



Humana

Humana acquires Team Olivia Norge AS

Humana Group ("Humana") strengthens its offering of high-quality care services in Norway as Human Care Holding AS ("Humana Norway") has entered into an agreement to acquire Team Olivia Norge AS ("the Transaction") for a purchase price of million SEK 341 on a cash- and debt-free basis. The acquisition is partially financed through an issue in kind of 4 million shares to the sellers¹⁾. The acquisition is expected to contribute to a reduced operational risk through a more diversified customer base and broader geographical exposure. The Transaction is expected to make the Norway business area represent 19 percent of Humana's annual revenue.

Team Olivia Norge AS primarily operates in the areas of individual and family care as well as assistance services, reporting revenues of million SEK 913 in 2023 with a reported operating profit²⁾ of million SEK 47.³⁾ The acquired operations have shown very strong growth totalling 14 percent annually during the last two years. The Transaction is expected to contribute to a reduced operational risk for Humana through a more diversified customer base and broader geographical exposure.

Team Olivia Norge AS and Humana's existing operations in Norway resemble each other in both service offerings and size, which is expected to yield sizable synergies and efficiency gains. This presents opportunities to enhance the quality of services for both customers and users as more resources can be allocated to operational activities. The combined operations are expected to serve approximately 1,000 users and employ approximately 2,000 FTEs.

In the full year of 2023, the combined revenue of Humana and the acquired operations in Norway amounted to million SEK 2,031, with an operating profit of million SEK 122⁴⁾, equivalent to an operating margin of 6.0 percent. The acquisition increases Humana's total revenue by 9 percent, while the Norwegian business area is expected to represent 19 percent of Humana's annual revenue compared to the previous 12 percent.

– We aim to continue developing our offering and are very pleased to welcome many dedicated employees and customers from Team Olivia Norway. The company has built a high-quality operation in Norway with specialized expertise close to the individual care recipient. Together, we

become a strong care and assistance provider in Norway that can collectively leverage the opportunities and synergies arising from this acquisition, says **Johanna Rastad, CEO & President of Humana**.

– At Team Olivia Norway, we have spent more than 20 years building an organisation that focus on care for people with complex care needs. Above all, I am proud of all our outstanding employees who have contributed to our successful development. Our specialised expertise together with Humana’s scale, resources and good system support provide great opportunities for the future, says **Ola Klingenberg, Group CEO of Team Olivia Norway**.

The Transaction is expected to generate both direct cost synergies and opportunities for operational improvements, estimated to total million SEK 21 with full effect from 2025, which corresponds to 1 percent of the combined revenue in Norway and would imply a 1 percentage points increase of the operating margin for the Norwegian business area. The Transaction is expected to incur transaction costs totaling million SEK 15, which are expected to be reported in the first and second quarters of 2024, as well as integration costs totaling million SEK 10, with major parts impacting 2024.

As a result of cost synergies and operational improvements, the Transaction is expected to contribute positively to Humana's earnings per share from 2025.

Transaction terms and financing

Humana Norway has entered into an agreement to acquire Team Olivia Norge AS for a purchase price of million SEK 341 on a cash- and debt-free basis (enterprise value). The purchase price corresponds to 7.2x EBITA before synergies and 5.0x EBITA after expected cost synergies and operational improvements based on the 2023 reported EBITA. The Transaction is subject to approval by the Norwegian competition authority and is expected to be completed during the second quarter of 2024.

The purchase price of million SEK 341 is financed through million SEK 236 from existing cash and an issue in kind to the sellers, resolved by the Board based on authorisation from the annual general meeting held May 9, 2023. Through the share issue, 4 million new shares will be issued to the sellers of Team Olivia Norge AS for a price corresponding to 26.30 SEK per share. The transaction is expected to have limited impact on Humana’s leverage ratio⁵⁾ and the issue in kind of 4 million shares will entail a dilution of 7.7 percent.

The sellers have entered into a lock-up commitment, which among other things, means that they have agreed to not sell any shares in Humana before the earlier of i) 180 days following completion of the Transaction and ii) the date of Humana's publication of the third-quarter interim report.

Advisors

SEB Corporate Finance has acted as financial advisor, Wikborg Rein and Advokatfirman Vinge have acted as legal advisor and PwC has acted as

financial and tax due diligence advisor to Humana in connection with the Transaction.

Invitation to Investor Presentation

A webcast presentation will be held with Humana's CEO Johanna Rastad, CFO Fredrik Larsson and Country Manager Norway Mona Lien today, on 8 April at 10:00 (CEST).

The presentation can be followed via the link below:

<http://ir.financialhearings.com/humana-april-2024>

Analysts and investors have the opportunity to call in to the presentation to ask questions by registering at the following link:

<http://conference.financialhearings.com/teleconference/?id=5007747>

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- 1) Procuritas, Byggmästare Anders J Ahlström and PK Partners among others.
- 2) EBITA.
- 3) Based on an FX rate of 1.0054 NOK/SEK.
- 4) EBITA for Team Olivia Norge AS.
- 5) Interest-bearing net debt to adjusted EBITDA.

This disclosure contains information that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 08-04-2024 07:45 CET.

Humana is a leading Nordic care company providing services within individual and family care, personal assistance, elderly care and special service housing in accordance with LSS. Humana has 22,000 employees in Sweden, Norway, Finland and Denmark providing care for approximately 10,000 individuals and working to achieve the vision "Everyone is entitled to a good life". In 2023, Humana's net revenue was SEK 9,638m. Humana is listed on Nasdaq Stockholm and the company's headquarters are located in Stockholm. Read more about Humana on: <http://www.humanagroup.com/>