Q2 2018

SECOND QUARTER RESULTS FROM HI BIDCO AS (HEREINAFTER REFERRED TO AS "MELIN GROUP")

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Highlights from the quarter

Please note that all figures on pages 2, 3 and 4 include:

- Odin Kapital AS which was acquired in Q4 2017 (acquisition was closed in November 2017). Pro forma figures from first quarter 2017.
- Gordion AB which was acquired in Q1 2018 (acquisition was closed in February 2018). Pro forma figures from first quarter 2018.
- CrediCare AS which Melin Medical AS closed the acquisition of at the end of the June 2018. Pro forma figures from first quarter 2018.

All pro forma figures include synergies. In the Q4 2017 report, historical accrued revenue (NOK 71.5 million) and EBITDA (NOK 65.1 million) was evenly distributed across all four quarters to present a comparable revenue, EBITDA and net profit development in 2017 (see note #3 for further information). For Melin Group figures, including Odin Kapital and Gordion, in line with NGAAP accounting principles, see page 5 onwards.

REVENUE IN MNOK

125.9

↑ 55.4% vs. Q2 17

EBITDA IN MNOK

70.7

↑ 57.2% vs. Q2 17

NET PROFIT[1] IN MNOK

40.6

↑ 53.8% vs. Q2 17

SOLUTIONS IN OPERATION

1,953

↑ 12.9% vs. Q2 17

Key figures	Q2 2018	Q2 2017[2]	YTD 2018	YTD 2017	2017[3]
Revenue in MNOK	125.9	81.0	226.8	153.6	309.7
EBITDA in MNOK	70.7	45.0	118.0	84.1	163.4
EBITDA margin in %	56.2%	55.6%	52.0%	54.8%	52.8%
Net profit excluding depreciation excess values in MNOK	40.6	26.4	64.6	48.1	69.4
Solutions in operation	1,953	1,730	1,953	1,730	1,780

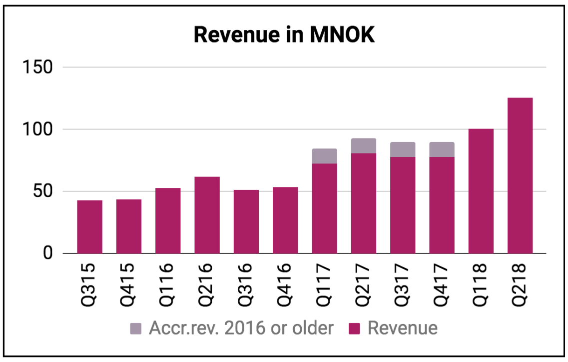
Table 1 Melin Group key figures—pro forma including Odin Kapital, Gordion and CrediCare.

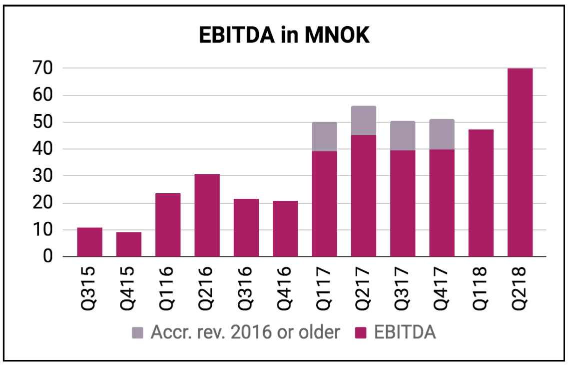
[1] Net profit excludes PPA adjustments related to acquisitions of MNOK 61.0.

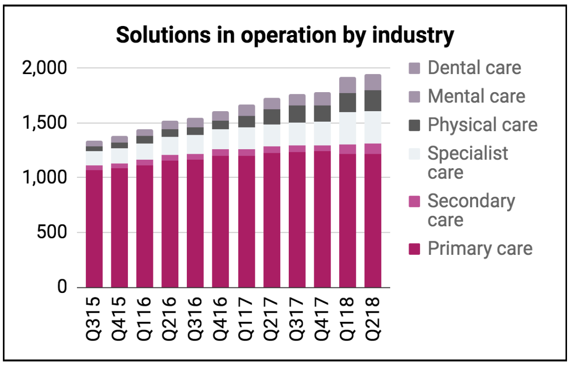
[2] Adjusted for accrued revenue until 2016 to make like-for-like comparison, with reference to tables on next page (Quarterly accrued revenue: MNOK 11.9. Quarterly accrued EBITDA: MNOK 11.2).

[3] Adjusted for accrued revenue until 2016 to make like-for-like comparison, with reference to tables on next page (Annual accrued revenue: MNOK 47.6. Annual accrued EBITDA: MNOK 44.7).

Letter from the CEO







Consolidated pro forma revenues for Melin Group was NOK 125.9 million in the second quarter, an increase of 55.4 percent from the same quarter last year. The EBITDA result was NOK 70.7 million, 57.2 percent higher than the corresponding quarter last year.

Both revenues and EBITDA were positively affected by the successful migration of Odin Kapital's customers plus continued increase in terminals and invoicing solutions in operation. The latter continues to drive growth in our debt collection business. With regards to migration of Odin Kapital, we achieved everything we set out to do—both from a customer retention and legal perspective. The choice to conduct the migration over the Easter period was the right one, although it meant that first quarter revenues were negatively affected.

An important milestone towards the end of the second quarter was the successful closing of the acquisition of 100 percent of the shares in CrediCare AS. The acquisition gives Melin Medical access to industry segments the company is not present in today, including fitness centres and veterinary offices. Additionally, it further strengthens Melin Medical's position within the healthcare industry. CrediCare has more than 700 clinics across different industries in its customer portfolio.

Throughout the first and second quarter of 2018, Finanstilsynet (the Norwegian financial supervisory authority) conducted a review of various debt collectors' practices related to transferral of unpaid debt claims to the public enforcement officer. The review concluded that Melin Collectors operates fully in line with the regulations defined by the Ministry of Justice and Public Security. No further actions were therefore required from our side.

The acquisitions of Odin Kapital, Gordion and CrediCare have all gone according to plan. We expect them to continue driving the growth in both terminal and invoicing solutions, which is a captive market for us. With this robust platform in place—both in terms of size and more diversified industry and geographical footprint—the group's cost base can be scaled to drive further expansion. As a result, we are confident in reaching our objective of an EBITDA result of approximately NOK 400 million in 2019.

Subsequent to the quarter, in mid-August, the board of directors of Melin Group's parent company, HI Midco AS, announced that it had initiated a review of strategic alternatives following receipt of indicative offers for the acquisition of the majority of the shares in Melin Group. This process does not affect the administration's daily focus on growth and operational improvements. We are a professional team who are used to outside parties showing an interest in the company and the work we do. From our side it is therefore business as usual, with focus on doing our job and delivering excellent results on behalf of our clients irrespective of who our owners are.

INGVILL HESTENES
CEO

Segment information

The following pages include Melin Group figures, including Odin Kapital from the date of ownership November 2017 and Gordion from the date of ownership February 2018, in line with NGAAP accounting principles.

The following segments are presented on the next pages:

- Melin Medical
- Melin Collectors

Melin Medical

Melin Medical specializes in providing payment solutions and administration systems that free physicians and other health professionals from unnecessary administrative tasks. Melin Medical's T1 and T2 terminals give patients the option of paying for the services they receive at the clinic in a simple and intuitive way. Melin Medical's invoicing solutions include complete systems for the administration of deductibles. The below figures are all Melin Group numbers, including Odin Kapital from date of ownership (November 2017) and Gordion from the date of ownership (February 2018), in line with NGAAP accounting principles.

Key financial figures

NOK thousands	Q2 2018	Q1 2018	Q2 2017	2017
Revenue from terminals	8,423	9,145	8,268	33,660
Revenue from invoicing	25,753	25,649	21,862	81,380
Revenue from Gordion	8,864	4,345	-	-
Other revenue	-1,133	2,705	741	5,208
Accrued revenue [see note #3]	2,085	4,415	-	13,068
Total revenue	**43,992**	**46,259**	**30,871**	**133,316**
Growth year over year in %	**42.5%**	**48.9%**	**14.2%**	**35.7%**
Annual customer churn rate in %	**1.5%**	**0.7%**	**0.8%**	**1.1%**

Table 2 Melin Medical key financial figures (reported numbers—not adjusted for accrued revenue and non-recurring items).

Solutions in operation

Solutions in operation	Q2 2018	Q1 2018	Q2 2017	2017
Terminals	1,377	1,365	1,291	1,315
Invoicing solutions	576	558	439	465
Total solutions	**1,953**	**1,923**	**1,730**	**1,780**

Table 3 Melin Medical solutions in operation.

Melin Collectors

Melin Collectors is a debt collection company that handles outstanding claims in the healthcare sector. Melin Collectors is not exposed to the credit risk, but handles the credit risk on behalf the client. Melin Collectors receives automatic notification from the EHR system about what is unpaid. The system then ensures that an invoice is sent to the patient in question. When the patient settles his or her invoice, this is automatically recorded in the clinic's EHR system.

Key financial figures

NOK thousands	Q2 2018	Q1 2018	Q2 2017	2017
Reminder fee	6,699	4,737	7,990	22,066
Debt collection	32,526	20,764	18,059	79,705
Legal claims	3,371	4,529	3,547	15,000
Other revenue	3,229	2,608	3,410	10,586
Accrued revenue [see note #3]	12,164	2,524	-	58,424
Total revenue	**57,989**	**35,162**	**33,006**	**185,781**
Growth year over year in %	**75.7%**	**44.0%**	**29.7%**	**109.8%**

Table 4 Melin Collectors key financial figures (reported numbers—not adjusted for accrued revenue and non-recurring items).

Other information

Significant events during the period

- On 25 June 2018, Melin Medical AS closed the agreement to acquire 100 percent of the shares in CrediCare AS (CrediCare) for a cash consideration of NOK 150 million, based on an estimated enterprise value of NOK 140 million and a net cash position of NOK 10 million. The acquisition was funded by a NOK 100 million subordinated shareholder loan to HI Bidco AS from HI Midco AS and NOK 60 million from HI Bidco AS' revolving credit facility, which is now fully drawn. The NOK 100 million subordinated shareholder loan is due later than the maturity of the outstanding bonds and there are no cash payments related to interest or amortization.

Significant events after the period

- On 17 August 2018, HI Midco AS' board of directors announced that it had initiated a review of strategic alternatives following receipt of indicative offers for the acquisition of the majority of the shares in Melin Group. Danske Bank, Norwegian Branch, Corporate Finance ("Danske Bank") has been engaged as the Company's exclusive financial advisor in this process. As part of the strategic review, Melin Group may consider a broad range of options in order to capitalize on the full potential of the Company, including:
    - A sale of majority shareholding of Melin Group
    - A merger of the Melin Group
    - Continuing to execute the Melin Group's strategy as an independent company

  There is no assurance that the review of strategic alternatives will result in Melin Group completing any transactions. In the event no transaction is completed, the Melin Group will continue to execute on its strategy and operational plan as an independent group.

Personnel and organization

At the end of the period, the number of full time equivalent staff (FTEs) amounted to 161 (Q2 2017: 116.4) (CrediCare is not included in the 2018 number).

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2018 has been prepared in accordance with Norske regnskapsstandarder (NGAAP), and gives a true and fair view of Melin Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim report includes a fair view of important events that have occurred during the first half of 2018 and their impact on the condensed financial statements, a description of the principal risks and uncertainties facing Melin Group over the next accounting period, and significant related parties' transactions.

Risks and uncertainties

Melin Group's investments are exposed to certain risks that could have a varying impact on its earnings or financial position. These can be divided into risks related to the industry the company operates within, operational and financial risks, including regulatory and competitive risks, and the bonds issue. Please refer to the Melin Group investor presentation prepared in connection with the contemplated bond issue for a detailed walk-through of the risks identified.

Legal disclaimer

Certain statements in this Melin Group report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, fluctuations in exchange rates and interest rates as well as political risks.

Outlook

The Melin Group expects continued strong EBITDA growth, with forecasts underpinned by an established revenue base and recurring income from a growing number of solutions in operation.

Oslo, Norway · 31 August 2018

JOHAN B. MICHELSEN	**INGVILL HESTENES**	**REMY ENGELSEN**
Chairman	CEO	CFO

Condensed consolidated interim financial statements

Reported numbers in line with *NGAAP* accounting principles

Statement of profit and loss

NOK thousands	Q2 2018	Q2 2017	YTD 2018	YTD 2017	2017
Revenue [see note #3]	101,940	63,132	183,304	117,222	316,710
Other operating income	42	555	99	2,157	2,386
Total revenue	**101,982**	**63,687**	**183,403**	**119,380**	**319,095**
Cost of materials	-15,858	-8,679	-27,548	-16,308	-38,156
Personnel expenses	-13,107	-8,235	-31,280	-20,628	-60,200
Other operating expenses	-11,941	-11,992	-30,017	-19,035	-45,136
Operating expenses	**-40,906**	**-28,906**	**-88,845**	**-55,971**	**-143,492**
EBITDA	**61,076**	**34,781**	**94,558**	**63,409**	**175,603**
Depreciation and amortization	-70,539	-9,339	-125,874	-18,553	-32,217
Operating result	**-9,464**	**25,442**	**-31,316**	**44,856**	**143,386**
Net financial items	-26,806	-962	-53,279	-2,283	-23,884
Earnings before tax	**-36,270**	**24,480**	**-84,595**	**42,574**	**119,501**
Taxes	298	-5,267	6,588	-9,619	-29,844
Net profit for the period	**-35,972**	**19,213**	**-78,008**	**32,955**	**89,657**

Table 5 Statement of profit and loss (reported numbers—not adjusted for accrued revenue and non-recurring items).

Statement of financial position

NOK thousands	30 Jun 2018	30 Jun 2017	31 Dec 2017
Intangible assets	2,005,153	348,764	1,944,729
Tangible fixed assets	41,854	26,524	26,996
Financial assets	461	244	360
Total non-current assets	**2,047,468**	**375,532**	**1,972,085**
Inventory	7,668	-	-
Accrued revenue [see note #3]	95,202	-	65,298
Accounts receivable	18,027	6,355	7,429
Other current receivables	34,912	15,154	29,169
Cash and cash equivalents	40,914	15,753	81,205
Total current assets	**196,724**	**37,261**	**183,100**
TOTAL ASSETS	**2,244,191**	**412,793**	**2,155,186**
Total equity [see note #5]	**469,095**	**222,007**	**558,619**
Deferred tax liabilities	201,561	59,045	211,690
Bond loans	1,286,778	-	1,282,359
Liabilities to financial institutions	65,705	38,105	-
Other non-current liabilities	110,438	42,319	-
Total non-current liabilities	**1,664,482**	**139,469**	**1,494,049**
Short term liabilities to parent company	-	-	5,001
Short-term liabilities to bondholders / financial institutions	15,975	10	-
Accounts payable	18,838	9,082	22,272
Tax payables	17,405	9,192	14,451
Public duties payable	18,454	15,125	14,360
Other current liabilities	39,942	17,907	46,435
Total current liabilities	**110,615**	**51,316**	**102,518**
Total liabilities	**1,775,096**	**190,786**	**1,596,567**
TOTAL EQUITY AND LIABILITIES	**2,244,191**	**412,793**	**2,155,186**

Table 6 Statement of financial position (reported numbers as of 30 June 2018 includes CrediCare).

Statement of cash flow

NOK thousands	Q2 2018	Q2 2017	YTD 2018	YTD 2017	2017
Profit/loss before income taxes	-36,270	24,480	-84,596	42,574	119,501
Income tax payable	4,660	1,231	7,051	1,044	-5,747
Depreciation and amortization expenses	70,539	9,339	125,874	18,553	32,217
Changes in accounts receivables and payable	-10,170	2,491	-18,965	-467	10,293
Changes in other accruals	-21,255	10,509	-44,040	6,662	-54,013
Net cash flow from operating activities	**7,505**	**48,050**	**-14,676**	**68,367**	**102,251**
Purchase, tangible non-current assets	-30,205	-17,164	-42,232	-19,305	-41,434
Proceeds, disposal of tangible non-current assets	-	3,105	-	-	-
Net purchase and proceeds, other investments	-170,551	-	-194,104	-47	-1,976,142
Net cash flow from investment activities	**-200,756**	**-14,059**	**-236,336**	**-19,352**	**-2,017,576**
Repayment of borrowings	177,761	377	196,537	-32,925	1,178,561
Dividends	22,830	-46,044	5,001	-41,516	-46,044
Capital increase	-3,468	-	9,181	17,606	840,440
Net cash flow from financing activities	**197,123**	**-45,667**	**210,719**	**-56,834**	**1,972,957**
Net change in cash and cash equivalents	**3,872**	**-11,676**	**-40,291**	**-7,819**	**57,632**
Opening cash balance	37,042	27,428	81,205	23,572	23,572
Closing cash balance	**40,914**	**15,753**	**40,914**	**15,753**	**81,205**

Table 7 Statement of cash flow (reported numbers as of 30 June 2018 includes CrediCare).

Net interest-bearing debt

NOK thousands	30 Jun 2018	31 Mar 2018	30 Jun 2017
Intragroup loans	-	-	-
Bond loan	-1,302,529	-1,300,313	-
Liabilities to shareholders	-110,662	-	-42,319
Liabilities to financial institutions	-65,705	-	-38,115
Cash and cash equivalents	40,914	37,042	15,753
Net interest-bearing debt	**-1,437,982**	**-1,263,271**	**-64,681**
EBITDA last twelve months	212,978	178,367	112,837
Net interest-bearing debt in % of EBITDA last twelve months	**675.2%**	**708.2%**	**57.3%**

Table 8 Net interest-bearing debt.

Consolidated key ratios

NOK thousands	Q2 2018	Q2 2017	YTD 2018	YTD 2017	2017
RETURN ON EQUITY					
Return on equity in %	-7.7%	8.7%	-16.6%	14.8%	16.0%
PROFIT					
EBITDA	61,076	34,781	94,558	63,409	175,603
EBITDA margin in %	60%	55%	52%	53%	55%
Operating result	-9,464	25,442	-31,316	44,856	143,386
Operating margin in %	-9%	40%	-17%	38%	45%
Net profit margin in %	-36%	38%	-46%	36%	37%
KEY RATIOS—GROWTH VERSUS LAST YEAR					
Revenue growth in %	60%	21%	54%	22%	71%
Revenue growth in absolute numbers	38,295	11,205	64,023	21,872	132,274
KEY RATIOS—FINANCIAL POSITION					
Cash liquidity in %	178%	73%	178%	73%	179%
Total assets	2,244,191	412,793	2,244,191	412,793	2,155,186
Total equity	469,095	222,007	469,095	222,007	558,619
Equity/assets ratio in %	21%	54%	21%	54%	26%
Gross interest-bearing debt	1,478,897	80,434	1,478,897	80,434	1,282,359
Net interest-bearing debt	1,437,982	64,681	1,437,982	64,681	1,201,154
Cash conversion ratio in %	-316%	98%	-265%	77%	-1,091%

Table 9 Consolidated key ratios (see note #1 for definitions).

Notes

Note 1—Definition of key ratios

Return on equity in %

Profit/loss after tax divided by equity.

EBITDA

Earnings before interests, tax, depreciation and amortization.

EBITDA margin in %

EBITDA divided by total revenue.

Operating result

Profit before financial items and tax.

Operating margin in %

Operating profit divided by total operating revenue.

Net profit margin in %

Profit after financial items divided by total operating revenue.

Revenue growth in %

Growth in comparison with the same period previous year in %.

Revenue growth in absolute numbers

Growth in comparison with the same period previous year in absolute numbers.

Cash liquidity in %

Current assets divided by current liabilities.

Equity/assets ratio in %

Total equity divided by total assets.

Net interest-bearing debt

Gross interest-bearing debts less cash and cash equivalents.

Cash conversion in %

Cash flow from operating and investing activities divided by EBITDA.

Note 2—Accounting principles

This interim report has been prepared in accordance with Norske regnskapsstandarder (NGAAP). The accounting principles applied are the same as those applied in the latest annual reports of Melin Medical and Melin Collectors unless otherwise stated below. This report has not been subject to review by the Melin Group's auditor. The preparation of financial statements in conformity with NGAAP requires the use of certain critical accounting estimates. It also requires management to make certain judgments in applying the group's accounting policies.

Note 3—Accrued revenue

Up until Q2 2017, Melin Group recognized revenue from invoice fees, reminder fees and debt collection fees at the time when the fee/claim was settled and paid. After gaining more experience and collecting empirical data regarding resolution rates and expected revenue from different patient segments, Melin Medical AS and Melin Collectors AS in Q3 2017 adopted the accrued revenue principle, where recognition of invoice fees, reminder fees and debt collection fees is based on the expected revenues and resolution rates for the active claims / portfolio of claims. This principle for accrued revenue is in line with the principle applied by similar debt collection companies in the Nordic market.

By applying the accrued revenue principle from Q3 2017 onwards, Melin Group had one-off effects in the profit and loss statement for 2017 (equaling the accumulated accrued revenue as of 31 December 2016). One off effects described above amounted to MNOK 47.6 in revenue, MNOK -2.9 in cost of materials and MNOK 44.7 in EBITDA.

As per 30 June 2018 the total effect on accrued revenue was MNOK 92.5, the cost of materials was MNOK 8.0 and the EBITDA was MNOK 84.5. Included in the accrued revenue is MNOK 10 from CrediCare. Due to the fact that CrediCare was acquired 25 June 2018, accrued revenue from CrediCare is included in the balance sheet but not the profit and loss for the period.

Note 4—Consolidated financial statements

Please note that Odin Kapital AS (acquired 3 November 2017) and Gordion AB (acquired 6 February 2018) have been integrated into the Melin Group accounts from these dates in line with NGAAP standards. Also note that on 30 June 2017, a demerger was carried out in Helseinnovasjon AS, where the shares in the subsidiary PatientSky AS was transferred to Helseinnovasjon II AS. Thus, in the consolidated financial statements presented here, PatientSky AS has been treated as an investment in associated companies (i.e. not included in the consolidated Melin Group figures).

As a consequence, the consolidated profit and loss, balance sheet and cash flow statements as of 30 June 2017 as presented in this interim report, do not reconcile back to the reported historical financial statements for the Melin Group.

As a consequence of the purchase of CrediCare AS on 25 June 2018, CrediCare's balance is included in Melin Group's balance sheet but not in the profit and loss for the period.

Note 5—Adjustments opening balance 2018

Please note that there has been a change in figures between the Q1 2018 report and the Q2 2018 report regarding the statement of financial position at year end 2017. When the Q1 report was made, the Purchase Price Allocation (PPA) for Melin Group was under preparation and the audit of the annual report had not yet ended. The PPA calculations affected the reported equity for 31 December 2017 by MNOK -210.8 from MNOK 769.5 to MNOK 558.6, as well as deferred tax liabilities. The balance sheet as of 31 December 2017 in this report (for the second quarter) is consistent with the figures presented in the annual report of 2017 for the Melin Group.