

Voyage Care

Investor Presentation

Annual Report 2015

Disclaimer

Forward Looking Statements

Various statements contained in this document constitute “forward-looking statements”. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “think,” “strategy,” and similar expressions identify these forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, regulatory matters affecting our businesses and changes in law. These forward-looking statements speak only as of the date of this presentation, and we assume no obligation to update our forward-looking statements to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Additional Information

This presentation includes the consolidated financial information (audited) of Voyage BidCo Limited and its subsidiaries for the financial year ending 31 March 2015 (“FYE 2015”). All comparisons of financial and operating statistics are for the financial year ending 31 March 2014 (“FYE 2014”), unless otherwise stated. Movements and percentages have been calculated using the underlying number to one decimal place of the number presented in this document.

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Executive Summary

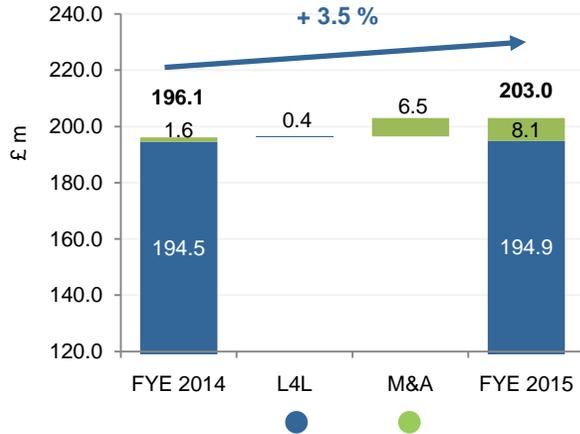
FYE 2015 Highlights

- New Chairman, Gavin Simonds, appointed 1 January 2015
- New CEO, Andrew Cannon, announced 9 June 2015, commencing 25 August 2015
- Another year of strong performance in tough trading conditions
- Turnover at £203.0m, up by 3.5% vs. FYE 2014 (£196.1m)
- EBITDA before exceptional items at £43.8m, up 8.1% vs. FYE 2014 (£40.5m)
- CQC quality remains high, with 85% of services achieving a rating of Good or Outstanding (as at 31 March 2015) following inspection against the new requirements introduced in October 2014.
- Acquisition of Primary Care (27 June 2014), Skills For Living (20 August 2014) & Redcliffe (11 March 2015)
- Strong cash conversion at 80.6%, pre M&A catch-up capex
- Net debt at March 2015 is £262.7m
- LTM EBITDA leverage (before pro-forma adjustments) at March 2015 is 5.99x (post pro-forma adjustments is 5.89x)
- RCF agreement amended in December 2014, increasing the available facility from £30.0m to £45.0m

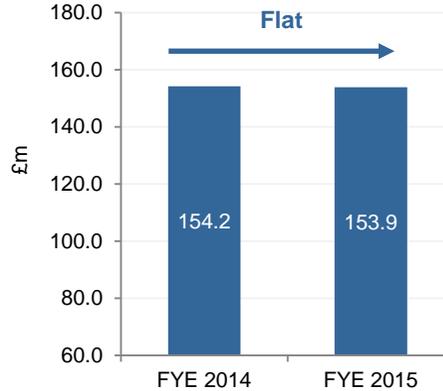
Financial Highlights

Key Business Streams - Turnover

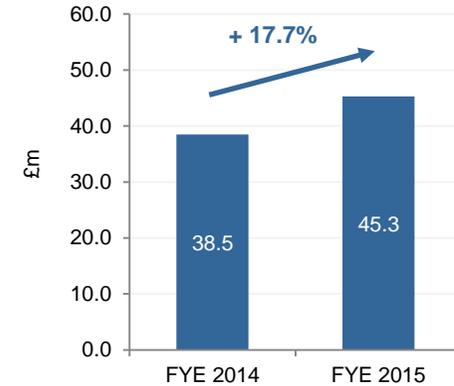
FYE 2014 to FYE 2015



Registered



Supported Living (and Outreach)



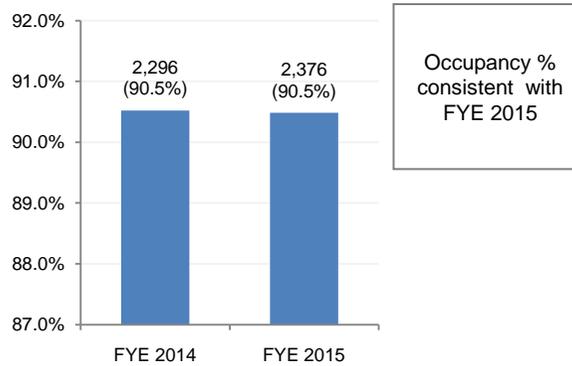
Comments

- Like-for-like turnover up +0.2%
- M&A turnover up £6.5m, primarily due to the Ingleby, Skills For Living and Primary Care acquisitions
- Turnover across the Registered services has remained broadly flat
- Turnover increase across Supporting Living and Outreach is +17.7%, part M&A, part tender wins

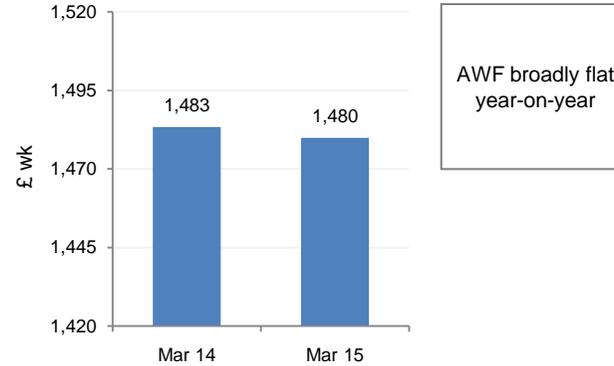
Financial Highlights

Key Operating Metrics - LTM

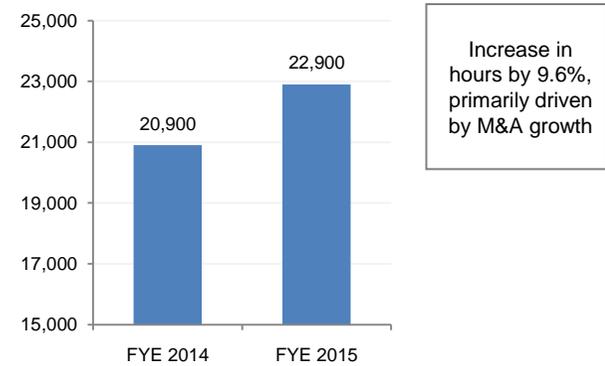
Average Residential Occupancy



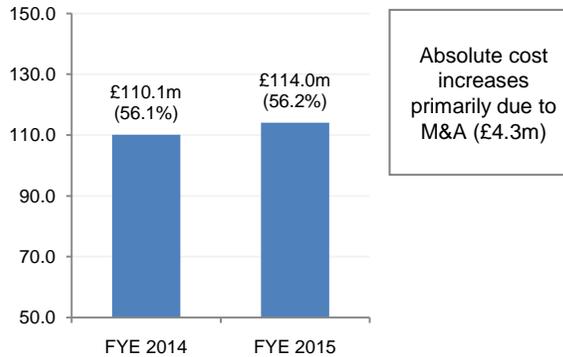
Residential Average Weekly Fee (LTM)



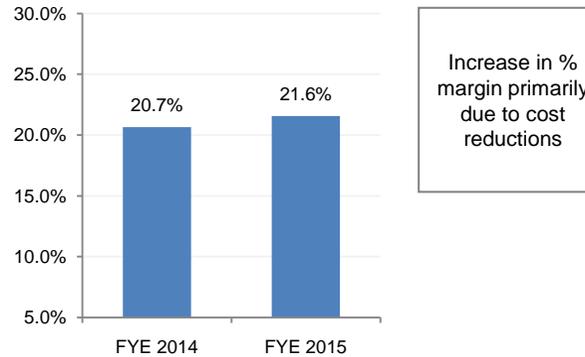
Average Weekly Outreach Hours



Unit Level Staff Costs (% Turnover) *



EBITDA pre exceptionals (% Margin)



Agency costs increased in FYE 2015 by £1.2m (compared to FYE 2014)

* Excludes agency costs

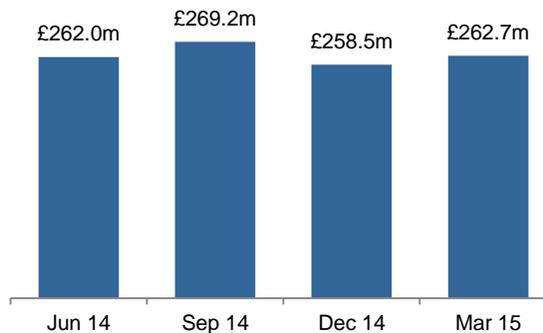
Financial Highlights

LTM performance

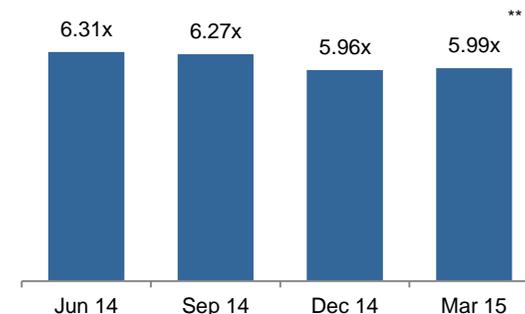
EBITDA pre exceptionals (before pro-forma adjustments)



Net Debt



Leverage (net) (before pro-forma adjustments)



Gross Debt	£272.0m	£275.0m	£272.0m	£277.0m
Cash *	(£9.4m)	(£5.3m)	(£13.0m)	(£13.8m)
OID	(£0.6m)	(£0.5m)	(£0.5m)	(£0.5m)
Net Debt	£262.0m	£269.2m	£258.5m	£262.7m

Comments

- LTM to March 2015 includes Primary Care (for 9 months), Skills For Living (for 7 months) and Redcliffe (for 1 month)
- March 2015 Net Debt is calculated as £277.0m Gross Debt (including £5.0m drawn down on the RCF), less £13.8m adjusted cash (£15.5m cash balance adjusted for £0.5m restricted balances and £1.1m deferred consideration payable), less £0.5m of unamortised Original Issue Discount (OID) on 2nd Lien Notes = £262.7m.

* cash adjusted for restricted cash and deferred consideration payable

** after adjusting for the full year impact of Ingleby Care, Primary Care, Skills for Living and Redcliffe, leverage reduces to 5.89x

Financial Highlights

Cash flow

£ millions	FYE	
	2015	2014
EBITDA before exceptional items	43.8	40.5
Maintenance capex	(8.5)	(9.1)
Operating cash flow	35.3	31.5
<i>Cash conversion %</i>	<i>80.6%</i>	<i>77.6%</i>
Debt service costs	(20.8)	(20.8)
Taxation	0.1	1.0
Other items before acquisitions and financing	(3.6)	(12.6)
FCF before acquisitions and financing	11.0	(1.0)
Acquisition	(6.9)	(5.5)
Acquisition integration costs	(0.4)	(1.0)
Acquisition capex	0.0	(1.6)
FCF before financing	3.7	(9.1)
Financing	(3.0)	8.0
Increase / (decrease) in cash for the period	0.7	(1.1)
Opening cash	14.7	15.8
Closing cash	15.5	14.7

Comments

- Maintenance capex excluding IT spend is £7.4m and as a % of turnover for FYE 2015 was 3.6% (FYE 2014: 3.9%)
- Interest on loan notes £19.9m per annum (excluding interest on RCF facility)
- Other cash flow items relate to working capital movements, exceptional items, development capex & asset sale proceeds
- Acquisitions of £6.9m in FYE 2015 relate to Redcliffe, Primary Care and Skills For Living (net of cash balances acquired)
- Acquisition integration costs relate to Ingleby, ILG & Solor Care
- Acquisition capex relates to ILG & Solor Care
- Financing relates to movements on the RCF facility drawdown

Outlook & Recent Developments

- Business as usual with no change in strategy
- National Living Wage
- Adoption of IFRS – From 1 April 2015 the group will adopt international accounting standards, Q1 FY2016 will be on this basis
- Next update published 27 August 2015, conference call 8 September 2015 2pm

Q & A

Further questions can be addressed to investorrelations@voyagecare.com

Also please visit our investor relations web site investors.voyagecare.com