

MedLife, the leader of the private medical services market in Romania, recorded last year a consolidated pro-forma turnover of 453 million euros, up by 25% compared to 2022.

- *The systematic, non-opportunistic construction of the largest medical network in Romania brought significant advantages in terms of notoriety and trust in the brand, generating an important organic growth of 12%, which seems to be maintained in the first two months of the current year, thus creating strong growth premises for the rest of the year.*
- *The company records a 25% increase in consolidated pro-forma turnover, simultaneously with a gradual increase in EBITDA margins compared to last year, a trend it intends to maintain.*
- *The investments in medical oncology, top equipment, the launch of the transport of biological samples with drones and, last but not least, the equipping of three hospitals with state-of-the-art surgical robots, place MedLife at the forefront of medical technology not only in Romania, but also in the region.*

Bucharest, 29 February 2024: MedLife, the largest network of private medical services in Romania and the only Romanian capital company among the top operators of private medical services listed on the Stock Exchange, reports a consolidated pro-forma turnover of RON 2.24 billion, up by 25% compared to the previous year, maintaining this growth trend since listing until now. At the same time, MedLife managed to gradually recover a large part of its lost margins thanks to the investments from the last years.

The company invested in technology at an unprecedented level, opening at the end of last year a large hospital in Bucharest, Provita-Nord, modernized and gradually expanded the Medical Park hospital in Bucharest, invested in new radiotherapy clinics in Braila and Valcea , invested in three new surgical robots in different locations in the country and, for the first time in Central and Eastern Europe, started the transportation by drones for biological samples. Thus, MedLife marked its leading position in medical technology not only in Romania, but probably also in the region.

According to MedLife representatives, almost all business lines continued their upward trend in 2023, highlighting the excellence and high quality services provided in clinics, hospitals and the corporate area, which recorded increases of 35%, 27% and 17%, respectively , followed by laboratories and dental clinics with increases of 15% and 2%, while pharmacies saw a decrease as a result of the adjustments of the drugs' portfolio for a more efficient operational management. These performances are supported by steady growth in all areas of the country, although inflation remains high and consumer costs continue to rise.

"Despite the unstable economic climate, rising costs and inflation, we managed to have a solid growth of 25% aggregated at group level, 35% in clinics and 27% in hospitals. The companies that joined the MedLife Group through M&A activity in the last year added to the Group's balance sheet a volume of debt that did not allow the relaxation of the associated indicators in the short term, adding, on a stand alone basis, more than 0.7x net debt/ebitda at the consolidated level. However, it is a context that shows us the premises for a strong growth, above the market, especially in Bucharest where, together with the new Provita Nord hospital, we believe that we will be able to take over the position of main private provider of hospital services in the coming years. In this sense, we aim to become the main destination

for patients in the Capital for neuro, cardio and oncological surgery and to offer conditions similar to those in the largest capitals of the world.

In fact, last year alone we cared for approximately 1.4 million Romanians, unique patients, an indicator of the solid trust they have in our services. This trust is a huge responsibility for us and a catalyst for our mission to provide healthcare at the highest standards. In summary, MedLife is the provider that offers its patients a leading technological development for high-performance diagnostics, robotic surgery and very good doctors, and investors an investment in a company with significant annual growth, in a very promising industry” said Mihai Marcu, president and CEO of MedLife Group.

2023, marked by good dynamics and sustained investments for the benefit of patients

After an intense period of acquisitions and organic development, in which 20 projects were concluded in 2022 alone, the Group's representatives focused last year, mainly, on the consolidation and coagulation of the new companies under the MedLife umbrella.

Thus, MedLife strengthened its expertise in integrated and niche medical services, strengthening the areas of oncology and radiotherapy. Moreover, the expansion of the oncological infrastructure is a priority for the Group, with the inauguration of two new radiotherapy centers in Braila and Valcea, under the Neolife umbrella, and significant investments in state-of-the-art equipment in the country's hospitals, including the purchase of radiotherapy equipment and the modernization of another equipment, in the existing centers in Brasov and Sibiu. Additionally, MedLife is the operator with the greatest expertise in the field of genetic sequencing, especially in the field of oncological pathologies.

In addition, consistent investments in digitization and technology, such as the use of drones to transport biological laboratory samples or the acquisition of the third da Vinci robot, illustrate MedLife's progress in providing the highest quality medical services by facilitating advanced diagnostics, and personalization of treatments for patients.

At the same time, the company emphasized on increasing the portfolio of doctors and maintaining the high quality of medical services, investing in greenfield projects and opening new centers, such as: Nord Pipera Hospital in Bucharest, Hyperclinica in Bacau, two new BetterMe Lifestyle Medicine Centers in Cluj-Napoca and Timisoara and the Center of Excellence in Maternal-Fetal Medicine in Timisoara.

Last year, the Group also completed several acquisitions: Muntenia Hospital, the majority stake in Nord-Grupul Medical Provita and 56% of the stake in Brol Medical Center SA from Timisoara.

Also, 3 company mergers were completed, respectively within the Arad Group, the Sfanta Maria network and in the pharmacy segment. This action, to carry out technical mergers, gradually reducing the number of companies in the group, will continue in the years to come.

2024, a year of evolution and excellence of the medical act, and also a year of optimization, consolidation of margins, as well as gradual reduction of the debt level

With a particular attention to market trends, MedLife renews its commitment to invest in technology and digitization to bring the medicine of the future closer to its patients. Strategic priorities include the development of the MedLife Medical Park project and the opening of new facilities in the country.

The Group's representatives are convinced that prudence in actions, consolidation of profitability margins and gradual reduction of the net debt/ebitda ratio will ensure a harmonious development of the largest private medical services group in Romania.

"Looking carefully to 2024, we continue to focus on consolidating and optimizing the companies within the MedLife Group, given that this strategy proved its effectiveness last year. We are committed to continuing this healthy business trend with solid growth, entering a cycle of gradually increasing margins and slightly lower debt levels over the next 12-18 months", said Mihai Marcu, president and CEO of MedLife Group.

Currently, MedLife Group owns the largest diagnostic and treatment network in Romania. More than 6 million unique patients have so far used prevention, wellness, treatment and hospitalization services in MedLife facilities, and over 800,000 employees benefit from medical service subscriptions through MedLife subscriptions.

About MedLife Group

MedLife started almost three decades ago, developed healthily and became the largest provider of private medical services in Romania. The Romanian entrepreneurs, together with the elite doctors who laid the foundations of 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, to offer Romanian patients service excellence, quality, care and respect for their needs.

The company operates the most extensive network of clinics, one of the largest networks of medical laboratories, but also the largest network of general and specialized hospitals in the country, these being governed by extraordinary doctors who have performed hundreds of thousands of surgical interventions and millions of patients evaluated with the help of the latest medical technologies.

Being a Romanian company with tradition, MedLife chose to list 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 managed by the Bucharest Stock Exchange, Premium Category, with the trading symbol „M”.

During the pandemic period, MedLife managed to play an essential role in society and obtain the status of detached leader in monitoring the pandemic, 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.

Mihail Marcu

CEO