



Press Release

Stockholm 2 May 2017

NOT FOR DISTRIBUTION, RELEASE OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION, RELEASE OR PUBLICATION WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THE PRESS RELEASE.

MEDICOVER INTENDS TO LIST ON NASDAQ STOCKHOLM

Medicover AB (publ) (“Medicover” or the “Company”), a leading healthcare and diagnostic services provider, today announces its intention to proceed with an Initial Public Offering (“IPO” or “Offering”) on Nasdaq Stockholm. Medicover operates mainly in Poland, Germany, Romania, Ukraine and certain other markets, offering a broad range of high quality healthcare services and a significant hub-and-spoke diagnostic laboratory network, all underpinned by a sophisticated proprietary IT infrastructure. Since 2006, the Group’s revenue has grown seven-fold with organic growth accounting for over 70 percent of such growth.

In order to further support Medicover’s strategy and future progression of its business, the Company’s principal owner Celox Holding AB (“Celox”), the board of directors and the management team of Medicover believe pursuing an IPO and listing on Nasdaq Stockholm is the logical next step, enabling access to capital through the Swedish and international capital markets. Furthermore, a stock exchange listing is expected to provide the capital required to pursue growth opportunities within existing main markets and entrance into new markets with core capabilities. Celox, which is ultimately wholly owned and controlled by a charitable foundation – the Jonas and Christina af Jochnick Foundation – will remain the main shareholder following the IPO and will actively continue to support the Company’s development going forward.

Nasdaq Stockholm has approved the admission of the Company’s class B shares to trading, subject to customary conditions, such as the approval of a prospectus by the Swedish Financial Supervisory Authority as well as fulfilment of the distribution requirements in respect of the Company’s shares, no later than on the first day of trading, which is expected to be in the second quarter of 2017.

Fredrik Rågmark, CEO of Medicover, comments:

“Medicover was founded more than 20 years ago and has since then become one of the largest providers of private healthcare and diagnostic services in Central and Eastern Europe. A dedicated focus on quality, medical outcomes and innovation has developed Medicover into a leading player. We have over the years been able to show outstanding growth driven by our ambition to provide best-in-class care, high-quality and service.

We have now entered a phase where we see many opportunities to further expand our approach and business model, with a focus on current geographical areas and also into select new markets. An IPO will provide Medicover with a very strong balance sheet to



enable us to pursue these growth opportunities in line with our strategy. There is still a large unmet need for improved healthcare and quality-of-care in our main markets and with our capabilities, our ambition is to further build and develop our strong market position.”

Fredrik Stenmo, Chairman of Medicover and Director of Celox, comments:

“The management team has done a fantastic job turning Medicover into a leading provider in its main markets. The company has proven to have a solid business model and well-proven strategy in place which management has successfully implemented. The IPO will give management further support and the financial resources to accelerate their strategic agenda and to continue to deliver strong growth and improved profitability.”

About Medicover

Medicover is a leading international healthcare and diagnostic services provider in Poland, Germany, Romania, Ukraine and certain other markets, primarily in Central and Eastern Europe (“CEE”). Additionally, Medicover is in the process of entering the fast-growing Indian healthcare market in order to expand its geographical footprint and further leverage its emerging markets capabilities. Medicover offers a broad range of healthcare services and a significant hub-and-spoke diagnostic laboratory network, supported by extensively developed proprietary software and information systems infrastructure. Medicover operates through two divisions: Healthcare Services and Diagnostic Services.

Healthcare Services offers services ranging from primary care to specialist outpatient and inpatient healthcare. The division generated 49 percent of Medicover’s revenue in 2016, primarily through an integrated “subscription-provider” payment model, which is predominantly an employer funded employee benefit healthcare package. The Healthcare Services division operates over 100 medical centres in 7 countries, with 889 thousand members generating more than 4.9 million visits per year.

Diagnostic Services offers a broad range of diagnostic laboratory services, including a broad range of routine and advanced tests across all major clinical pathology areas. In 2016, the division generated 51 percent of Medicover’s revenue, operated 91 laboratories and over 454 blood drawing points (BDPs), and conducted 115 million tests.

Medicover’s key competitive strengths:

- Leading healthcare services provider with a reputation for delivering high-quality care
- Operating in a market with macro trends supporting long-term healthcare services growth
- Unique integrated business model enables access to a large patient population and to effectively manage utilisation
- Economies of scale and a well-invested asset base
- Experienced management team
- Transparency and robust corporate governance



Financial highlights (€million)

	Year Ended 31 December			January-March	
	2016	2015	2014	2017	2016
Net revenue	497.3	415.6	365.3	141.8	117.1
Growth, %	19.7%	13.8%		21.1%	18.0%
Adjusted EBITDA ¹	46.1	39.7	35.1	13.4	10.2
Adjusted EBITDA growth, %	16.1%	13.1%		31.4%	8.5%
Adjusted EBITDA Margin, %	9.3%	9.5%	9.6%	9.4%	8.7%

Since its inception in 1995, Medicover has seen its revenue grow every year. Since 2006, the Group's net revenue has grown almost seven-fold with organic growth accounting for over 70 percent of the growth.

Medicover's medium term financial targets

- Net revenue growth of 9-12 percent in constant currency and EBITDA growth of 18 - 20 percent in constant currency
- Net revenue and EBITDA growth targets refer to organic growth and do not take into account potential acquisitions that would be on top of this
- Interest-bearing Net Debt/EBITDA is not to exceed 3.5x

The Offering

The Offering will consist of new class B shares issued by the Company. Gross proceeds from the new shares issued are expected to amount to approximately SEK 2.0 billion, corresponding to €210 million, and will be used to support Medicover's growth strategy.

The shares will be offered to qualified institutional investors in Sweden and internationally outside the United States pursuant to Regulation S, as well as to the general public in Sweden. In addition, Celox and R12 Kapital Fund I AB intend to grant a customary over-allotment option to the Joint Global Coordinators of the Offering.

As part of the Offering, the Company, Celox, R12 Kapital Fund I AB, Board and Management and certain other shareholders intend to enter into lock-up agreements. In total, these shareholders represent 94 percent of outstanding shares prior to the Offering.

Funds from the IPO will be used for faster expansion of organic growth opportunities and selected acquisitions to expand market distribution and scope:

- The Company will continue to focus on main markets such as Germany, Poland and Romania, and areas such as diagnostics, fertility and dental.
- Medicover intends to enter new markets within Europe and emerging markets, for example India, within areas such as diagnostics, fertility and other specialist services.

¹ EBITDA adjusted for non-cash share based payments



Jefferies International Limited and SEB are acting as Joint Global Coordinators and Joint Bookrunners in relation to the IPO. Carnegie and Nordea are acting as Joint Bookrunners.

About Celox

Celox Holding AB ("Celox") was established during 2004 in Sweden and focuses on investment activities as well as investment advisory services. Celox is today ultimately wholly owned and controlled by the Jonas and Christina af Jochnick Foundation a charitable, foundation registered in 2011.

The main activity of Celox is to manage its principal capital. This is done primarily through investments in listed and unlisted shares, investment funds, private equity funds and private companies. Celox also controls several operational entities in different countries.

For more information, please contact:

Paula Treutiger, Director – Corporate Communications & Investor Relations

Phone: +46 733 666 599

Email: paula.treutiger@medicover.com

This information was released for publication at 08:00 CEST on 2 May 2017.

IMPORTANT INFORMATION

This announcement is not and does not form a part of any offer to sell, or a solicitation of an offer to purchase, any securities of the Company. Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, Japan or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or sold in the United States. The Company will not register any part of the offering in the United States or conduct a public offering of securities in the United States.

This announcement is an advertisement and is not a prospectus for the purposes of the Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive"). A prospectus prepared pursuant to the Prospectus Directive will be published, which, when published, can be obtained from the Company. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the prospectus.



In any EEA Member State other than Sweden that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive, i.e., only to investors who can participate in the Offering without an approved prospectus in such EEA Member State.

This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (i), (ii) and (iii) above together being referred to as "relevant persons"). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "continue", "potential", "predicts", "projects", "to the knowledge of" and similar expressions. This applies in particular to statements referring to future results, financial position, cash flow, plans and expectations for the Company's business and management, future growth and profitability and general economic and regulatory environment and other circumstances which affect the Company. Forward-looking statements are based upon various estimates and assumptions, many of which are based, in turn, upon further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or in applicable legislation, regulations or rules (including, but not limited to, accounting policies, accounting treatments and tax policies), which, individually or in the aggregate, would be material to the results of operations of the Company or its ability to operate its businesses. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors, which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied by such forward-looking statements.

Potential investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read the detailed description of factors that have an effect on the Company's business and the market in which the Company operates, which will be included in the prospectus.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. Neither the Company nor any other person undertakes any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.



Jefferies International Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Skandinaviska Enskilda Banken AB (publ), Carnegie Investment Bank AB and Nordea Bank AB (publ) are regulated by the Swedish Financial Supervisory Authority. All firms are acting exclusively for the Company, Celox and R12 Kapital Fund I AB and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to the Offering and will not be responsible to anyone other than the Company, Celox and R12 Kapital Fund I AB for providing the protections afforded to their respective clients or for giving advice in relation to the Offering or any transaction or arrangement referred to in this announcement.

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 2016, Medicover had revenues around €0.5 billion and 14,400 employees. For more information, go to www.medicover.com