



## Impact of Covid-19 on GHP's business

**The current Covid-situation means that health care is facing great challenges at the same time as it is now needed more than ever. This also means that GHP needs to quickly adapt to new assignments and changed situations. Based on current information, the Covid-19 situation is expected to have a negative impact on the result in the second quarter of 2020. However, we expect that demand will be strong as soon as the immediate Covid-19 crisis is over, and we see limited impact on the first quarter of 2020.**

In these challenging times, where there is a major need for emergency health care but a lower demand for parts of the care we normally provide, we have ongoing dialogues with the larger regions on how to best support them. Such support of society will temporarily lead to adjustments in our business and this will have short-term financial effects. We expect to have lower earnings in certain business operations for a limited period of time compared with the previous year. However, this will not impact the long-term creation of value at the clinics and in our assessment the underlying demand for our services is still high and will increase in the future.

In the field of specialist dentistry demand has fallen considerably, especially as we do not take on risk patients. We have therefore used the rules that have been introduced concerning short-term furlough in this part of the business. In our assessment these rules are working well, and we have been able to adapt our costs in this area to demand.

The greatest challenges we face are in Denmark, where non-emergency surgery has been forbidden. This means that we can only conduct consultation and diagnostic work. We also have short-term furlough and various supportive packages here as so far there has not been any major need for our help regarding emergency patients.

"The crisis that at present has hit all the countries we are operative in has very different impacts on our various clinics. In Stockholm we are helping the region to manage the situation in the best way possible by lending personnel, switching over in the care we provide to more cancer surgery that cannot wait and starting up a temporary geriatric department. This means that we have considerably reduced our non-emergency care so as to be able to take care of patients with greater immediate health care needs," says Daniel Öhman, CEO.

When we support public health and medical care, we do so on the basis of the agreement that exists between the Swedish Association of Local Authorities and The Association of Private Care Providers. This states that we as care providers will be reimbursed at cost for the resources we make available. Furthermore, it is also stated that we are covered for any lack of activity that may arise as a direct consequence of the fact that the regions have made use of our resources during the pandemic. The precise outcome of this is not clear at present.



In our businesses in the United Arab Emirates and Kuwait we support these countries as far as we can regarding the challenges they face. Here GHP can in a very concrete manner transfer Swedish health and medical care competence to these countries. This is knowledge and a contribution that is appreciated and valued by our counterparts even though it is difficult at present to work on the ramping up of the hospital in Kuwait.

"Today it is not possible to give an answer to how long we as a care provider or society will find ourselves in this current situation. Even if it is hard to predict what will happen in the near future, we know that this is a crisis that will pass. Irrespective of the financial position when the virus crisis is over, we are secure in the knowledge that we operate in a field where demand is strong in all stages of the economic cycle," says Daniel Öhman, CEO.

## Contacts

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## About Us

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*GHP is an internationally active health care provider that operates specialist clinics in a select number of diagnostic areas through the application of a business model that is unique in the health care industry, where leading doctors and medical staff become partners and shareholders. Each clinic specialises in a particular patient group, and this leads to increased efficiency and higher quality. This is the cornerstone of GHP's business philosophy – "Quality through specialisation". GHP shares are traded on the Small Cap list of Nasdaq Stockholm under the ticker symbol "GHP".*

*This information is information that GHP Specialty Care is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2020-04-09 15:30 CEST.*

## Attachments

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