



CLINICA
BAVIERA

2019 Results Consolidated Results

26 February 2020

CLINICA BAVIERA

OFTALMOLOGÍA AVANZADA

CIRUGÍA LÁSER
MIOPÍA
PRESBICIA
CATARATAS
RETINA

www.clinicabaviera.com
www.grupobaviera.es



1. Letter from the CEO
2. 2019 Consolidated results
3. 2019 results by country
4. IFRS 16 Impact
5. Financial Calendar and Contact
6. Disclaimer

Letter from the CEO

2019 Results

CONSULTA

2

Dear shareholders and employees,

Here we present the main milestones of last year 2019, which constitutes a continuation of the good trend followed during the last years.

Medical activity

We performed **more than 96,000 surgeries**, which represented an increase of 10% compared to previous year, improving the majority of our quality indicators.

We attended 317,000 ophthalmological consultations.

In 2019, **more than 40,000 people** eliminated **their dependence on glasses or contact lenses** (myopia correction and presbyopia) thanks to the surgeries performed at Clinica Baviera.

Financial information

The Company's **turnover** amounted to **124.3 million Euros**, **growing by +13.8%** compared to 2018, while the net result almost hit the 12.9 million Euros (+8.3% vs. 2018).

In 2019 we paid a dividend amounting to **9.6 million Euros** (+21.7% compared to previous year).

Leverage remained at low levels as **Net Financial Debt** amounted **5.8 million Euros**, with a **0.18x Debt to EBITDA** ratio*.

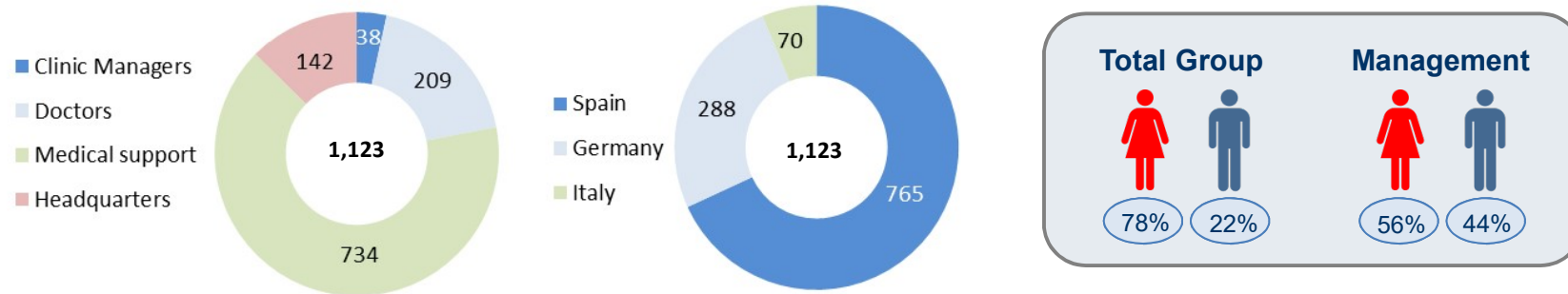


Eduardo Baviera

* Only considering explicit interest-bearing debt




People and clinics

Our headcount has increased in all the countries in which Clinica Baviera is present, reaching the figure of **almost 1,150 professionals**, of which **more than 200 are Doctors specialized in ophthalmology**.



In 2019 we opened 4 new clinics (2 in Spain and 2 in Italy) and, additionally, we also carried out improvements in several clinics of the Group.

Currently, Clinica Baviera has a **network of 86 Clinics**, with the following breakdown by country:

Clinics	
Spain	 58
Germany & Austria	 22
Italy	 6
Total	86



Remarkable projects in course

Digital plan: the future is our opportunity

- The current technologies will allow us to significantly **improve our procedures and results**
- We are increasing the **on-line appointments** and the **digital communication with our patients**
- The **telemedicine and artificial intelligence** projects will allow us to offer **higher quality services to our patients** and the possibility of getting a **higher quality job for our employees**

Responsible company: always going forward (*)

•**Improving the quality of work of our employees**

We group multiple actions that promote the progress, satisfaction and integration of each person who works at Clinica Baviera

•**Improving the care and satisfaction of our patients**

We group measures that optimize the service to our patients both in the medical and assistance fields

•**Efficient resource management and care about the environment**

We are fortunate that our activity does not generate relevant waste but, despite this, we promote multiple cooperation actions with the use and recycling of the resources we have

•**Solidarity projects**

We actively collaborate with multiple solidarity initiatives for both the help that we can contribute and the awareness of the people who work at Clinica Baviera

(*) Soon we will publish in greater detail the project and the initiatives

Future

We are very proud for the results achieved but we do not want to get lost in the past successes since the horizon presents itself with multiples challenges and opportunities to take advantage.

We face the future with great enthusiasm, for the confidence that our patients give us day by day, the initiatives to progress that we are developing and for the good prospects of the markets in which we are currently operating.

“The best is yet to come”

I take this opportunity to thank the trust of employees and shareholders for allowing me to represent from my position such a rewarding business venture.

Kind regards,

Eduardo Baviera

Consolidated results

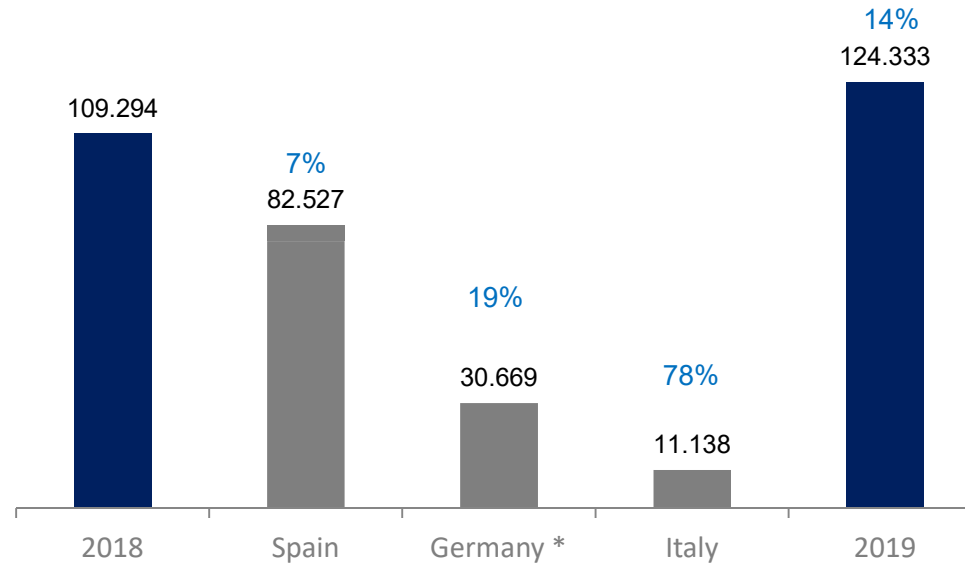
2019 Results



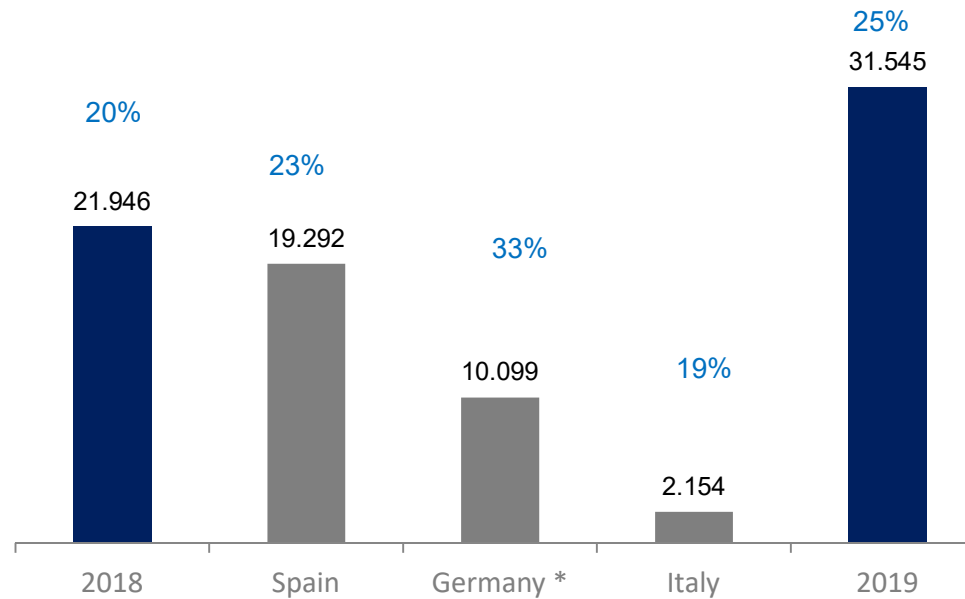
	2019	2018	19-18
Revenues	124,333	109,294	13.8%
<i>Spain</i>	82,527	77,303	6.8%
<i>Germany *</i>	30,669	25,717	19.3%
<i>Italy</i>	11,138	6,274	77.5%
EBITDA	31,545	21,946	43.7%
<i>Spain</i>	19,292	14,312	34.8%
<i>Germany *</i>	10,099	6,693	50.9%
<i>Italy</i>	2,154	941	128.8%
Net profit	12,902	11,908	8.3%

Since 1 January 2019, the group applies **IFRS 16** on lease accounting, without restating the comparative figures for 2018. This standard has had a significant impact on several items of the financial statements. At the end of the presentation, a detail is shown on the effect of IFRS 16 in 9M2019 income statement, balance sheet and cash flow.

REVENUES
% Growth



EBITDA
% revenues

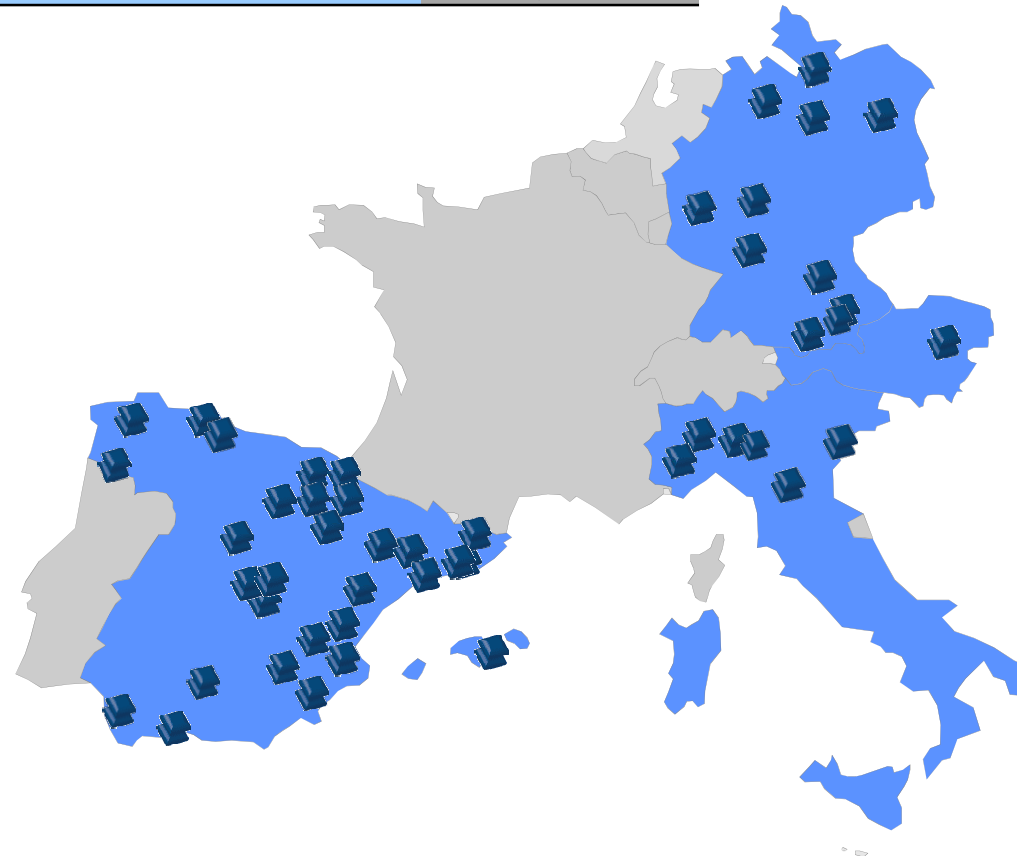


* Including Vienna

	2019	2018	Dif. '000	Dif. %
Net Revenues	124,333	109,294	15,039	13.8%
Operating expenses	(92,788)	(87,348)	5,441	6.2%
EBITDA	31,545	21,946	9,599	43.7%
D&A	(13,227)	(4,966)	8,261	166.4%
EBIT	18,318	16,980	1,337	7.9%
Financial Result	(605)	(173)	(432)	249.6%
Income from invest. accounted for using equity method	76	-	76	N.A.
Profit before taxes	17,789	16,808	982	5.8%
Corporate income tax	(4,887)	(4,899)	(12)	(0.2%)
Net profit	12,902	11,908	994	8.3%

Headcount	Spain	Germany*	Italy	Total
Branch managers	23	11	4	38
Doctors	150	43	16	209
Medical Support	504	190	40	734
Headquarters	88	44	10	142
Headcount	765	288	70	1,123

	Clinics
Spain	58
Germany*	22
Italy	6
Clinics	86



CAPEX

	Investments
Maintenance	4,441
Openings	4,750
CAPEX	9,191

Net Debt

Net Debt Position	31/12/2019	31/12/2018	Difference
Cash and equivalents (1)	(6,488)	(9,804)	3,316
Financial debt (2)	12,256	13,223	(967)
Net Debt Position (*)	5,768	3,419	2,349

(1) Including cash and other temporary financial investments

(2) Including iexplicit nterest-bearing debt

(*) As only explicit interest-bearing debt is considered in its calculation, IFRS 16 has no effect on Net Debt

	2019	2018	'000	%
Property, plant and equipment	32,740	27,479	5,261	19.1%
Rights of use	40,199	-	40,199	#iDIV/0!
Goodwill and other intangible assets	14,928	13,927	1,001	7.2%
Financial instruments and deferred taxes	2,522	1,729	793	45.9%
Debtors and other current assets	4,688	2,891	1,797	62.2%
Cash and equivalents (A) (1)	6,488	9,804	(3,316)	(33.8%)
Assets	101,564	55,830	45,734	81.9%
Financial debt (B)(2)	12,256	13,223	(967)	(7.3%)
Lease-related debt (3)	41,219	-	41,219	#iDIV/0!
Trade creditors and other financial liabilities	10,954	9,354	1,600	17.1%
Deferred payments	86	179	(93)	(52.0%)
Tax payables	5,327	3,835	1,492	38.9%
Other current and non current liabilities	920	474	446	94.0%
Net equity	30,591	28,487	2,104	7.4%
Minority interests	212	278	(66)	(23.7%)
Equity and liabilities	101,564	55,830	45,734	81.9%
Net financial debt (B-A) (*)	5,768	3,419		

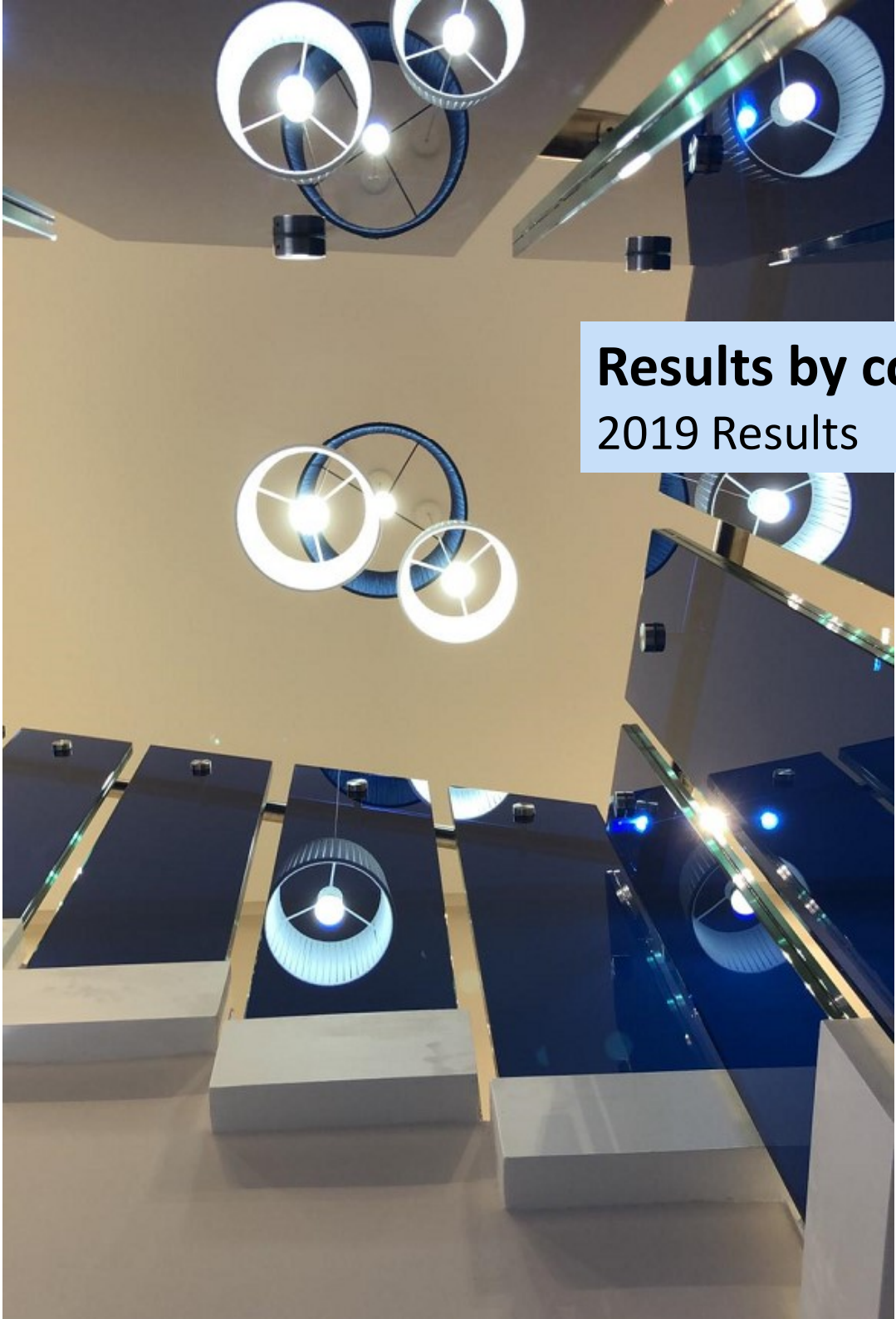
(1) Including cash and other temporary financial investments

(2) Including iexplicit nterest-bearing debt

(3) Debt arising from IFRS 16 implementation

(*) As only explicit interest-bearing debt is considered in its calculation, IFRS 16 has no effect on Net Debt

	2019
Profit before Taxes	17,789
D&A	13,227
Changes in Working Capital	(2,118)
Corporate income tax paid	(4,071)
Other adjustment to the result	575
Cash Flow from Operations	25,403
Purchase of Property, Plant and Equipment	(9,191)
Payments on acquisitions	(860)
Other Investing Flow	47
Cash Flow used in Investing	(10,004)
Bank loans received	5,000
Repayment of bank loans	(6,489)
Right of use payments	(7,480)
Dividends Payments	(9,647)
Other Financing Flow	(99)
Cash flow used in Financing	(18,715)
Net change in cash position	(3,316)

A photograph of a modern interior space, likely a lobby or hallway. The ceiling is white and features several large, circular, illuminated light fixtures with a blue glow. The walls are a light beige color. The floor is a light-colored, polished material. The overall atmosphere is clean and contemporary.

Results by country

2019 Results

2019-2018	Spain	Germany*	Italy	Total
Net Revenues	82,527	30,669	11,138	124,333
Operating Expenses	(63,235)	(20,570)	(8,984)	(92,788)
2019 EBITDA	19,292	10,099	2,154	31,545
2019 EBITDA Margin %	23.4%	32.9%	19.3%	25.4%
2018 EBITDA	14,312	6,693	941	21,946
<i>'000 19-18</i>	<i>4,980</i>	<i>3,406</i>	<i>1,213</i>	<i>9,599</i>

* Including Vienna

2019-2018	2019	%	2018	%	'000	%
Net Revenues	82,527		77,303		5,224	6.8%
Operating Expenses	(63,235)	(76.6%)	(62,991)	(81.5%)	244	0.4%
EBITDA	19,292	23.4%	14,312	18.5%	4,980	34.8%
D&A	(7,806)	(9.5%)	(3,429)	(4.4%)	4,376	127.6%
EBIT	11,486	13.9%	10,883	14.1%	603	5.5%

2019-2018	2019	%	2018	%	'000	%
Net Revenues	30,669		25,717		4,952	19.3%
Operating Expenses	(20,570)	(67.1%)	(19,024)	(74.0%)	1,546	8.1%
EBITDA	10,099	32.9%	6,693	26.0%	3,406	50.9%
D&A	(4,005)	(13.1%)	(1,336)	(5.2%)	2,669	199.8%
EBIT	6,094	19.9%	5,357	20.8%	737	13.8%

* Including Vienna

2019-2018	2019	%	2018	%	'000	%
Net Revenues	11,138		6,274		4,864	77.5%
Operating Expenses	(8,984)	(80.7%)	(5,332)	(85.0%)	3,651	68.5%
EBITDA	2,154	19.3%	941	15.0%	1,213	128.8%
D&A	(1,417)	(12.7%)	(201)	(3.2%)	1,216	605.4%
EBIT	738	6.6%	741	11.8%	(3)	(0.4%)

IFRS 16 Impact 2019 Results



IFRS 16 impact on the consolidated P&L

	2019 prior to IFRS 16	IFRS 16 Impact	2019
Net Revenues	124,333	-	124,333
Operating expenses	(100,279)	7,490	(92,788)
EBITDA	24,055	7,490	31,545
D&A	(6,010)	(7,218)	(13,227)
EBIT	18,045	273	18,318
Financial Result	(210)	(395)	(605)
Income from invest. accounted for using equity method	76	-	76
Profit before taxes	17,912	(123)	17,789
Corporate income tax	(4,926)	39	(4,887)
Net profit	12,986	(84)	12,902

Impact on EBITDA by country:

	2019 prior to IFRS 16	IFRS 16 Impact	2019
<i>Spain</i>	14,692	4,600	19,292
<i>Germany*</i>	7,986	2,113	10,099
<i>Italy</i>	1,377	777	2,154
Total	24,055	7,490	31,545

* Including Vienna

IFRS 16 impact on balance sheet

	2019 prior to IFRS 16	IFRS 16 Impact	2019
Property, plant and equipment	32,740	-	32,740
Rights of use	-	40,199	40,199
Goodwill and other intangible assets	14,928	-	14,928
Financial instruments and deferred taxes	1,959	563	2,522
Debtors and other current assets	4,688	-	4,688
Cash and equivalents	6,488	-	6,488
Assets	60,803	40,761	101,564
Financial debt	12,256	-	12,256
Lease-related debt	-	41,219	41,219
Trade creditors and other financial liabilities	10,954	-	10,954
Deferred payments	86	-	86
Tax payables	5,327	-	5,327
Other current and non current liabilities	-	920	920
Net equity	31,968	(1,377)	30,591
Minority interests	212	-	212
Equity and liabilities	60,803	40,761	101,564

IFRS 16 impact on cash flow

	2019 prior to IFRS 16	IFRS 16 Impact	2019
Profit before Taxes	17,912	(123)	17,789
D&A	6,010	7,217	13,227
Changes in Working Capital	(2,118)	-	(2,118)
Corporate income tax paid	(4,071)	-	(4,071)
Other adjustment to the result	190	385	575
Cash Flow from Operations	17,923	7,480	25,403
Purchase of Property, Plant and Equipment	(9,191)	-	(9,191)
Payments on acquisitions	(860)	-	(860)
Other Investing Flow	47	-	47
Cash Flow used in Investing	(10,004)	-	(10,004)
Bank loans received	5,000	-	5,000
Repayment of bank loans	(6,489)	-	(6,489)
Right of use payments	-	(7,480)	(7,480)
Dividends payments	(9,647)	-	(9,647)
Other Financing Flow	(99)	-	(99)
Cash flow used in Financing	(11,235)	(7,480)	(18,715)
Net change in cash position	(3,316)	-	(3,316)

Financial calendar

Shareholders' meeting
1Q2020 results

May-June 2020

May 2020

Contact

IR Department

Paseo de la Castellana 20
28046 Madrid
Tel: +34 917 819 880
inversores@clinicabaviera.com
www.grupobaviera.com

The financial information contained in this document has been prepared in accordance with International Financial Reporting Standards (IFRS). This financial information is unaudited and, therefore, is subject to potential future changes.

This document is purely for informational purposes and does not constitute an offer or solicitation to sell, subscribe for or buy any securities, and neither this document nor anything contained herein shall form the basis of any contract or commitment.

This document may contain statements on intentions and estimates that constitute forward-looking statements in its general meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and other important factors that could cause actual developments or results to differ materially from those expressed in our forward looking statements. The Company assumes no obligation to publicly revise or update its forward-looking statements in the case of unexpected changes, events or circumstances that could affect them. Given the uncertainties of forward-looking statements, we caution readers not to place undue reliance on these statements.

For a discussion of these and other factors that may affect forward-looking statements and the Baviera Group's business, financial conditions and results of operations, see the documents and information of the Company filed with the *Comisión Nacional del Mercado de Valores* (Spanish Securities Exchange Commission).