

Voyage Care

Investor Presentation

Q3 2016

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 (unaudited) of Voyage BidCo Limited and its subsidiaries for the three months ending 31 December 2015 (“Q3 2016”). All comparisons of financial and operating statistics are for the three months ending 31 December 2014 (“Q3 2015”), 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

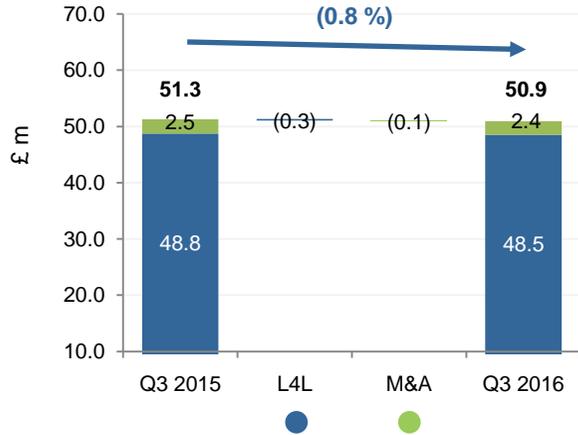
Q3 2016 Highlights

- Trading in Q3 2016 is broadly flat
- Turnover at £50.9m, down by 0.8% vs. Q3 2015
- EBITDA before non-underlying items at £10.2m, down 2.9% vs. Q3 2015; £0.4m below Q2 2016 result
- CQC quality scores remain very high, with 90.5% of services achieving a rating of Good or Outstanding (as at 31 December 2015) following inspection against the new requirements introduced in October 2014. Two services have achieved Outstanding reports out of a total of sixteen in the sector, an extremely pleasing outcome
- Strong cash conversion at 82.8%
- Net debt at December 2015 is £253.0m
- LTM EBITDA leverage (before pro-forma adjustments) at December 2015 is 5.98x (5.98x on a pro-forma basis)

Financial Highlights

Key Business Streams - Turnover

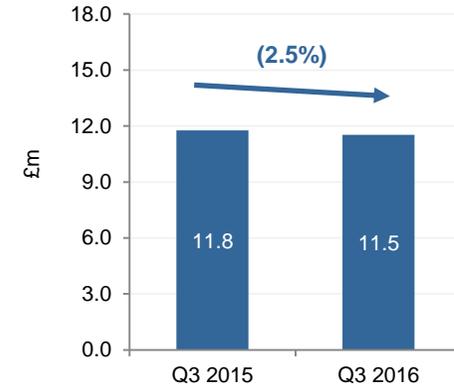
Q3 2015 to Q3 2016



Registered



Supported Living (and Outreach)



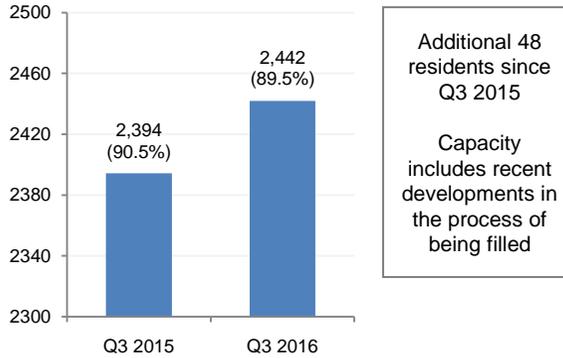
Comments

- Like-for-like turnover broadly flat (down £0.3m on £48.8m of income)
- M&A turnover marginally declined by £0.1m
- Turnover across Registered services broadly flat
- Turnover decreased across Supporting Living and Outreach by (2.5%) due to reduced Outreach hours offset by tender wins

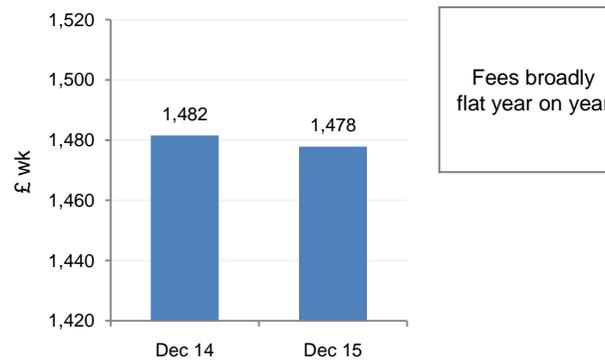
Financial Highlights

Key Operating Metrics

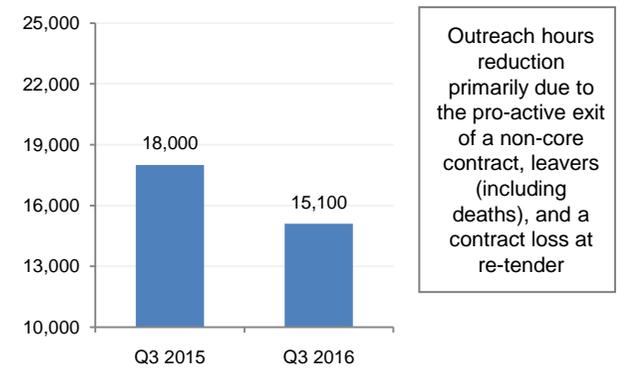
Average Residential Occupancy *



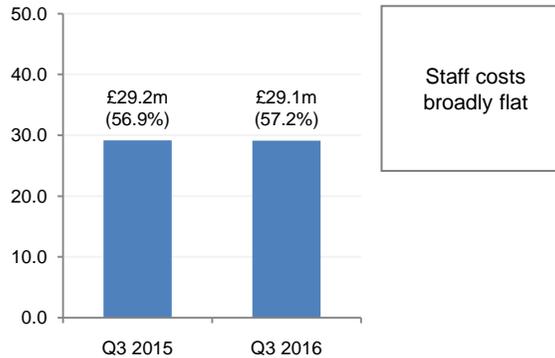
Residential Average Weekly Fee (LTM) *



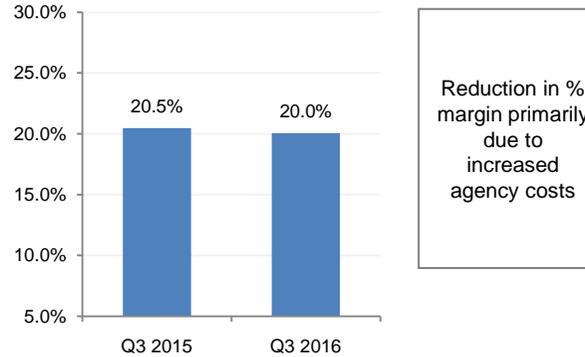
Average Weekly Outreach Hours ***



Unit Level Staff Costs (% Turnover) **



EBITDA before non underlying items (% Margin)



Agency costs decreased when compared to Q1 2016 and Q2 2016

* Registered & Supported Living business divisions combined

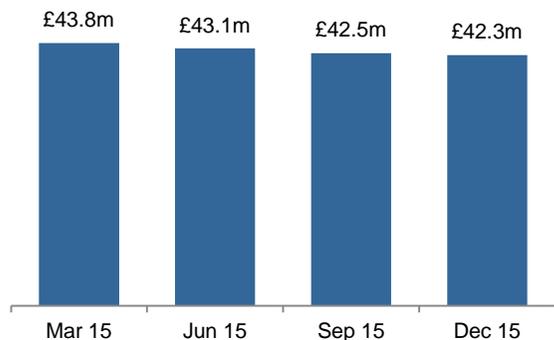
** Excludes agency costs

*** Q3 2015 has been restated (previously reported as 22,400 invoiced hours) with 4,400 outreach invoiced hours having been reclassified to Supported Living, equivalent to 62 places in Q3 2016

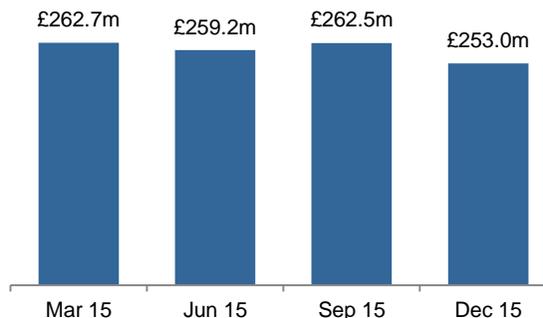
Financial Highlights

LTM performance

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

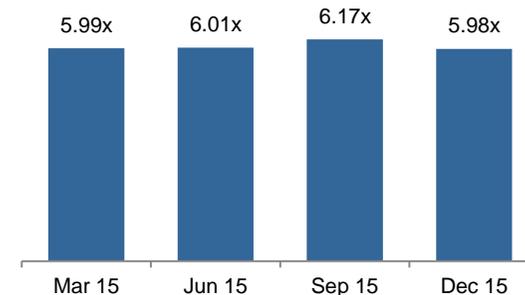


Net Debt



Gross	£277.0m	£272.0m	£273.5m	£272.0m
Cash *	(£13.8m)	(£12.4m)	(£10.6m)	(£18.6m)
OID	(£0.5m)	(£0.4m)	(£0.4m)	(£0.4m)
Net	£262.7m	£259.2m	£262.5m	£253.0m

Leverage (net) (before pro-forma adjustments)



Comments

- December 2015 Net Debt is calculated as £272.0m Gross Debt, less £18.6m adjusted cash (£20.7m cash balance adjusted for £1.0m restricted balances and £1.1m deferred consideration payable), less £0.4m of unamortised Original Issue Discount (OID) on 2nd Lien Notes = £253.0m.

* cash adjusted for restricted cash and deferred consideration payable

Financial Highlights

Cash flow

£ million

	Q3	
	2016	2015
EBITDA before non-underlying items	10.2	10.5
Maintenance capex	(1.8)	(1.3)
Operating cash flow	8.5	9.1
<i>Cash conversion %</i>	<i>82.8%</i>	<i>87.3%</i>
Non-underlying items	(0.2)	(0.1)
Working capital inflow / (outflow)	1.9	2.7
Capital expenditure	(0.7)	(0.8)
Interest	(0.2)	(0.2)
Taxation	(0.1)	(0.1)
FCF before acquisitions and financing	9.3	10.7
Acquisition	0.0	0.0
FCF before financing	9.2	10.7
Net cash flow used in financing activities	(1.5)	(3.0)
Movement in cash for the period	7.7	7.7
Opening cash and cash equivalents	13.0	6.9
Closing cash and cash equivalents	20.7	14.6

Comments

- Maintenance capex (excluding IT spend of £1.8m) as a % of turnover, for Q3 2016 was 3.3% (Q3 2015: 2.5%)
- Capital expenditure includes development capex & asset sale proceeds
- Interest on loan notes £19.9m per annum (excluding interest on RCF facility) payable in February and August

Outlook & Recent Developments

- **National Living Wage and fee negotiations**
- **Lobbying**
- **Engagement with our customers**
- **Growth**
- Next update published 29 July 2016, conference call 2pm

Q & A

Further questions can be addressed to investorrelations@voyagecare.com

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