

Transaction of the year in Private Healthcare Market: MedLife takes over Polisano hospitals and clinics, the operator of the top 10 largest companies in the private healthcare market in Romania

Bucharest, October 18: Medlife, the leader in the private medical services in Romania, announces the signing of the acquisition of the 100% stake of the Polisano medical services, one of the largest private medical operators in Romania.

Founded in the 90's, Polisano is the first fully integrated medical group in Romania. It includes a series of four clinics with its own laboratories located in Bucharest and Sibiu, a private hospital – Polisano European Hospital in Sibiu – recognized as one of the most modern and performing hospital units in Romania, one in vitro fertilization centre and the biggest private maternity in Transylvania.

In about 25 years of activity, Polisano has served approximately 2,1 million patients focused on both retail segment and the corporate segment. The company currently has over 500 employees and registered a turnover of about 80 million lei in the year 2016.

According to the company's representatives, through this acquisition, MedLife continues to strengthen the market and also the shareholders' mandate at the last AGM meeting, where the share capital increase and issuance of bonds for the acquisition and development of the company were approved.

"For us, Polisano becomes an important strategic partnership and, at the same time, a proof of our long-term commitment to expand medical excellence services to the benefit of patients in all regions of the country. We have a special respect for the quality of medical services and the operational functioning of Polisano. These are the values that bring us together and I am confident that Polisano will strengthen our position as a national leader in high performance medical services", stated Mihai Marcu, MedLife General Manager.

"Over the years, Polisano has been renowned for its quality of services provided, medical equipment, but also for the resolution of some of the most complex medical cases at private level. By joining the MedLife Group, it will bring added value and, at the same time, it will help us sustain our commitment to continuously deliver premium services and an outstanding medical team, to all patients, both in retail zone, as well as the corporate", stated Ovidiu Gligor, Administrator of Polisano Clinics.

The transaction is to be analyzed by the Competition Council. Once approved, this can become the most important transaction in the medical sector announced this year and an important step in meeting our commitment to investors who have trusted the company's strategy and its deployment capability.

"If all the conditions will be met and the acquisition of Polisano Clinics will be completed, MedLife will reach 6300 employees and will be the employer of approximately 5% of doctors with Free Practice Authorization in Romania and probably a similar percentage of nurses. We believe that both the Ministry of Health and the NHIH (The National Health Insurance House) should consult with the private environment on public

health policies and, before any legislative changes, to give us more predictability on their evolution. We need to find together the necessary levers to motivate these professionals to stay in the country and provide to their locals medical services to the highest level", Mihai Marcu stated.

MedLife made its first purchase in 2011 by buying the majority stake in the PDR Brasov group of companies. In those 7 years, the company has successfully completed 16 acquisitions, being, probably the medical operator with the largest expertise to buy and integrate a group or medical companies. The last announced acquisition was the Humanitas Hospital in Cluj.

MedLife consultants in the Polisano transaction were TaxHouse on the part of tax consultancy and Dima&Asociatii on the part of legal advice. The seller's consultants were PWC on transaction consulting and David & Baias on legal advice.

About MedLife:

MedLife is the largest provider of private health services in Romania. The company operates the largest network of clinics, one of the largest medical laboratory networks, general and specialized hospitals, and has the largest customer base for Health Prevention Packages in the country. It is also, from the point of view of sales, one of the major private health companies in Central and Eastern Europe.

Shares issued by MedLife SA are admitted to trading on the regulated spot market administered by the Bucharest Stock Exchange, the Premium Category, having the „M” trading symbol.

The MedLife Group has a successful history of both organic growth and growth through acquisitions. Starting with 2009, it has opened or purchased 83 medical units. Its strong and experienced management team has been able to create and manage these growth opportunities, gaining valuable knowledge and experience, enabling it to find the best way for continuing a successful expansion.