Investor Presentation
Annual Report 2022

12 July 2022

voyagecare

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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

Unless otherwise stated, this presentation includes the unaudited consolidated financial information of Voyage BidCo Limited and its subsidiaries for the 12 month period ended 31 March 2022 (“FYE 2022”). All comparisons of financial and operating statistics are for the 12 month period ended 31 March 2021 (“FYE 2021”), unless otherwise stated. Movements and percentages have been calculated using the underlying number to one decimal place of the number presented in this document.

Adjustments

Certain numerical information and other amounts and percentages presented in this report have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

The abbreviation ‘nm’ is used in this report in certain instances when a percentage variance produces an erroneous or non-meaningful result.

Agenda

- Status of Group audit
- Executive Summary
- Covid-19 Update
- Financial Highlights (Including Covid-19 Financial update)
- Property Summary
- Recent Developments and Outlook
- Q&A

Status of Group audit

- When Wren House Infrastructure Management acquired the Voyage Care Group on January 14th 2022, KPMG who are our Group auditors, were required to carry out independence checks to establish if they could continue as auditors

- Their checks were completed successfully, however their checks took over three months, meaning that their scheduled pre-year end audit work could not be completed on time which has resulted in delays to their audit process

- As a result, KPMG have informed us that they are now unable to make the resources available to complete the audit in time to meet our 120 day reporting deadline, due to reduced availability of audit staff resulting from Covid related absences and ongoing recruitment challenges

- We currently expect that the Audit will be completed in August or September 2022. KPMG have informed us that there are currently no audit issues or matters which they need to bring to our attention, and while we cannot assure you that the ***unaudited*** financials reported herein will remain unchanged, in prior years there have been no adjustments required or made to our unaudited results as a result of the audit

- Our RCF lenders have granted a waiver to allow for a 60 day delay in publishing our audited annual reports in order to avoid a drawstop on the RCF. In order to address the reporting requirements under our financing agreements, we have endeavoured to promptly provide all relevant information on an ***unaudited*** basis

- We have not sought a waiver from our noteholders as we have endeavoured to meet the annual reporting requirements under the indenture to the best of our ability based on unaudited financial information, which we believe provides investors with the relevant information they require. We will publish our audited results as soon as they are available, which we expect will be no later than the end of September

Executive Summary

FYE 2022 Highlights

- Quality ratings maintained at a market leading level, with 95% of services achieving a CQC rating of Good, Outstanding or equivalent
- The Group grew strongly, with revenue up 6.7% at £292.6m
- Registered occupancy showed continued growth year-on-year
- Fee increases offered for FYE 2022 were 2.7% (FYE 2021 3.0%)
- Underlying adjusted EBITDA also grew strongly, up 8.7% to £48.7m
- Proforma Leverage as at 31st March 2022 was 5.0x (including IFRS16 lease liability)
- Liquidity strong with proforma cash balance of £24.1m as at 31st March 2022 and £50m RCF undrawn and available
- The Group has appointed Natalie-Jane Macdonald as Chair
- Matthew Flinton has left his role as Commercial Director. His succession planning has been underway for some time and he has been replaced by internal promotions.

Note: All comparators are against FYE 2021 unless stated otherwise.
Adjusted EBITDA is stated before non-underlying items

Covid-19 Update

- Covid-19 continues to have an impact on operational performance which was exacerbated by the Omicron variant during Q4 including;
  - Reduced staff availability due to isolation
  - Increased agency usage to cover the reduced staff availability
  - Continuing prevalence of cancelled shifts

- Group continues to deal well with the pandemic and is keeping the people we support and our employees as safe as possible, working within Government and Regulator guidelines

- Vaccination as a condition of deployment (VCOD) was ***not*** implemented for Community Care and it has been removed for Registered Care Homes

- PPE is and will continue to be provided to us free of charge by Government until March 2023 unless the guidance is removed sooner

- We continued to receive financial support and non-underlying costs in Q4 related to Covid-19 have been reimbursed through the Adult Social Care Infection Control and Testing Fund and the Adult Social Care Omicron Support Fund, however these all ended March 2022

Financial Highlights

FYE 2021 vs. FYE 2022

£m	FYE 2021	FYE 2022	Growth
Revenue	**274.2**	**292.6**	**6.7%**
Unit Level Staff Costs	(182.5)	(185.7)	(1.7%)
Agency Costs	(2.7)	(10.8)	nm
Contribution	**89.0**	**96.1**	**8.0%**
Contribution %	*32.5%*	*32.9%*	*0.4%*
Direct Overheads (1)	(22.4)	(24.1)	(7.6%)
Unit EBITDA	**66.6**	**72.0**	**8.1%**
Unit EBITDA %	*24.3%*	*24.6%*	*0.3%*
Central Overheads	(21.8)	(23.3)	(6.9%)
Underlying adjusted EBITDA	**44.8**	**48.7**	**8.7%**
Underlying adjusted EBITDA %	*16.3%*	*16.6%*	*0.3%*

- Revenue increased by £18.4m, 6.7%
  - Driven by growth in Registered occupancy and Community hours, fee increases and fee rotation
  - Fee increases offered at 2.7%
- Unit level Staff costs increased by £3.2m, 1.7%
  - NLW/NMW and other pay rises c.£3.8m, with NLW increase at 2.2%
  - offset by a shift towards agency
- Agency costs increased by £8.1m overall and represented 3.6% of direct care hours which is higher than normal, caused by staffing pressures
- Direct Overheads and Central Overheads increased by £1.7m and £1.5m respectively due to increased activity following last year’s Covid-19 impact
- Underlying adjusted EBITDA increased by £3.9m, 8.7%

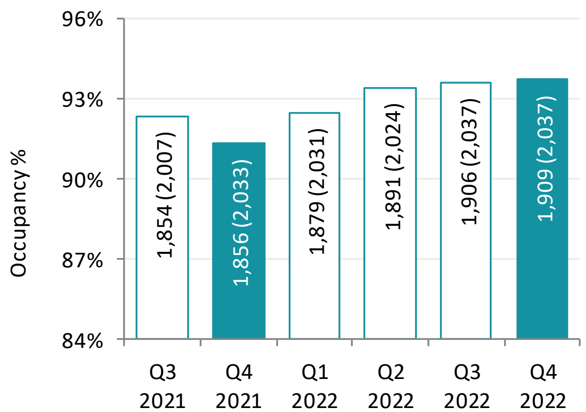
Note:

1. Direct Overheads consist of costs incurred in running and maintaining services including direct expenses and consumables, property, vehicle and other lease rentals (outside the scope of IFRS16), business rates, council tax, repairs, utilities, training and professional fees

Financial Highlights

Key Operating Metrics

Registered - Average Occupancy (Capacity) % and #

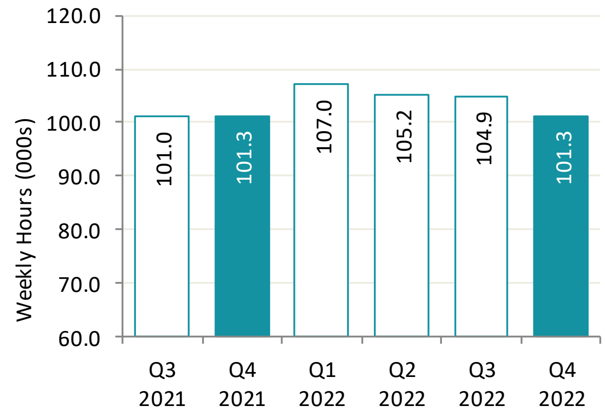


Closing Occ.	*1,848*	*1,868*	*1,875*	*1,904*	*1,904*	*1,907*

Closing occupancy for the period was 93.6% and 1,907 people we support, which was 39 higher than prior year

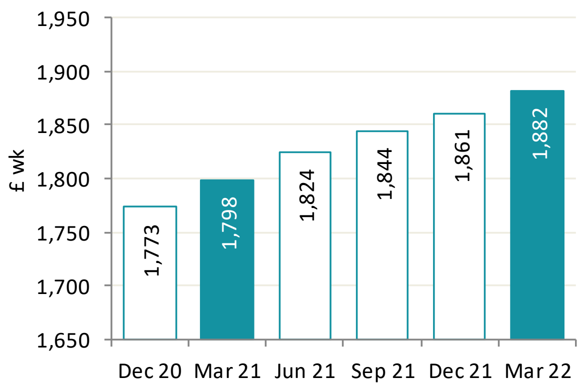
Referral pipeline continues to be very strong

Community - Average Direct Care Hours (000s)



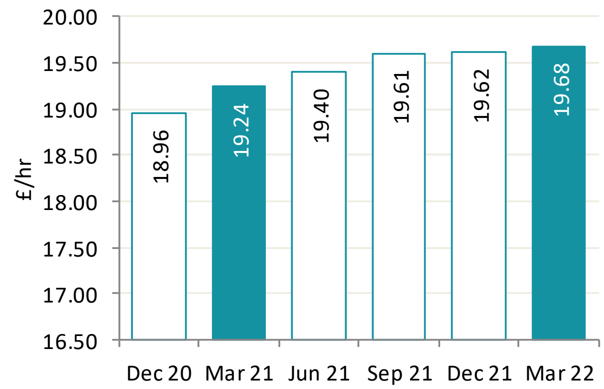
Average direct weekly care hours are similar to Q4 2021 due to tender wins and framework call-offs that have been offset by pandemic related cancelled shifts and some anticipated tender losses during the course of the year

Registered - Average Weekly Fees (LTM)



Registered Average Weekly Fees benefited from a combination of fee increases and new placements won at a higher rate, which has driven the 4.7% growth since March 2021

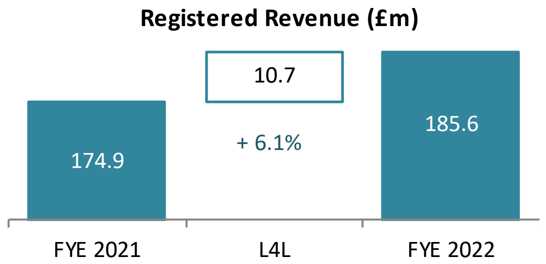
Community - Direct Care Revenue Per Hour (LTM)

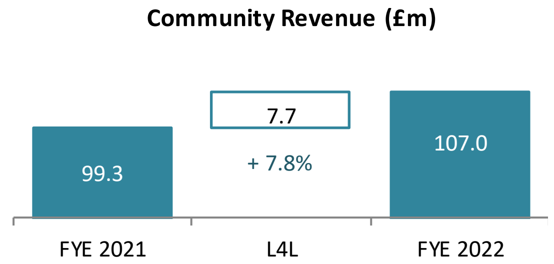


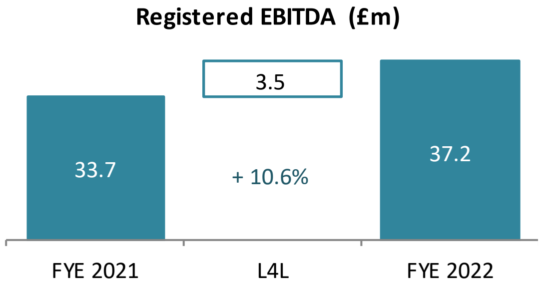
Direct care revenue per hour has increased by 2.3% since Q4 2021 primarily due to fee increases

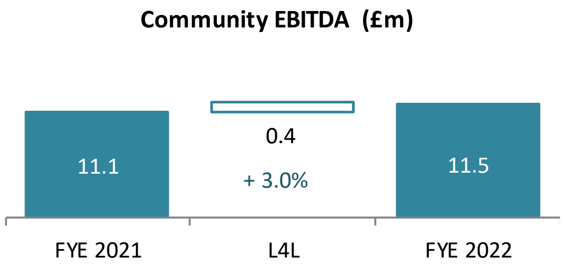
Financial Highlights

Segments









Registered

- Continuing growth in revenue and EBITDA
- EBITDA growth of 10.6% to £37.2m due mainly to fee increases and fee rotation, offsetting the NLW increase

Community

- Organic growth in average community hours year on year, due to the impact of tender wins and framework call-offs together with recovery of hours as temporary Covid-19 impacts receded in the middle of the year partially offset by anticipated tender losses
- EBITDA impacted by the increased agency usage in FY 2022 due to reduced staff availability

Covid-19 Financial Update

Non-Underlying Items due to Covid-19

£m	FYE 2021	FYE 2022
Non-Underlying items Covid-19 consist of:		
PPE/Infection control	(4.3)	(0.4)
Staff costs	(3.8)	(5.7)
Agency costs	(0.6)	(0.5)
Total Covid-19 Costs	**(8.7)**	**(6.6)**
Reimbursement	7.5	4.4
Non-Underlying items Covid-19	**(1.3)**	**(2.2)**
Non Covid-19 related	(1.8)	(0.9)
Total Non-Underlying (Voyage Care Bidco Ltd)	**(3.0)**	**(3.1)**
Sale and other related costs	0.0	(9.4)
Total Non-Underlying (Voyage Care Holdco Ltd)	**(3.0)**	**(12.5)**

- PPE continues to be supplied free from Government in England with period extending to March 2023
- Staff costs mainly include Statutory Sick Pay and top ups to full pay for self isolating staff
- Reimbursement of £4.4m of costs from Infection Control Fund and Rapid Testing funds
- This funding has now ceased and not been replaced, however our costs are significantly lower
- Sale and other related costs are in connection with the acquisition of Voyage Care by Wren House

Financial Highlights

Cash Flow

£ million (Voyage Care HoldCo Ltd)	FYE 2021	FYE 2022	% Change
Underlying adjusted EBITDA	44.8	48.7	8.7%
Maintenance capex	(7.4)	(13.6)	83.8%
IT capex	(3.5)	(2.7)	(22.9%)
Adjusted free cash flow	**33.9**	**32.5**	**(4.1%)**
Cash conversion %	*75.6%*	*66.7%*	*(8.9%)*
Non-underlying items [(1)]	(3.0)	(12.6)	3.3%
Working capital	8.9	2.6	nm
Interest	(17.4)	(20.9)	20.1%
Taxation	(3.1)	(2.7)	(12.9%)
FCF before dev. capex, acquisitions and financing	**19.2**	**(1.0)**	**nm**
Development capex	(8.3)	(2.2)	(73.5%)
Acquisition capex	(4.8)	(3.6)	(25.0%)
Proceeds from sale	4.7	0.3	(93.6%)
FCF before financing	**10.8**	**(6.5)**	**nm**
Property and vehicle lease payments (IFRS16)	(5.2)	(4.5)	(13.5%)
Net cash flow used in financing activities	(45.0)	(5.7)	(87.3%)
Movement in cash for the period	**(39.4)**	**(16.7)**	**(57.6%)**
Opening cash and cash equivalents	80.1	40.7	(49.2%)
Closing cash and cash equivalents	**40.7**	**24.1**	**(40.8%)**
Undrawn RCF at Closing [(2)]	45.0	50.0	11.1%
Total liquidity	**85.7**	**74.1**	**(13.5%)**

- Adjusted free cash flow £1.4m lower than FYE 2021 with higher EBITDA being offset by a catch-up in maintenance capex as Covid-19 lockdown restrictions eased
- FCF before Development Capex, Acquisitions and Financing £20.2m lower than last year primarily due:
  - sale related costs
  - additional interest payment of £4.2m due to the timing of the refinancing
- Development pipeline healthy
- FYE 2021 included a £45m repayment of the RCF facility drawn during the prior year.
- Current £50m RCF undrawn at March 31st 2022

Note:
(1) Includes £9.4m relating to sale and other related costs as reflected within the Group accounts (Voyage Care Holdco Ltd), whereas in the Voyage Bidco Ltd accounts the £9.4m is reflected as an intercompany debtor
(2) On 3rd February 2022, existing revolving credit facility (RCF) was cancelled and replaced with new £50m RCF

Financial Highlights

Proforma Cash and Leverage as per 2022 Offering Memorandum

£ million	As at and for the twelve months ended 30-Sep-21	As at and for the twelve months ended 31-Mar-22
Underlying Adjusted EBITDA	47.5	48.7
Pro forma Adjustments	1.2	0.6
Pro forma underlying adjusted EBITDA	**48.7**	**49.4**
Pro forma senior secured net debt:		
Senior secured notes	215.0	250.0
Second lien notes	35.0	0.0
Revolving credit facility	0.0	0.0
Gross debt	250.0	250.0
Cash Balance	(38.5)	(20.7)
Pro forma cash in connection with Acquisition and Refinancing transactions	17.7	
Pro forma cash	(20.8)	(20.7)
Pro forma secured net debt	**229.2**	**229.3**
IFRS 16 lease liability	17.5	17.6
Pro forma net debt including IFRS 16 lease liability	**246.8**	**246.9**
Ratio of pro forma secured net debt to pro forma Underlying Adjusted EBITDA	4.7x	4.6x
Ratio of pro forma net debt to pro forma Underlying Adjusted EBITDA	**5.1x**	**5.0x**

- Pro forma Underlying Adjusted EBITDA reflects the full year impact of adjustments as if they had been fully implemented at 30th September 2021 and 31st March 2022 respectively
- Pro forma Net Debt reduced slightly to 5.0x (including IFRS16 Lease liability in Pro-forma net debt)

Financial Highlights

Historical Net Debt and Leverage

Ratio of pro forma net debt to pro forma Underlying Adjusted EBITDA

£m	**Mar-21**	**Jun-21**	**Sep-21**	**Dec-21**	**Mar-22**
Pro forma net debt including IFRS 16 lease liability	229.9	230.8	246.7	249.2	**246.9**
Pro forma underlying adjusted EBITDA	44.8	45.7	48.7	49.3	**49.4**
Ratio of pro forma net debt to pro forma Underlying Adjusted EBITDA (Per 'Offering Memoradum')	**5.1x**	**5.1x**	**5.1x**	**5.1x**	**5.0x**

- LTM EBITDA at £49.4m, increased by £4.6m compared to March 2021
- Leverage was 5.0x in March in line with prior year

Note:
March and June 21 as previously reported, September 21 as per offering memorandum

Property Summary

Open properties as at 31/03/2022

	Registered		Community		Daycare	31/03/2022 Total		31/12/2021 Total		DCA[4]
	#	**Capacity**	**#**	**Capacity**	**#**	**#**	**Capacity**	**#**	**Capacity**	**#**
Freehold	232	1,812	27	98	1	260	1,910	259	1,909	6
Leasehold/Rental [1]	31	224	3	10	7	41	234	41	234	33
3rd Party Owned [2]	0	0	289	1,158	0	289	1,158	295	1,157	2
Totals	**263**	**2,036**	**319**	**1,266**	**8**	**590**	**3,302**	**595**	**3,300**	**41**
Freehold NBV (£m) [3]	**309.4**		**6.7**		**2.0**	**318.1**		**316.4**		

Comments

- At 31st March 2022, number of freehold properties held was 260, an increase of 1 from 31st December 2021
- Net book value of freehold properties totaled £318.1m, 3rd Party property valuation as at June 2021 was £436.0m
- 89.0% of registered capacity in freehold properties, whereas 7.7% of Community Based Care capacity in freehold properties, in line with our strategy to utilise 3rd party capital to drive organic growth in Supported Living

(1) Leasehold/Rental includes properties which are on a long term lease and properties on short term rental which have been obtained to support immediate commissioner requirements.
(2) 3rd Party owned Supported Living properties are leased to a Registered Provider such as a Housing Association and then rented to the people we support. Rent and maintenance are usually covered by Housing Benefit claimed by the people we support.
(3) Freehold Net Book Value is not separately shown under 'DCA' as the Freehold 'DCA' offices operate from Freehold 'Community' Properties. Freehold NBV excludes assets held for sale and leasehold, encumbered and third party properties.
(4) Total Freehold capacity excludes DCAs which are already counted in community

Recent Developments and Outlook

- The well-publicised tightening of the UK employment market means that recruitment and retention continues to be a key area of focus.

- Fee increase discussions for FYE 2023 have commenced and early indications positive

- Free Government issued PPE to be available until March 2023, while Infection Control and Testing funding ended March 2022

- We continue to see relaxation of Covid rules which should have positive impact on operations

- We continue to see significant growth opportunities in both Registered and Supported Living
  - Organic Growth driven by demographic trends
  - Increasing opportunities for sector consolidation

Q & A

Further questions can be addressed to: investorrelations@voyagecare.com

Also please visit our investor relations website: investors.voyagecare.com