

MedLife reports 27% YoY revenue growth for Q3 2022

"Despite the very unstable economic context, we have managed to record a solid financial performance. The following period will be for consolidation and integration of the acquired businesses."

- *MedLife recorded in the first 9 months of 2022 a pro-forma consolidated turnover amounting to RON 1.3 billion*
- *The company followed, at a sustained pace, the expansion strategy at the national level, both through acquisitions and through organic developments, marking 7 newly inaugurated units and 13 new acquisitions in less than nine months.*
- *The development of the niche services - oncology, ophthalmology - as well as entering the wellness segment, contribute to the consolidation of the largest diagnostic and treatment platforms in Romania, owned by MedLife.*
- *In the next period, MedLife will continue the sustained development of the service portfolio at the national level, in accordance with the needs of patients. Increasing and consolidating medical excellence remains the group's main goal.*

Bucharest, 11 November 2022: MedLife, the leader of the private medical services market in Romania and the only company with Romanian capital among the top operators of private medical services, announces its financial results for the third quarter of this year.

Thus, despite the unstable economic context, under the threat of recession, MedLife Group recorded in Q3 2022 a pro-forma consolidated turnover of RON 1.3 billion, increasing by 27% compared to the same period of the last year. According to company representatives, the reported pro-forma turnover does not include two important acquisitions: Muntenia Hospital and Provita Group, which are currently submitted to approval by the Competition Council.

With a constant increase of the market share in all regions of the country, MedLife has once again proved the ability of a healthy business, to adapt regardless of the context. Despite the high inflation and the increase in consumer costs, the Romanian Group recorded in Q3 2022 a double-digit advance for all business segments. The best performing divisions were the clinics and the hospitals, with increases of 50% and 15%, respectively, results that reflect the effects of the almost two years of the pandemic, during which Romanians postponed their visits to the doctor, for fear of infection or due to restrictions.

"In a context marked by numerous uncertainties and accelerated inflation throughout the world, and implicitly at locally, MedLife once again proves its extraordinary ability to adapt, continuing the sustained pace of development at national level. Regardless of the circumstances, our business decisions are governed by the patient needs. Health does not take into account war, inflation or economic crisis, that's why we continued our efforts to offer customized solutions both for the employees of almost 10,000 companies we have in our portfolio, and for the millions of patients who cross the threshold of our units year after year", stated Dorin Preda, Executive Director of MedLife Group.

Accelerated development to increase access to excellent medical services, both in the integrated and niche regimes

The first nine months of 2022 have been intense for the leader of the private healthcare market, both in terms of organic development and acquisitions. In order to increase access to excellent medical services, MedLife organically developed 7 new units, including dental clinics in Craiova, Ploiesti and

Arad, under the brand DENT ESTET, new hyperclinics in Târgu Mureș and Deva, and niche centers in Arad, Târgoviște and Craiova.

Moreover, MedLife closes the third quarter of 2022 with no less than 13 acquisitions ticked off in less than 9 months, in line with the Group's strategy. According to company representatives, the development plans targeted expansion through acquisitions with an emphasis on companies with integrated services, such as Medici's or the Provita Group, but also with the intention of consolidating niches such as oncology, ophthalmology and more recently, the wellness segment.

Among the companies acquired by the MedLife Group in the last 9 months are: Neolife, OncoCard, Medicris Oradea, Profilaxis Timișoara, Medici's, Opticristal Brașov, Spitalul Muntenia, as well as Sweat Concept gyms and SanoPass digital platform.

In addition to the process of territorial expansion, aligned with the needs of patients, MedLife's investments this year were also directed towards digitization, innovation and upgrading processes at the level of medical equipment and facilities. At the same time, with the development of the surgery division with robotic interventions in the largest hospital in the network, was completed the first stage of consolidation of the MedLife Medical Hub, the largest medical park of the Group.

2023 Outlook. The fast-pace of acquisitions will be followed, on short term, by a period of settlement and consolidation

MedLife representatives expect 2023 to be a difficult year from an economic perspective, but they are counting on the fact that the healthcare market has proven its resilience to cope with various crises more easily compared to other industries. Furthermore, the company relies on the agility of the management team to adapt the strategy according to the context.

For next year, the Romanian Group plans to continue the development of the service portfolio, especially on niches, but on short term it announces a period of settlement and consolidation, as a result of the intense acquisition activity of the last months.

"The effects of the pandemic, the war, the inflation, the energy crisis - all came like a boomerang over the whole Europe, including the Romanian business environment. Fortunately, this caught us, MedLife, with a very well-defined business strategy, and we were able to continue our expansion plans through acquisitions and organic development.

We will continue to act cautiously, depending on the context and market trends. It is only natural that, after the accelerated expansion of the last few months, there will be a period of settling down and consolidation at the group level. Simultaneously, we will continue to offer support to large and medium-sized companies, as well as start-ups, to support their position during this difficult period for the business environment. At the same time, we will support the rest of the patients who cross our threshold daily with personalized solutions, their needs being a priority in our entire decision-making process", stated Mihai Marcu, President & CEO of MedLife Group.

The MedLife Group is distinguished today as the strongest diagnostic and treatment network in Romania, with 700 own and partner locations nationwide. More than 5.5 million unique patients have so far sought prevention, wellness, treatment and hospitalization services in the MedLife network, and nearly 800,000 employees benefit from medical service subscriptions through MedLife subscriptions.

Mihail Marcu
Chair of the Board of Directors