

Voyage Care

Investor Presentation

Q2 2017

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 condensed consolidated financial information (unaudited) of Voyage BidCo Limited and its subsidiaries for the three and six month period ended 30 September 2016 (“Q2 2017”). All comparisons of financial and operating statistics are for the three and six month period ended 30 September 2015 (“Q2 2016”), 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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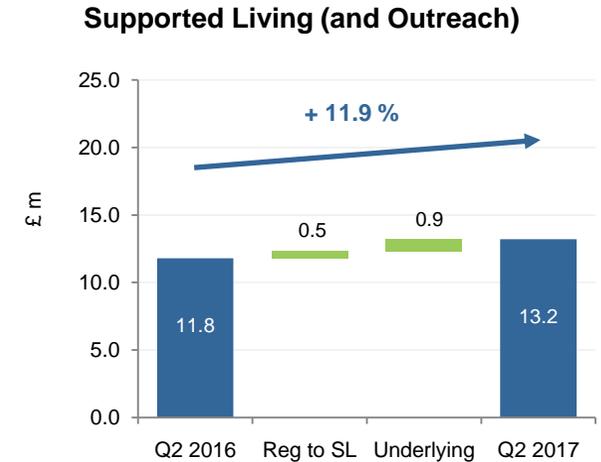
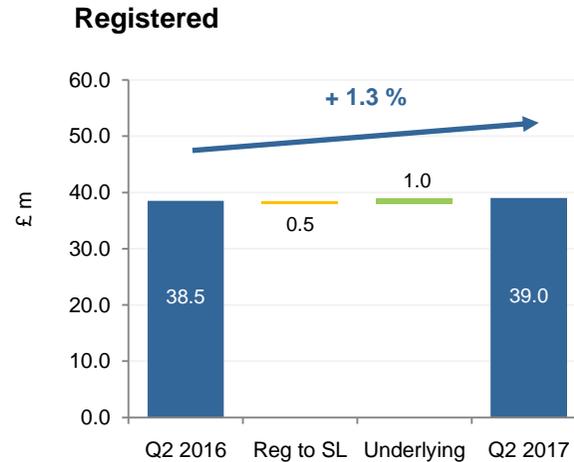
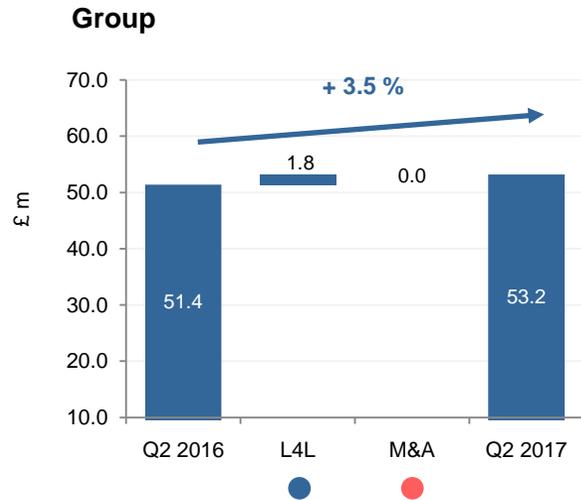
Executive Summary

Q2 2017 Highlights

- CQC quality scores remain very high, with 91.7% of services achieving a rating of Good or Outstanding (as at 30 September 2016) following inspection against the requirements introduced in October 2014
- Good trading performance in testing operating conditions
- Revenue at £53.2m, up by 3.5% vs. Q2 2016 (£51.4m)
- EBITDA before non-underlying items at £10.1m, up £0.6m on Q1 2017 but down 4.7% vs. Q2 2016 (£10.6m); primarily due to National Minimum Wage and National Living Wage impact
- Strong cash conversion at 79.2%
- Net debt at September 2016 is £254.4m
- LTM EBITDA leverage (before pro-forma adjustments) at September 2016 is 6.40x
- RCF remains undrawn providing £37.5m of liquidity with significant covenant headroom

Financial Highlights

Key Business Streams - Revenue



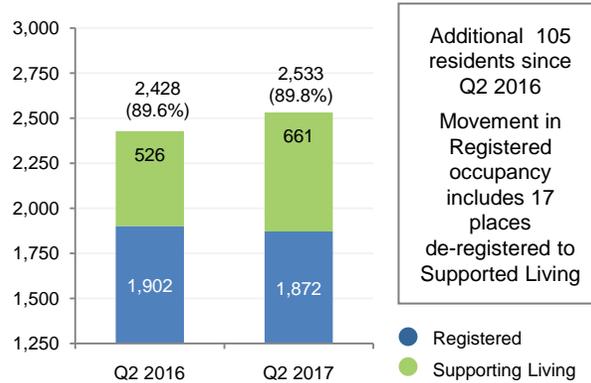
Comments

- Like-for-like revenue up + 3.5% (with no M&A in comparative period)
- Revenue across the Registered services is up by + 1.3%, reflecting inflation increases partially offset by de-registrations from Registered to Supported Living (no loss of occupancy)
- Revenue across Supporting Living and Outreach is up by + 11.9%, benefitting from tender wins and de-registrations from Registered to Supported Living, countered by a small fee rate reduction

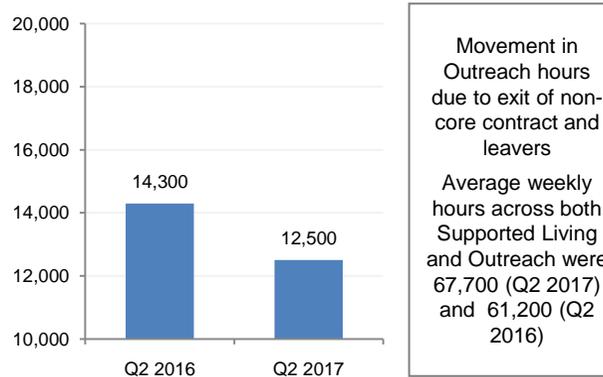
Financial Highlights

Key Operating Metrics

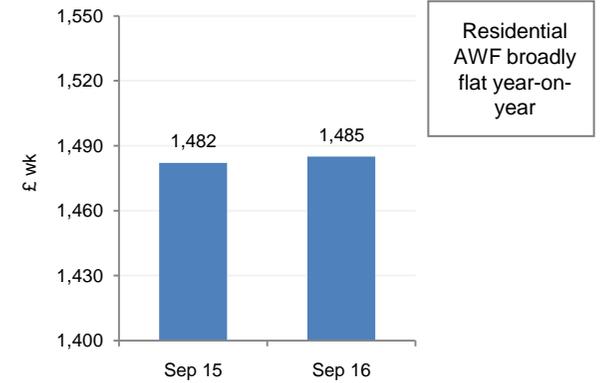
Average Residential Occupancy (1)



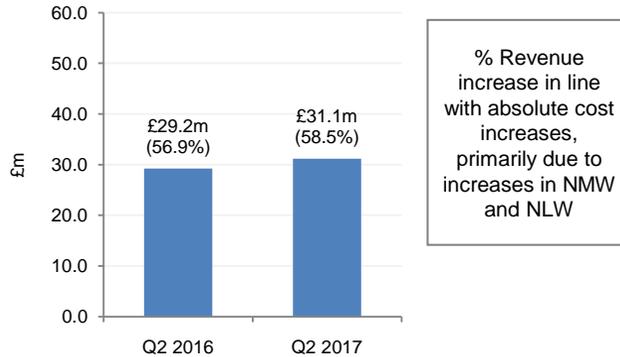
Average Weekly Outreach Hours (3)



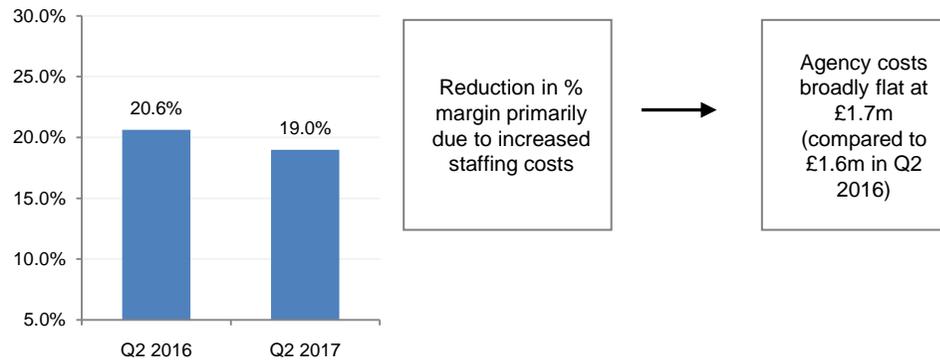
Average Weekly Fees (LTM)



Unit Level Staff Costs (% Revenue) (2)



EBITDA before non-underlying items (% Margin)



(1) Registered & Supported Living business divisions combined

(2) Excludes agency costs

(3) Q2 2016 has been restated (previously reported as 18,400 invoiced hours) with 4,100 outreach invoiced hours having been reclassified to Supported Living, equivalent to 58 places in Q2 2016

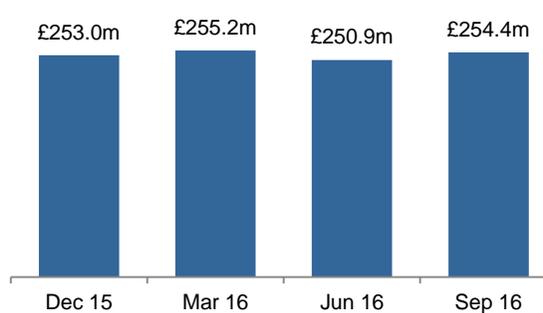
Financial Highlights

LTM performance

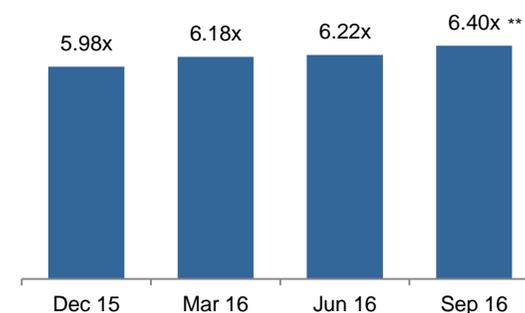
LTM EBITDA before non-underlying items
(before pro-forma adjustments)



Net Debt



Leverage (net)
(before pro-forma adjustments)



Gross	£272.0m	£272.0m	£272.0m	£272.0m
Cash *	(£18.6m)	(£16.5m)	(£20.8m)	(£17.3m)
OID	(£0.4m)	(£0.4m)	(£0.3m)	(£0.3m)
Net	£253.0m	£255.2m	£250.9m	£254.4m

Comments

- LTM EBITDA (before non-underlying items) reduced by £1.5m to £39.8m in September 2016 when compared to £41.3m in March 2016, primarily as a result of increases in staff costs due to National Minimum Wage, National Living Wage and maintaining wage differentials
- September 2016 Net Debt is calculated as £272.0m Gross Debt, less £17.3m adjusted cash (£18.4m cash balance adjusted for £1.1m restricted balances), less £0.3m of unamortised Original Issue Discount (OID) on 2nd Lien Notes = £254.4m

* Cash adjusted for restricted cash and deferred consideration payable

** There are no pro-forma adjustments for LTM ending September 2016

Financial Highlights

Cash flow

£ million	Q2	
	2017	2016
EBITDA before non-underlying items	10.1	10.6
Maintenance capex	(2.1)	(1.4)
Operating cash flow	8.0	9.2
<i>Cash conversion %</i>	<i>79.2%</i>	<i>86.4%</i>
Non-underlying items	(0.4)	(0.3)
Working capital	(0.3)	(0.4)
Capital expenditure	(0.8)	(1.0)
Interest	(10.1)	(10.1)
Taxation	0.2	0.0
FCF before acquisitions and financing	(3.5)	(2.6)
Acquisitions	0.0	0.0
FCF before financing	(3.5)	(2.6)
Net cash flow generated from financing activities	0.0	1.5
Movement in cash for the period	(3.5)	(1.1)
Opening cash and cash equivalents	21.9	14.1
Closing cash and cash equivalents	18.4	13.0

Comments

- Maintenance capex excluding IT spend is £1.8m and as a % of revenue for Q2 2017, 3.3% (Q2 2016: 2.7%)
- Change in working capital due to favourable movements in trade receivables, partially offset by unfavourable movements in accruals, deferred income and trade payables
- Capital expenditure in Q2 2017 benefited from £0.1m disposal proceeds. Underlying spend remains similar quarter-over-quarter
- Q2 2017 £0.2m was received in relation to corporation tax payments on account for the financial year 31 March 2016
- Financing primarily relates to movements on the RCF facility

Outlook & Recent Developments

- Fee negotiations
- Lobbying
- Business Growth Initiatives
- Current trading
- Next update published 28 February 2017, conference call 2pm GMT

Q & A

Further questions can be addressed to investorrelations@voyagecare.com

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