

MedLife ended the first half of 2022 with a 28% increase compared to the same period last year

„The integration of sports and medical recovery services into medical subscriptions with the same fiscal facilities for employees could contribute greatly to relieving the social health insurance budget”

- *In S1 2022, MedLife recorded a pro-forma consolidated turnover of RON 865 million, increased by 28% compared to the same period last year. The results reflect the continuous care towards the needs of the patients by diversifying the portfolio of services and the coverage area.*
- *The significant accumulation of investments in the first six months – 12 acquisitions, six new unit openings and modernization – is the result of development and consolidation synergies at group level.*
- *Additionally to the services offered at the national level, MedLife also integrated wellness services this year. The company's vision for a healthier patient means including them in medical subscriptions with the same tax benefits for employees.*
- *One of the company's strategic objectives for the next period is to accelerate the completion of the Medical Park project. The transformation process of the project also aimed to consolidate the medical teams and aligning them with the new capacity to be launched, which led to a decrease in profitability in the short term.*
- *At the same time, the demand for outpatient services in clinics continues to be high, as they are the engine of the development of the other business divisions: hospitals, laboratories and medical subscriptions.*

Bucharest, 26 August 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 first half. Thus, in the first six months of the year, MedLife recorded a pro-forma consolidated turnover of RON 865 million, up by 28% compared to the first half of 2021. According to company representatives, the reported pro-forma turnover does not include three important acquisitions: Spitalul Muntenia, Medici's Group and SWEAT Concept, which are in the process of being approved by the Competition Council or in the process of being finalized.

The financial evolution of the group reflects the investments made during this period – strengthening the MedLife network at national level by opening and acquiring new clinics and medical centers of excellence in key cities in the country to improve access to quality medical services and contribute to a healthier lives of patients through complex solutions.

Thus, MedLife developed its medical infrastructure by completing 12 strategic acquisitions aimed to strengthen the services offered at the national level through the two networks of the group: MedLife and Sfânta Maria. In addition to consolidating its leading position at national level, the group pursued the development of business lines that meet the needs of patients with specific, niche solutions, such as the diagnosis and treatment of cancers, through the acquisition of NeoLife or the OncoCard Braşov group, of ophthalmological conditions, through the acquisition of Opticristal, but also the integration of wellness services, by taking over the majority package of the SWEAT Concept gyms.

Out of care for patients' needs and the desire to increase access to excellent medical services, MedLife also continued organic development projects through new inaugurations of medical centers at the national level, such as the opening of two dental clinics in Craiova and Ploiești under the DENTESTET brand, the opening of a new Hyperclinic in Târgu Mureș, but also the launch of niche centers in Arad, Târgoviște and Craiova.

"From the leading position of the private medical services market, we have assumed the responsibility to adapt our development objectives in order to respond as best as possible to the needs of patients. The sustained efforts made since the beginning of the pandemic, by conducting research studies on COVID-19, as well as by diversifying the service portfolio are also reflected in the evolution of our business. So that every project started in the first half, both in terms of acquisitions and investments for new medical units, will translate into long-term results for investors and added value for our patients", stated Dorin Preda, Executive Director MedLife Group.

Regarding the performance of the business lines, the group recorded the highest increases for the clinics division by 48.6% compared to last year, respectively hospitals - by 14.4% compared to the same period in 2021. This evolution reflects the demand that remains high for outpatient services in the clinics network and which represents the engine of development for the other business divisions: hospitals, laboratories and medical subscriptions.

At the same time, the dental division had a more moderate growth, following the investments made during this period in new acquisitions and inaugurations of new dental clinics.

The state of health of the employees, an important factor for increasing the performance of businesses in Romania, but also of the economy as a whole

Additionally to the development of integrated services for patients, MedLife continued to develop the portfolio of services dedicated to companies. Besides prevention and medical education programs for employees or personalized reports on their health status, the company has continued to expand its portfolio all this time with other medical solutions adapted to the needs of companies, and especially employees - the premium Concierge Doctor service, medical assistance at the company headquarters or in any area of the country through mobile medical clinics, wellness programs for employees supported by online fitness sessions, medical gymnastics, or office massage.

"In the context of the pandemic and the crisis in the region, the business environment in Romania has been severely tested in the last two years, so it is essential that businesses have a partner that will provide them with the necessary support to grow healthily in the coming period. That's why this year we continued to develop medical subscriptions for corporate clients with insurance solutions and expand our services for the SME segment, so as to help companies continue to take care of the health of their employees and reach a new level of performance" , added Dorin Preda, Executive Director of MedLife Group.

Outlook for the second half: Balanced plan of acquisitions and investments for the development of the existing network and infrastructure

As objectives for the next period, MedLife representatives envisages a development strategy carefully aligned to both the national and regional macro-economic context.

"The war in Ukraine accentuated the volatility of the regional economy, implicitly the economic dynamics at the national level, so we see a development aligned with the market context for the second half of the year. In this regard, we will pay attention to macroeconomic projections and continue our acquisition and investment plans in a balanced manner. The needs of our patients will continue to govern our business decisions, so in the coming months we will focus on the objectives set since the beginning of this year - the investments to complete the second stage of the MedLife Medical Park project, for which we hope to announce to investors an open days in November of this year, but also of other projects

related to the expansion of the hospital network in the country to strengthen services at the national level.

Additionally, we will also focus on strengthening prevention services. We firmly believe that, along with the periodic consultations or medical tests, movement and sports are both preventive behaviors that can improve the health of patients, a fact that has once again proven real in the pandemic, based on studies conducted on patients recovering post-covid. That's why we see the need to integrate these services into medical subscriptions while maintaining the same fiscal facilities offered to employees. Beyond the fact that this holistic approach could impact the health status and lifestyle of patients, this could also contribute greatly to relieving the National Health Fund", stated Mihai Marcu, President & CEO of MedLife Group.

About MedLife Healthcare System

MedLife started almost three decades ago, has developed healthily and has become the largest provider of private medical services in Romania. Romanian entrepreneurs, who founded this company, invested and got involved to bring change in the Romanian health system, believed in innovation and dared to aim as high as possible in order to offer Romanian patients quality, professionalism, care and respect for their needs.

The company operates the largest network of clinics, one of the largest networks of medical laboratories, general and specialized hospitals and has the largest corporate customer base for Health Prevention Packages in the country. In 2016, MedLife founded Sfanta Maria medical brand, integrated within the medical system and which currently operates with over 60 of its own medical units nationwide, which resulted from acquisition projects and organic developments. MedLife is also one of the largest players in private healthcare in Central and Eastern Europe in terms of sales.

MedLife Group has a history of success in terms of both organic growth and growth by acquisitions. Its strong and experienced management team has been able to create and manage these growth opportunities, gaining valuable knowledge and experience, which will enable to find the best way to successfully continue the expansion.

Being a Romanian company with a tradition, MedLife chose to be listed on the Romanian Stock Exchange, being a model of listings on the local capital market. It has opened horizons, and through the corporate governance it has implemented, it has inspired other local companies to start on this path and help the development of the Romanian capital and economy. The shares issued by MedLife SA are admitted to trading on the regulated spot market administered by the Bucharest Stock Exchange, Premium Category, with the trading symbol "M".

During the pandemic, MedLife managed to play a key role in society and gain leadership in pandemic monitoring through active involvement in the research area.

The company continues to invest in projects with an impact on the local community, in technology and infrastructure. It creates jobs and develops an ecosystem that contributes to the development and maintenance of a healthy Romania.