5	0.1	0.5
	Other comprehensive income/(loss) for the period, net of tax	**-2.4**	**-2.5**	**0.8**	**-6.4**	**-5.6**
	Total comprehensive income for the period	**3.9**	**4.2**	**18.9**	**14.3**	**18.6**
	Total comprehensive income attributable to:					
	Owners of the parent	3.3	3.5	16.8	12.8	16.7
	Non-controlling interests	0.6	0.7	2.1	1.5	1.9
	Total comprehensive income for the period	**3.9**	**4.2**	**18.9**	**14.3**	**18.6**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Note	€m	30 Sep 2019	30 Sep 2018	31 Dec 2018
	ASSETS			
	Non-current assets			
4	Goodwill	226.7	144.6	150.1
4	Other intangible fixed assets	58.6	47.8	50.8
	Tangible fixed assets	197.4	158.4	164.4
	Right-of-use assets	142.5	116.9	117.0
	Total fixed assets	**625.2**	**467.7**	**482.3**
	Deferred tax assets	6.0	5.1	4.2
	Investment in associates	48.7	45.1	43.8
5	Other financial assets	14.8	5.2	9.3
	Total non-current assets	**694.7**	**523.1**	**539.6**
	Current assets			
	Inventories	33.8	26.6	30.3
5	Other financial assets	6.0	2.0	27.8
5	Trade and other receivables	111.5	86.2	92.3
5	Cash and cash equivalents	39.8	74.2	38.4
	Total current assets	**191.1**	**189.0**	**188.8**
	Total assets	**885.8**	**712.1**	**728.4**
	SHAREHOLDERS' EQUITY			
	Issued capital and reserves attributable to owners of the parent	326.0	308.9	313.1
	Non-controlling interests	4.4	1.6	4.4
	Total shareholders' equity	**330.4**	**310.5**	**317.5**
	LIABILITIES			
	Non–current liabilities			
5, 8	Loans payable	48.0	122.8	126.4
5, 8	Lease liabilities	120.7	96.2	96.4
	Deferred tax liabilities	25.8	24.2	23.7
	Provisions	0.3	0.3	0.3
5, 8	Other financial liabilities	31.1	28.5	28.6
	Other liabilities	2.7	5.4	5.6
	Total non-current liabilities	**228.6**	**277.4**	**281.0**
	Current liabilities			
5, 8	Loans payable	186.2	5.8	4.9
5, 8	Lease liabilities	32.4	28.6	29.0
	Provision for unearned premiums/deferred revenue	9.9	10.3	10.3
	Corporate tax payable	2.9	4.8	4.2
5, 8	Other financial liabilities	5.6	5.2	3.6
5	Trade and other payables	89.8	69.5	77.9
	Total current liabilities	**326.8**	**124.2**	**129.9**
	Total liabilities	**555.4**	**401.6**	**410.9**
	Total shareholders' equity and liabilities	**885.8**	**712.1**	**728.4**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Note	€m	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
	Opening balance shareholders' equity as reported	**317.5**	**299.8**	**299.8**
1	IFRIC 23 impact – first application	-1.9	-	-
	Opening balance shareholders' equity - restated	**315.6**	**299.8**	**299.8**
	Total comprehensive income for the period	*18.9*	*14.3*	*18.6*
	Transactions with owners in their capacity as owners:			
	Share issue for cash	-	-	0.4
	Acquisition of treasury shares	-	-	-0.4
	Acquisition of interest in a subsidiary	-2.2	-	-
	Disposal of interest in a subsidiary	-	-1.6	-1.5
	Non-controlling interests put-option reserve	-3.1	-2.7	-3.3
	Recognition of non-controlling interests on business combinations	-	-0.1	2.6
	Employee share-based compensation costs	1.2	0.8	1.3
	Total transactions with owners in their capacity as owners	*-4.1*	*-3.6*	*-0.9*
	Closing balance shareholders' equity	**330.4**	**310.5**	**317.5**

CONSOLIDATED CASH FLOW STATEMENT

Note	€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
	Profit before income tax	**9.0**	**8.8**	**24.9**	**26.2**	**31.7**
	Adjustments for:					
	Depreciation and amortisation	18.2	14.4	51.6	41.3	57.0
	Gain on disposal of fixed assets	0.0	-0.1	-0.2	-0.1	-0.1
	Gain on termination of leases	-0.1	-	-0.7	-0.1	-0.1
3	Other (income)/costs (non-cash components)	0.8	-1.0	0.2	-6.5	-7.2
	Net interest expense	2.8	1.4	8.5	6.1	8.2
	Employee share-based compensation costs	0.4	0.5	1.2	1.1	1.6
	Other non-cash transactions	2.2	0.4	4.2	0.6	3.3
	Unrealised foreign exchange (gain)/loss	0.9	-0.8	-0.1	0.7	0.0
	Cash generated from operations before working capital changes and tax payments	**34.2**	**23.6**	**89.6**	**69.3**	**94.4**
	Changes in operating assets and liabilities:					
	(Increase)/decrease in receivables & inventories	-9.9	3.7	-21.8	-1.0	-13.3
	Increase/(decrease) in payables	1.5	3.0	4.7	-1.2	5.2
	Cash generated from operations before tax payments	**25.8**	**30.3**	**72.5**	**67.1**	**86.3**
	Income tax paid	-3.2	-0.9	-10.1	-9.3	-11.9
	Net cash from operating activities	**22.6**	**29.4**	**62.4**	**57.8**	**74.4**
	Investing activities:					
	Payment for acquisition of fixed assets	-13.3	-8.4	-38.0	-27.6	-41.0
	Proceeds from disposal of fixed assets	0.1	-	0.2	0.1	0.1
	Payment for acquiring interest in associates	-1.6	-	-2.6	-15.3	-15.3
	Dividends received from associates	-	0.1	-	0.1	0.1
4	Payment for acquisition of subsidiaries, net of cash acquired	-3.8	-21.0	-70.2	-30.2	-34.5
	Proceeds from disposal of subsidiaries, net of cash sold	-	-	-	-	0.5
	Payments into escrow for acquisitions	-	-	-	-	-24.7
	Loans granted	-1.4	-0.6	-6.4	-0.6	-2.7
	Interest received	0.8	0.2	1.4	0.7	1.4
	Net cash used in investing activities	**-19.2**	**-29.7**	**-115.6**	**-72.8**	**-116.1**
	Financing activities:					
	Proceeds from issue of shares	-	-	-	-	0.4
	Acquisition of treasury shares	-	-	-	-	-0.4
	Acquisition of non-controlling interests	-2.7	-	-2.7	-	-
	Loans repaid	-180.4	-0.4	-260.4	-32.9	-35.6
	Loans received	178.5	48.6	349.4	102.6	106.1
	Leases repaid	-7.5	-6.3	-21.7	-17.9	-24.5
	Interest paid	-3.5	-3.5	-9.8	-7.4	-9.4
	Distribution to non-controlling interests	-0.4	-	-1.1	-	-2.0
	Net cash from/(used in) financing activities	**-16.0**	**38.4**	**53.7**	**44.4**	**34.6**
	Total cash flow	**-12.6**	**38.1**	**0.5**	**29.4**	**-7.1**
	Cash and cash equivalents					
	Cash balance as at beginning of the period	53.0	36.6	38.4	45.4	45.4
	Net effects of exchange gain/(loss) on cash balances	-0.6	-0.5	0.9	-0.6	0.1
	Total cash balance as at end of the period	**39.8**	**74.2**	**39.8**	**74.2**	**38.4**
	Increase/(decrease) in cash and cash equivalents	**-12.6**	**38.1**	**0.5**	**29.4**	**-7.1**

CONDENSED PARENT COMPANY INCOME STATEMENT

Note	€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
	Revenue	**0.2**	**0.1**	**0.7**	**0.4**	**0.6**
	Operating expenses	-2.0	-1.6	-5.8	-4.0	-6.3
	Operating loss	**-1.8**	**-1.5**	**-5.1**	**-3.6**	**-5.7**
	Other income/(costs)	**-**	**-**	**-**	**-**	**30.5**
	Interest income/(costs)	-0.1	-	-0.2	-	0.1
	Profit/(loss) before income tax	**-1.9**	**-1.5**	**-5.3**	**-3.6**	**24.9**
	Income tax	-	-	-	-	-
	Profit/(loss) for the period	**-1.9**	**-1.5**	**-5.3**	**-3.6**	**24.9**

As the loss for the period corresponds with the amount in total comprehensive income, no separate statement is presented.

CONDENSED PARENT COMPANY BALANCE SHEET

Note	€m	30 Sep 2019	30 Sep 2018	31 Dec 2018
	Tangible fixed assets	0.0	0.1	0.0
	Investments in subsidiaries	434.8	434.8	434.8
	Other non-current assets	-	-	28.0
	Total fixed assets	**434.8**	**434.9**	**462.8**
	Current receivables	202.2	0.6	0.9
	Cash and cash equivalents	0.0	0.0	0.0
	Total current assets	**202.2**	**0.6**	**0.9**
	Total assets	**637.0**	**435.5**	**463.7**
	Restricted equity	27.1	26.7	27.1
	Non-restricted equity	425.8	401.3	429.9
	Total equity	**452.9**	**428.0**	**457.0**
	Non-current liabilities	3.3	3.3	3.3
	Current liabilities	180.8	4.2	3.4
	Total equity and liabilities	**637.0**	**435.5**	**463.7**

SELECTED EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and principal accounting policies

Basis of preparation

Medicover AB (publ) ("the Company") together with its subsidiaries are referred to as "the Group". Medicover AB (publ) is a company domiciled in Sweden, with its head office in Stockholm. The reporting and functional currency of the Company is the Euro.

Statement of compliance

This interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting* and should be read together with the consolidated financial statements of the Group as at and for the year ended 31 December 2018. The interim financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements.

A restatement and updated accounting policies communication regarding IFRS 16, *Leases* and IFRIC 23, *Uncertainty over income tax treatment* was published on 17 April 2019, detailing the impact of and restatement of reported results and amounts for 2018 and prior periods. This interim report should be read in conjunction with that communication and is an integral part.

The condensed interim financial information on pages 1-12 is an integral part of this interim report.

Significant accounting policies, use of judgements and estimates

The Group applies the International Financial Reporting Standards (IFRS) as adopted by the European Union. The accounting policies applied by the Group in this condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2018, except for the changes described in the restatement release of 17 April 2019. For further details on the impact of IFRS 16, *Leases*, refer to note 9. Changes in IFRIC 23 are summarised as follows:

IFRIC 23, Uncertainty over Income Tax Treatments impact – first application as at 1 January 2019:

- corporate tax payable recognised €1.9m
- reduction in total equity €1.9m

Other new and amended standards as well as interpretations issued by the IASB that will apply for the first time in the 2019 annual consolidated financial statements are not expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

The preparation of interim condensed financial statements in compliance with IAS 34 requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in applying the Group's accounting policies. Refer to the Group's consolidated financial statements as at and for the year ended 31 December 2018 and the restatement release of 17 April 2019 for further information on the use of estimates and judgements.

The parent company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2, *Reporting for Legal Entities*.

2. Segment information

For further details on segment information, see the consolidated financial statements as at and for the year ended 31 December 2018: note 6 on pages 67-69.

No changes in the basis of segmentation from the consolidated financial statements as at and for the year ended 31 December 2018 has occurred. The basis of measurement of segment profit or loss has changed from EBITDA to EBITDAaL, a new alternative performance measure. Due to the adoption of IFRS 16, *Leases*, the utility of the EBITDA measure has reduced as it now excludes costs of leases. EBITDAaL addresses this to be an approximation of the previously used profit and loss performance measure including the costs of leases. Refer to note 11 for more details on EBITDAaL.

€m	Jul-Sep 2019 Healthcare Services	Jul-Sep 2019 Diagnostic Services	Jul-Sep 2019 Central/ other	Jul-Sep 2019 Group total	Jul-Sep 2018 Healthcare Services	Jul-Sep 2018 Diagnostic Services	Jul-Sep 2018 Central/ other	Jul-Sep 2018 Group total
Revenue								
Total revenue	113.0	102.3	0.1		86.9	83.1	0.1	
Inter-segment revenue	-0.2	-3.0	-0.1		-0.2	-2.5	0.0	
Total revenue from external customers	**112.8**	**99.3**	**0.0**	**212.1**	**86.7**	**80.6**	**0.1**	**167.4**
Of which funded:								
Privately	100.5	64.8	0.0	165.3	84.9	51.1	0.1	136.1
Publicly	12.3	34.5	-	46.8	1.8	29.5	-	31.3
Originating from:								
Poland	88.9	8.8	0.0	97.7	67.8	7.9	-	75.7
Germany	-	49.0	-	49.0	-	41.3	-	41.3
Romania	14.7	15.0	0.0	29.7	10.6	13.2	-	23.8
Ukraine	2.6	16.5	-	19.1	1.7	11.9	-	13.6
Other countries	6.6	10.0	0.0	16.6	6.6	6.3	0.1	13.0
Operating profit	7.1	10.6	-3.4	14.3	5.6	6.4	-3.4	8.6
Margin, %	*6.3%*	*10.4%*		*6.7%*	*6.3%*	*7.8%*		*5.1%*
Depreciation and amortisation	9.7	8.2	0.3	18.2	7.5	6.9	0.0	14.4
EBITDA	**16.8**	**18.8**	**-3.1**	**32.5**	**13.1**	**13.3**	**-3.4**	**23.0**
Margin, %	*14.9%*	*18.4%*		*15.3%*	*14.9%*	*15.9%*		*13.7%*
Right-of-use depreciation	-4.0	-4.3	-0.1	-8.4	-3.2	-3.5	0.0	-6.7
Interests on lease obligations	-1.0	-0.8	0.0	-1.8	-0.9	-0.5	0.0	-1.4
Segment result: EBITDAaL[1]	**11.8**	**13.7**	**-3.2**	**22.3**	**9.0**	**9.3**	**-3.4**	**14.9**
Margin, %	*10.4%*	*13.4%*		*10.5%*	*10.2%*	*11.1%*		*8.9%*
Other income/(costs)				-0.8				1.1
Net interest expense				-2.8				-1.4
Other financial income/(expense)				-0.9				0.5
Share of loss of associates				-0.8				-
Tax				-2.7				-2.1
Group profit after tax				**6.3**				**6.7**

[1] EBITDA under previous accounting standards was reported as the segment measure of profit or loss. This has been changed to EBITDAaL under the new accounting standard, IFRS 16, Leases, as applicable from 1 January 2019. The difference between EBITDA as previously reported and EBITDAaL for Q3 2018 was €0.2m, split between €0.1m in Healthcare Service and €0.0m in Diagnostic Services, with the balance of €0.1m for central services.

€m	Jan-Sep 2019 Healthcare Services	Jan-Sep 2019 Diagnostic Services	Jan-Sep 2019 Central/ other	Jan-Sep 2019 Group total	Jan-Sep 2018 Healthcare Services	Jan-Sep 2018 Diagnostic Services	Jan-Sep 2018 Central/ other	Jan-Sep 2018 Group total
Revenue								
Total revenue	324.5	300.1	0.3		248.4	250.1	0.2	
Inter-segment revenue	-0.5	-9.6	-0.1		-0.4	-7.9	0.0	
Total revenue from external customers	**324.0**	**290.5**	**0.2**	**614.7**	**248.0**	**242.2**	**0.2**	**490.4**
Of which funded:								
Privately	296.7	188.1	0.2	485.0	241.1	153.4	0.2	394.7
Publicly	27.3	102.4	-	129.7	6.9	88.8	-	95.7
Originating from:								
Poland	250.8	26.9	0.0	277.7	197.4	23.7	-	221.1
Germany	-	145.4	-	145.4	-	121.5	-	121.5
Romania	44.1	44.9	0.0	89.0	26.6	39.4	-	66.0
Ukraine	7.2	46.0	-	53.2	4.5	34.1	-	38.6
Other countries	21.9	27.3	0.2	49.4	19.5	23.5	0.2	43.2
Operating profit	15.4	33.9	-13.6	35.7	11.0	24.5	-10.4	25.1
Margin, %	*4.8%*	*11.3%*		*5.8%*	*4.4%*	*9.8%*		*5.1%*
Depreciation and amortisation	27.8	23.1	0.7	51.6	21.6	19.4	0.3	41.3
EBITDA	**43.2**	**57.0**	**-12.9**	**87.3**	**32.6**	**43.9**	**-10.1**	**66.4**
Margin, %	*13.3%*	*19.0%*		*14.2%*	*13.1%*	*17.5%*		*13.5%*
Right-of-use depreciation	-11.5	-12.1	-0.3	-23.9	-9.7	-9.7	-0.2	-19.6
Interests on lease obligations	-2.9	-2.2	0.0	-5.1	-2.5	-1.7	0.0	-4.2
Segment result: EBITDAaL[1]	**28.8**	**42.7**	**-13.2**	**58.3**	**20.4**	**32.5**	**-10.3**	**42.6**
Margin, %	*8.9%*	*14.2%*		*9.5%*	*8.2%*	*13.0%*		*8.7%*
Other income/(costs)				-0.2				8.0
Net interest expense				-8.5				-6.1
Other financial expense				-1.3				-1.1
Share of profit/(loss) of associates				-0.8				0.3
Tax				-6.8				-5.5
Group profit after tax				**18.1**				**20.7**

[1] EBITDA under previous accounting standards was reported as the segment measure of profit or loss. This has been changed to EBITDAaL under the new accounting standard, IFRS 16, Leases, as applicable from 1 January 2019. The difference between EBITDA as previously reported and EBITDAaL for nine months 2018 was €1.0m, split between €0.7m in Healthcare Service and €0.2m in Diagnostic Services, with the balance of €0.1m for central services.

As almost all sales in each geography are denominated in the countries' respective currency the above table shows the exposure of the Group to foreign currency risks for revenue. Within the Healthcare Services segment, revenue for insurance contracts for 2019 was €169.4m (€150.7m). For further information on insurance contracts, see the consolidated financial statements as at and for the year ended 31 December 2018: note 4 on page 67.

€m equivalent	30 Sep 2019	30 Sep 2018	31 Dec 2018
Non-current assets by location of assets			
Poland (PLN)	281.0	195.6	199.2
Germany (EUR)	210.0	165.4	165.8
Romania (RON)	89.2	54.9	80.6
India (INR)	31.7	25.0	25.4
Ukraine (UAH)	23.0	14.0	14.9
Other (various)	53.8	63.1	49.5
Total non-current assets	**688.7**	**518.0**	**535.4**

Non-current assets by geography include land and buildings, equipment, intangible assets including goodwill, other financial assets, right-of-use assets and investments in associates. Deferred tax assets of €6.0m (€5.1m) are excluded.

3. Other income/(costs)

€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
Other income/(costs)					
Change in fair value of MaxCure financial assets and liabilities	-0.8	1.1	-0.2	8.1	8.6
Change in fair value of other non-current liabilities	-	0.0	-	0.2	0.2
Loss on disposal of interest in subsidiaries	-	-	-	-1.8	-1.6
Profit on real estate development project	-	-	-	1.5	1.5
Other	0.0	0.0	0.0	0.0	-0.1
Total other income/(costs)	**-0.8**	**1.1**	**-0.2**	**8.0**	**8.6**

4. Significant business combinations

Preliminary purchase price allocation has been performed, subject to change in the next twelve months from the acquisition date, presented below.

In January 2019, the Group acquired 100% of the voting rights in the center for genetic diagnostics of Dr. Klein, Dr. Rost and colleagues ("Klein") located near Munich in Germany for a total consideration of €25.3m including contingent and deferred liabilities of €3.9m. €21.4m was released from money deposited in an escrow account in 2018. €2.7m has been allocated to other intangibles. €20.0m goodwill was recognised on this acquisition, unallocated to specific intangibles representing expected synergies with existing operations. Included in the income statement for the nine months is revenue of €11.9m and net operating profit of €1.0m.

In May 2019, 100% of the voting rights in Neomedic has been acquired for a total consideration of €69.0m including debt assumed. €4.0m has been allocated to other intangibles. €47.1m goodwill was recognised on this acquisition, unallocated to specific intangibles representing expected synergies with existing operations. Included in the income statement is revenue of €13.0m and net operating profit of €3.7m. If this acquisition had occurred on 1 January 2019, Group consolidated revenue would have been €9.7m higher and net operating profit would have been €2.1m higher.

In the nine months 2019, the following cash flows (net of cash acquired) were paid in relation of business combinations.

€m	Klein	Neomedic	Other	Total
Cash	-	2.5	0.4	2.9
Accounts receivable and inventories	0.6	4.7	1.0	6.3
Tangible fixed assets	2.1	18.7	1.7	22.5
Right-of-use assets	5.8	3.6	3.9	13.3
Goodwill	20.0	47.1	10.8	77.9
Other intangible fixed assets:	2.7	4.0	3.0	9.7
Brand	-	3.7	1.1	4.8
Customer relations	2.7	-	1.5	4.2
Set-up costs	-	-	0.0	0.0
Other	0.0	0.3	0.4	0.7
Deferred tax asset	-	0.2	0.1	0.3
Lease liabilities	-5.8	-3.6	-3.9	-13.3
Deferred tax liability	-	-1.1	-0.4	-1.5
Corporate tax payable	-	-0.1	0.0	-0.1
Accounts payable	-0.1	-4.2	-2.3	-6.6
Third party loans	-	-9.9	-1.3	-11.2
Non-controlling interests	-	-	0.1	0.1
Total purchase price	**25.3**	**61.9**	**13.1**	**100.3**
Less: cash acquired	-	-2.5	-0.4	-2.9
Deferred and contingent consideration payable (discounted)	-3.9	-	-0.6	-4.5
Release from escrow account	-21.4	-	-1.3	-22.7
Total cash flow for acquisitions net of cash acquired	**-**	**59.4**	**10.8**	**70.2**

5. Financial assets and liabilities

The following table shows the Group's significant financial assets and liabilities. All financial assets and liabilities are carried at amortised cost with the exception of:

- derivative financial instruments being reported at fair value through profit or loss;
- a put option liability over non-controlling interests in one of the Group's subsidiaries being reported at fair value with the changes in fair value being reported to equity as a transaction between shareholders;
- contingent consideration payable in relation to acquisitions;
- a financial liability arising from an agreement with a third party that entitles the other party to receive cash based on the value of equity instruments of an associate, carried at fair value through profit or loss;
- certain call and put options written over shares of an associate, carried at fair value less deferred day one profit or loss, with the fair value re-measurement at each reporting date being reflected in the income statement along with the release of the initial deferral; and
- investments in equity instruments accounted for at fair value through profit or loss.

All financial assets and liabilities at amortised cost are considered to have carrying amounts that materially correspond to their fair value; for loan borrowings this is due to floating interest rates.

Note	€m	30 Sep 2019 Non-current	30 Sep 2019 Current	30 Sep 2019 Total	30 Sep 2018 Non-current	30 Sep 2018 Current	30 Sep 2018 Total	31 Dec 2018 Non-current	31 Dec 2018 Current	31 Dec 2018 Total
	Financial assets at fair value through profit or loss									
b)	Call options on associate's shares	0.1	3.8	3.9	2.5	2.0	4.5	1.6	3.1	4.7
c)	Other financial assets	2.8	-	2.8	-	-	-	2.8	-	2.8
	Financial assets at amortised cost									
	Other financial assets	11.9	2.2	14.1	2.7	-	2.7	4.9	24.7[1]	29.6
	Trade and other receivables, gross	-	120.2	120.2	-	91.9	91.9	-	98.4	98.4
	Provision for expected credit losses	-	-8.7	-8.7	-	-5.7	-5.7	-	-6.1	-6.1
	Subtotal financial assets at amortised cost	**11.9**	**113.7**	**125.6**	**2.7**	**86.2**	**88.9**	**4.9**	**117.0**	**121.9**
	Cash and cash equivalents	-	39.8	39.8	-	74.2	74.2	-	38.4	38.4
	Total financial assets	**14.8**	**157.3**	**172.1**	**5.2**	**162.4**	**167.6**	**9.3**	**158.5**	**167.8**
	Financial liabilities at fair value through profit or loss									
b)	Put options on associate's shares	1.6	-	1.6	1.1	-1.1	-	1.7	-1.1	0.6
d)	Other financial liabilities	12.8	-	12.8	12.0	-	12.0	11.2	-	11.2
e)	Contingent acquisition consideration payable	7.5	4.0	11.5	3.5	0.7	4.2	5.6	0.6	6.2
	Subtotal financial liabilities at fair value through profit or loss	**21.9**	**4.0**	**25.9**	**16.6**	**-0.4**	**16.2**	**18.5**	**-0.5**	**18.0**
a)	Put option liquidity obligation with non-controlling shareholder (with movement through equity)	16.7	-	16.7	15.4	-	15.4	15.7	-	15.7
	Subtotal financial liabilities at fair value	**38.6**	**4.0**	**42.6**	**32.0**	**-0.4**	**31.6**	**34.2**	**-0.5**	**33.7**
	Financial liabilities at amortised cost									
	Borrowings	36.8	180.1	216.9	115.6	3.0	118.6	117.3	1.8	119.1
	Lease liabilities	120.7	32.4	153.1	96.2	28.6	124.8	96.4	29.0	125.4
	Other liabilities	-	5.6	5.6	-	6.3	6.3	-	4.7	4.7
	Trade and other payables	-	89.8	89.8	-	69.5	69.5	-	77.9	77.9
	Deferred consideration payable	3.7	2.1	5.8	3.7	2.1	5.8	3.5	2.5	6.0
	Subtotal financial liabilities at amortised cost	**161.2**	**310.0**	**471.2**	**215.5**	**109.5**	**325.0**	**217.2**	**115.9**	**333.1**
	Total financial liabilities	**199.8**	**314.0**	**513.8**	**247.5**	**109.1**	**356.6**	**251.4**	**115.4**	**366.8**

[1] Amount deposited into an escrow account relating to 2019 acquisitions.

The following amounts were recognised in other income/(costs) in respect of changes in fair value:

€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
Change in fair value of financial assets/liabilities					
Release of deferred profit upon initial call option recognition	0.1	0.3	1.0	4.6	4.9
Release of deferred loss upon initial put option recognition	-0.2	-0.3	-0.8	-0.9	-1.1
Change in fair value of call/put option on associate's shares	-0.1	0.8	0.1	4.1	3.7
Change in fair value of other financial liabilities	-0.6	0.3	-0.5	0.3	1.1
Total fair value recognised in other income/(costs)	**-0.8**	**1.1**	**-0.2**	**8.1**	**8.6**

Recognised fair value measurements - valuation technique and principal inputs

A breakdown of how fair value is determined is indicated in the following three levels:

Level 1: Medicover presently has no financial assets or liabilities where the valuation is based on level 1.

Level 2: The fair value of interest rate swaps is determined by discounting the estimated cash flows. Discounting is based on quoted market rates on comparable instruments at the balance sheet date.

Level 3: The Group has the following financial assets and liabilities recurrently measured using level 3 fair value measurements. Sensitivity of fair value of financial assets and liabilities to reasonably possible variations of unobservable inputs is presented in a table below *Sensitivity – valuation inputs and relationships to fair value:*

a) The Group is contractually obliged to acquire at a future date a non-controlling interest at a market price determined at that future time. This put option relates to one of the Group's German subsidiaries. The valuation is based on management's estimate of the exercise date and the expected valuation of the put option at that time. Due to contracted terms disadvantaging the holder, it is estimated that the put option will be exercised in 2023 at the earliest. In determining the fair value of the obligation, estimations of key variables are made, of which the most significant are the growth rate of the business to determine its profitability at the future date of exercise (compound rate of 5.5% at the end of Q3 2019 and in 2018) and the discount rate applied to the nominal value (0.6% at the end of Q3 2019 and 1.7% in 2018). This is a level 3 fair value technique with subsequent changes in fair value of the future obligation recognised as a movement within equity.

b) The Group has rights to invest in an associate to inject new capital and to acquire a set number of existing shares at a price per share-based upon a formula linked to a profit measure. In addition, the Group has written put option agreements to certain investors to acquire the shareholding in the future, these can be exercised anytime between March 2020 and March 2023 and between March 2024 and March 2027 or until they cease to be shareholders. The model used for fair valuing these financial instruments is a Monte Carlo simulation model that takes into account the exercise price, the term of the options, the underlying equity value at grant date and expected volatility, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies. Each option was valued individually. Market observable input for share price volatility was based on a group of listed Indian hospital stocks, matched to the duration of the options being valued. Volatility input ranged from 36.6%-38.2%. Market observable growth rates of profitability were used for the same group of stocks also matched to duration of the options. Observable growth rate amounted to 9.2% and volatility to 18.1%.

c) Other financial assets at fair value through profit and loss include a purchase of 11.2% of shares in an innovative biotechnology company that is specialised in non-invasive diagnostics for a total of €2.8m.

d) The Group has a contractual obligation to an unrelated third party in relation to the investment in the associate for services rendered in sourcing and negotiating the transaction and ongoing assistance in mergers and acquisitions as well as corporate governance of the associate. This is remunerated through a contract that grants the advisor a simulated participation in the Group's investment. The liability has been measured at the purchase date using a model relying upon observable and unobservable inputs related to the associate specifically projected growth of underlying profits and estimates of the likely date of exercise and payment of the obligation. The observable inputs relate to discount rates for the equity risks for the listed Indian hospital sector, represented by some 9 listed entities. The rate used at acquisition date was 12.1% and at the end of Q3 2019 revalued to 13.2% (12.9% at year end 2018). Management felt that this was a more appropriate model than one weighted to market based information. The expectations for growth are higher than market rates given the infusion of funds that Medicover is likely to make over 2019 and the resulting boost to growth and profitability above the hospital sector averages in India. This gives a more prudent and more reliable estimation of the eventual liability likely to be payable. As the contractual obligation is payable regardless of subsequent assistance in areas identified above, the total liability is recognised at acquisition and subequently remeasured at fair value at each reporting date with differences accounted through profit or loss.

e) The fair value of contingent considerations payable is based on an estimated outcome of the conditional purchase price/contingent payments arising from contractual obligations. This is initially recognised as part of the purchase price and subsequently fair valued with changes recorded in the profit or loss. During the quarter, an additional €0.3m has been recognised as contingent consideration relating to acquisitions based on future performance targets. No additional material changes have occurred to any related assumptions over the quarter until 30 September 2019.

No financial assets or financial liabilities have been reclassified between the valuation categories in 2019.

Unobservable valuation differences on initial recognition

As described in section b) above, the Group has entered into certain call and put option agreements over shares of an associate. The strike price of these acquisitions/ subscriptions is to be determined based upon formulas linked to profitability with price caps in some cases. The fair value of these options was determined using valuation techniques which rely on some observable inputs, including volatility of share prices of listed entities in the same field and market profit growth rates of similar listed entities, but also rely on unobservable inputs particularly in respect of inputs specific to the associate. The Group views these fair value calculations as reasonable given comparable observable price metrics that are considerably higher even when adjusted for liquidity and size. The accounting policy of the Group is that upon initial recognition of the financial instruments the Group recognises the fair value and will account for the difference between cost and fair value as an adjustment to bring the carrying amount in line with the transaction price. The net profit will be deferred by reducing the initial carrying amount of the net asset. This reduction will then be reversed in the income statement over the life of the options until exercised or lapsed. Management has judged that this gives assurance of the underlying value of the shares covered by the options as the associate increases its profitability. Subsequent fair value re-measurement of the options at each reporting date is reflected in profit or loss along with the release of the initial deferral.

The exercise price of the call options to increase the investment is based on a surrogate for the fair value of the shares at the date of exercise. A valuation of the four call options and two put options has been performed using a Monte Carlo simulation model at inception with a defined set of variables and volatility. The fair value of the call and put options amounted to 5.8m (€7.6m at year end 2018) and €6.2m (€6.0m at year end 2018) respectively at the end of the quarter. Any subsequent change in fair value will be recognised in profit or loss.

The aggregate difference yet to be recognised in the profit or loss at the beginning and end of the period and a reconciliation of the changes of the balance during the period for derivative assets and liabilities are outlined below:

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€m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
Call Options					
Opening balance	**5.8**	**5.4**	**4.7**	**4.2**	**4.2**
Increase due to options acquired/recognised	-	0.2	-	0.2	0.4
Deferral of profit of options acquired	-	-0.2	-	-0.2	-0.4
Decrease due to options exercised and transfer to cost of investment	-2.1	-1.7	-2.1	-6.0	-6.1
Release of profit deferral	0.1	0.3	1.0	4.6	4.9
Revaluation of options	0.1	0.5	0.3	1.7	1.7
Closing balance	**3.9**	**4.5**	**3.9**	**4.5**	**4.7**
Put Options					
Opening balance	**-1.2**	**0.0**	**-0.6**	**-1.5**	**-1.5**
Increase due to options acquired/recognised	-	-0.0	-	0.3	-0.3
Deferral of loss of options acquired	-	0.0	-	-0.3	0.3
Release of loss deferral	-0.2	-0.3	-0.8	-0.9	-1.1
Revaluation of options	-0.2	0.3	-0.2	2.4	2.0
Closing balance	**-1.6**	**0.0**	**-1.6**	**0.0**	**-0.6**

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Sensitivity - valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair Value at (€m)			Range of inputs		
Description	**30 Sep 2019**	**31 Dec 2018**	**Unobservable inputs**	**30 Sep 2019**	**31 Dec 2018**	**Relationship of unobservable inputs to fair value**
Put option (liquidity obligation with non-controlling shareholder)	16.7	15.7	Earnings growth factor	5.5%	5.5%	Increase of 1% point in profit growth = increase in FV liability of €0.6m
			Risk adjusted discount rate	0.6%	1.7%	Decrease of 1% point in discount rate = increase in FV liability of €0.7m
Call option[1] (asset to acquire additional associate's shares)	5.8	7.6	Risk free rate	7.2%-7.5%	7.2%-7.5%	Decrease of 1% point in risk free rate = decrease in FV asset of €0.3m
			EBITDA growth rate	9.2%	9.2%	Increase of 1% point in EBITDA growth rate = decrease in FV asset of €0.2m
Put option[2] (liability to acquire associate's shares held by other investors)	6.2	6.0	Risk free rate	7.2%-8.1%	7.2%-8.1%	Decrease of 1% point in risk free rate = increase in FV liability of €0.7m
			EBITDA growth rate	9.2%	9.2%	Increase of 1% point in the EBITDA growth rate = increase in FV liability of €0.7m
Economic interest option (other non-current liability)	12.8	11.2	4 year projected CAGR EBITDA	33.6%	33.6%	Increase of 10% in CAGR EBITDA = increase in FV liability of €1.5m
			Risk adjusted discount rate	13.2%	12.9%	Decrease of 1% point in discount rate = increase in FV liability of €0.4m
Contingent acquisition consideration payable	11.5	6.2	Risk adjusted discount rate	5.5%-8.7%	5.5%-8.5%	Decrease of 1% point in discount rate = increase in FV liability of €0.1m

[1] Fair value of the call option includes the unamortised deferral of day one profit.
[2] Fair value of the put option includes the unamortised deferral of day one loss.

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6. Share capital

Share capital as at 30 September 2019 was €27.1m represented by 135,735,195 shares divided into 78,801,496 class A shares, 54,533,699 class B shares and 2,400,000 class C shares. The quota value was €0.2 per share. Celox Holding AB owned 47,157,365 shares with 55.8% of the voting rights.

The class C shares are all held by the Company in conjunction with the long-term performance-based share programs.

The number of shares used to calculate the basic and diluted earnings per share is 133,335,195 (133,335,195).

7. Related party transactions

The Group's financial position as at 30 September 2019 and 30 September 2018 and profit for the nine months period then ended were not significantly affected by the existence of balances and transactions with related parties.

8. Net financial debt and other financial liabilities

€m	30 Sep 2019	30 Sep 2018	31 Dec 2018
Loans payable			
Non-current loans payable	48.0	122.8	126.4
Current loans payable	186.2	5.8	4.9
Total loans payable	**234.2**	**128.6**	**131.3**
Less: cash and cash equivalents	-39.8	-74.2	-38.4
Total loans payable less cash and cash equivalents	**194.4**	**54.4**	**92.9**
Lease liabilities			
Non-current lease liabilities	120.7	96.2	96.4
Current lease liabilities	32.4	28.6	29.0
Total lease liabilities	**153.1**	**124.8**	**125.4**
Total financial debt	**387.3**	**253.4**	**256.7**
Less: cash and cash equivalents	-39.8	-74.2	-38.4
Net financial debt	**347.5**	**179.2**	**218.3**

€m	30 Sep 2019	30 Sep 2018	31 Dec 2018
Other financial liabilities			
Non-current	31.1	28.5	28.6
Current	5.6	5.2	3.6
Total other financial liabilities	**36.7**	**33.7**	**32.2**

€179.8m of the Group's debt as at 30 September 2019 is funded under the commercial paper program launched at the end of the second quarter, presented in current loans payable.

9. Impact of IFRS 16 Leases

The impact that IFRS 16, *Leases* has had on the Group's financial position, income statement and cash-flows for 2018 (retrospective application) and 2019 is disclosed in the following tables.

€m	30 Sep 2019 As if IAS 17 still applied	30 Sep 2019 IFRS 16 impact	30 Sep 2019 As reported	30 Sep 2018 As previously reported	30 Sep 2018 IFRS 16 impact	30 Sep 2018 Restated	31 Dec 2018 As previously reported	31 Dec 2018 IFRS 16 impact	31 Dec 2018 Restated
Impact on assets, liabilities and equity									
Right-of-use assets	-	142.5	142.5	-	116.9	116.9	-	117.0	117.0
Shareholders' equity	338.1	-7.7	330.4	316.5	-6.0	310.5	323.9	-6.4	317.5
Lease liabilities	-	153.1	153.1	-	124.8	124.8	-	125.4	125.4

€m	Jul-Sep 2019 As if IAS 17 still applied	Jul-Sep 2019 IFRS 16 impact	Jul-Sep 2019 As reported	Jul-Sep 2018 As previously reported	Jul-Sep 2018 IFRS 16 impact	Jul-Sep 2018 Restated
Impact on profit for the period						
Right-of-use depreciation	-	8.4	8.4	-	6.7	6.7
Interest on lease obligations	-	1.8	1.8	-	1.4	1.4
Operating profit	13.1	1.2	14.3	7.4	1.2	8.6
Profit for the period	7.7	-1.4	6.3	6.2	0.5	6.7
EBITDA	22.9	9.6	32.5	15.1	7.9	23.0
Impact on cash-flows						
Net cash from operating activities	13.2	9.4	22.6	21.7	7.7	29.4
Net cash from/(used in) financing activities	-6.6	-9.4	-16.0	46.1	-7.7	38.4

€m	Jan-Sep 2019 As if IAS 17 still applied	Jan-Sep 2019 IFRS 16 impact	Jan-Sep 2019 As reported	Jan-Sep 2018 As previously reported	Jan-Sep 2018 IFRS 16 impact	Jan-Sep 2018 Restated	Jan-Dec 2018 As previously reported	Jan-Dec 2018 IFRS 16 impact	Jan-Dec 2018 Restated
Impact on profit for the period									
Right-of-use depreciation	-	23.9	23.9	-	19.6	19.6	-	26.6	26.6
Interest on lease obligations	-	5.1	5.1	-	4.2	4.2	-	5.6	5.6
Operating profit	31.4	4.3	35.7	21.9	3.2	25.1	29.4	4.3	33.7
Profit for the period	19.4	-1.3	18.1	22.6	-1.9	20.7	26.5	-2.3	24.2
EBITDA	59.1	28.2	87.3	43.6	22.8	66.4	59.8	30.9	90.7
Impact on cash-flows									
Net cash from operating activities	35.6	26.8	62.4	35.7	22.1	57.8	44.4	30.0	74.4
Net cash from/(used in) financing activities	80.5	-26.8	53.7	66.5	-22.1	44.4	64.6	-30.0	34.6

10. Events after balance sheet date

Just after the period end, to improve the Group's liquidity, a schuldschein loan was issued in the German market for €120m with 5 and 7 year tranches and fixed and floating rates. The issue was oversubscribed and increased from the initial target of €100m, being well received with a good spread of counterparties. This issue opened a new funding source for the Group providing diversification of its funding counterparties and longer maturity profiles. The proceeds will be used to repay debt under the Group's revolving credit facility.

11. Definition and reconciliation of alternative performance measures (APM)

In its decision making, the Group uses some alternative performance measures (APMs) that are not defined in IFRS. They are used because they provide information useful to assess the Group's development and performance. These measures should not be viewed in isolation or as an alternative to the measures presented in accordance with IFRS. These APMs may not be comparable to similar measures presented by other companies. The main alternative performance measures used by the Group are explained and reconciled below. As from Q3 2019 margins (including margins of comparative figures) and growth rates have been calculated based on EUR whole figures instead of figures rounded in millions.

Acquired revenue

Represents revenue recognised from acquired businesses in the first 12 months from the acquisition. This represents non-organic growth. If there is significant expansion of the acquired business post-acquisition due to investments made post-acquisition and such revenue can be readily identified then this additional revenue is excluded from acquired revenue.

Organic revenue

Organic revenue combines real internally generated growth and also comprises price changes. This represents the growth of the business after removing the impact of acquisitions and disposals or other scope changes as well as exchange rate movements. This provides a "like for like" comparison with the previous year or period in constant scope and constant currency enabling a deeper understanding of the business and evolution of revenue.

The revenue of an acquired business is generally excluded for the 12 months following the business combination, but revenue generated by post-acquisition expansion of the business due to investments made subsequent to acquisition, if significant, are included. Revenue of disposed businesses is removed from the comparatives for the 12 months prior to the disposal. The effects of changes in foreign exchange rates are calculated as the current year's revenue less the current year's revenue converted at the prior year's rates.

Organic revenue growth

Organic growth is the comparison of organic revenue for the current year to the comparable prior year revenue, expressed as a percentage or absolute figure.

EBITA

Earnings before interest, other financial income/(expense), tax, amortisation and impairment, other income/(costs) and share of profit/(loss) of associates.

EBITDA

Earnings before interest, other financial income/(expense), tax, amortisation, depreciation and impairment, other income/(costs) and share of profit/(loss) of associates. This is a measure that investors and other users find useful in appraising and understanding the Group's activities.

EBITAaL

EBITA, as defined above, reduced by depreciation and interest charges associated with leases. This APM gives a measure of performance that equates more closely to the cash flow of the business and is used by management in making decisions and accountability.

EBITDAaL

EBITDA, as defined above, reduced by depreciation and interest charges associated with leases. This APM gives a measure of performance that equates more closely to the cash flow of the business and is used by management in making decisions and accountability.

Adjusted EBITA

EBITA, as defined above, adjusted for non-cash equity settled share-based payments as well as merger and acquisition related expenses.

Adjusted EBITDA

EBITDA, as defined above, adjusted for non-cash equity settled share-based payments as well as merger and acquisition related expenses.

Adjusted EBITAaL

Adjusted EBITA, as defined above, reduced by depreciation and interest charges associated with leases.

Adjusted EBITDAaL

Adjusted EBITDA, as defined above, reduced by depreciation and interest charges associated with leases.

EBITA margin

EBITA as a percentage of revenue.

EBITDA margin

EBITDA as a percentage of revenue.

EBITAaL margin

EBITAaL as a percentage of revenue.

EBITDAaL margin

EBITDAaL as a percentage of revenue.

Adjusted EBITA margin

Adjusted EBITA as a percentage of revenue.

Adjusted EBITDA margin

Adjusted EBITDA as a percentage of revenue.

Adjusted EBITAaL margin

Adjusted EBITAaL as a percentage of revenue.

Adjusted EBITDAaL margin

Adjusted EBITDAaL as a percentage of revenue.

Operating profit margin

Operating profit as a percentage of revenue.

Gross profit margin

Gross profit as a percentage of revenue.

Profit margin

Profit for the period as a percentage of revenue.

Net financial debt

Net financial debt represents the net level of financial debt contracted by the Group with external parties (banks, bonds) upon which interest is charged, and lease liabilities recognised under IFRS 16 net of cash and cash equivalents. Refer to note 8 for further details.

Members

Number of individuals covered under a pre-paid subscription or insurance plan within the Healthcare Services segment at the end of the relevant period.

Laboratory tests

Number of laboratory tests performed within the Diagnostic Services segment for the period referenced.

Reconciliation to EBITDAaL and EBITAaL, €m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
Operating profit	14.3	8.6	35.7	25.1	33.7
Amortisation	1.4	0.8	4.1	1.9	3.3
EBITA	**15.7**	**9.4**	**39.8**	**27.0**	**37.0**
Depreciation	16.8	13.6	47.5	39.4	53.7
EBITDA	**32.5**	**23.0**	**87.3**	**66.4**	**90.7**
Right-of-use depreciation	-8.4	-6.7	-23.9	-19.6	-26.6
Interest on lease obligations	-1.8	-1.4	-5.1	-4.2	-5.6
EBITDAaL	**22.3**	**14.9**	**58.3**	**42.6**	**58.5**
Less: depreciation	-8.4	-6.9	-23.6	-19.8	-27.1
EBITAaL	**13.9**	**8.0**	**34.7**	**22.8**	**31.4**
Revenue	212.1	167.4	614.7	490.4	671.6
Operating profit margin, %	6.7%	5.1%	5.8%	5.1%	5.0%
EBITDA margin, %	15.3%	13.7%	14.2%	13.5%	13.5%
EBITDAaL margin, %	10.5%	8.9%	9.5%	8.7%	8.7%
EBITAaL margin, %	6.5%	4.8%	5.6%	4.7%	4.7%
Profit margin, %	3.0%	4.0%	2.9%	4.2%	3.6%

Reconciliation to adjusted EBITDAaL and adjusted EBITAaL, €m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018	Jan-Dec 2018
Operating profit	14.3	8.6	35.7	25.1	33.7
Amortisation	1.4	0.8	4.1	1.9	3.3
EBITA	**15.7**	**9.4**	**39.8**	**27.0**	**37.0**
Depreciation	16.8	13.6	47.5	39.4	53.7
EBITDA	**32.5**	**23.0**	**87.3**	**66.4**	**90.7**
Non-cash equity settled share-based payments	0.5	0.5	1.3	1.1	1.6
Merger and acquisition related expenses	0.2	0.4	2.0	0.9	1.8
Adjusted EBITDA	**33.2**	**23.9**	**90.6**	**68.4**	**94.1**
Right-of-use depreciation	-8.4	-6.7	-23.9	-19.6	-26.6
Interest on lease obligations	-1.8	-1.4	-5.1	-4.2	-5.6
Adjusted EBITDAaL	**23.0**	**15.8**	**61.6**	**44.6**	**61.9**
Less: depreciation	-8.4	-6.9	-23.6	-19.8	-27.1
Adjusted EBITAaL	**14.6**	**8.9**	**38.0**	**24.8**	**34.8**
Revenue	212.1	167.4	614.7	490.4	671.6
Adjusted EBITDA margin, %	15.6%	14.3%	14.7%	14.0%	14.0%
Adjusted EBITDAaL margin, %	10.8%	9.4%	10.0%	9.1%	9.2%
Adjusted EBITAaL margin, %	6.9%	5.3%	6.2%	5.1%	5.2%

Reconciliation to organic revenue, €m	Jul-Sep 2019	Jul-Sep 2018	Jan-Sep 2019	Jan-Sep 2018
Revenue	212.1	167.4	614.7	490.4
Less: acquired revenue	-16.1		-51.2	
Revenue excluding acquisitions	**196.0**		**563.5**	
Currency effect	0.4		1.2	
Organic revenue	**196.4**		**564.7**	
Organic revenue growth	**17.4%**		**15.1%**	