

MedLife Medical System consolidates its leading position and acquires the majority stake in Pharmachem

- *This transaction will help MedLife group to strengthen the position in the pharma sector*
- *The company aims to develop the online pharmacy area, but also to optimize the purchasing system at group level, for its own network of pharmacies and hospitals*
- *MedLife plans, as well, other transactions by the end of the year*
- *If the transactions are completed, MedLife will be the first Romanian company in the private medical sector to exceed a quarter of a billion euros in turnover*

Bucharest, December 15, 2020: MedLife Medical system announces the signing of the acquisition for the 75% majority stake of Pharmachem Distribuție SRL. It is the group's largest acquisition this year, being, also, the first acquisition in the pharma sector.

Pharmachem has a history of drug distribution services of 16 years, being an important player, with a warehouses network in Bucharest and in the entire country. In 2019, the distribution company reached a turnover of 83.4 million lei, an increase by 30% compared to the previous year.

"As we have already announced our shareholders, we have actively kept the acquisition program and thus we sign a new transaction, this time, in the pharma area. We believe that this segment will have a very important economic recovery contribution and population's health maintenance in the next years. Regarding the integration of Pharmachem in MedLife group, we plan two directions: first, the optimization of the drug procurement system at group level, through the own pharmacies network -PharmaLife Med, and the 12 hospitals within the group. And secondly, the development of the clickpharm.ro online pharmacy area, but also new digitization projects that will bring the right medicine closer to the patient" said Mihai Marcu, CEO and President of MedLife Group.

The pandemic period helped us to closely follow the consumption behaviours. We observed a greater interdependence between the doctor and the pharmacy, and vice versa, between the pharmaceutical units on the medical prescriptions, between the patients and the immunology tests and also the finding a vaccine. The interdependence between medicines inside the clinics, close to the patient, has increased in the last year more than ever. The patient prefers online consultations, rapid tests through delivery and, if possible, the vaccine, monitored by the doctor. In this context, we need know-how in the pharmaceutical field, the development of the pharmacy network in clinics and hospitals, an union between medical and pharmaceutical units, and the diversification of business lines prepares us for the years to come, for patients who will look at the pharmaceutical industry alongside with medical services, as an industry which can heal them ", Mihai Marcu also declared.

Once this transaction will be completed, Pharmachem management will be lead by the current shareholders, who have the right know-how to properly manage this business, but also to accelerate its growth.

"We are happy with this partnership and with the fact that we can be part of MedLife group. For us, it is a great opportunity for expansion and development, because we will join a solid and complex organizational structure governed by a market-leading company. We have big plans for next year and we are confident that together with MedLife we will be able to achieve the proposed objectives", said Mihai Tirli, General Manager of Pharmachem.

The transaction is going to be analysed by the Competition Council. Once approved, MedLife group will strengthen its leading position in the private healthcare market, thus fulfilling its commitment to shareholders and partners.

For the next period, MedLife representatives intend to develop the acquisition program and expand investments. "The current business structure, which integrates many business lines, has helped us not only to overcome the crisis period, but also to pay attention to market opportunities. We are also targeting other transactions at the end of this year. And, on this line, once the named transactions will be completed and current transaction will be evaluated and approved by the Competition Council, we will be the first private medical company in Romania that exceeds a quarter of a billion euros in turnover ", said Mihai Marcu.

The company's representatives believe that the future belongs to interdisciplinary services in the context in which the medical world is moving towards a new patient.

"We are moving towards a new medical world, towards a new patient. The variety of Medlife Group services helped us, in the pandemic, to launch new services, COVID laboratories to identify infection with the new Coronavirus and detect SARS CoV 2 antibodies, we immediately adapted to provide lung scan, metabolic, cardiovascular and immune diseases screening. Again, from a functional point of view, the medical subscription departments, the emergency medical services and the PharmaLife sales helped us to maintain the economic balance necessary to carry out the activity. We believe that the future belongs to interdisciplinary services. The fact that we have income and know-how for outpatient medical services, hospital services, laboratory activity, but also pharmacies, dentistry and medical subscription, puts us in a unique position to choose, and to adapt to the post covid patient and to any challenge in order safely take care of patients "said Mihai Marcu.

Through the acquisition of Pharmachem Distribution, MedLife group reaches a portfolio of 28 acquired companies, the last announced being the Veridia Medical Center (Basarab).