



Conference Call Presentation for
2017 Annual Report and Financial Results

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These projections should not be considered a comprehensive representation of Med Life SA's cash generation performance.

This report may contain forward-looking statements. These statements reflect Med Life SA's current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as "anticipate," "believe", "estimate", "expect", "intend", "plan", "project", "target", "may", "will", "would", "could" or "should" or similar terminology.

These financial projections are preliminary and subject to change; Med Life SA undertakes no obligation to update or revise these forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. Inevitably, some assumptions may not materialize, and unanticipated events and circumstances may affect the ultimate financial results. Projections are inherently subject to substantial and numerous uncertainties and to a wide variety of significant business, economic and competitive risks.

Therefore, the final results achieved may vary significantly from the forecasts, and the variations may be material.

TOPICS OF DISCUSSION

- DIFFERENCES RECORDED BETWEEN PRELIMINARY AND FINAL FINANCIAL RESULTS FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2017



DIFFERENCES RECORDED BETWEEN PRELIMINARY AND FINAL RESULTS part I

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (RON, unless otherwise indicated)	12 months ended 31 December 2017,			Comment
	Preliminary	Audited	Audited vs Preliminary	
ASSETS				
LONG TERM ASSETS				
Goodwill	66,035,963	66,035,963	-	
Intangible assets	33,934,030	34,299,738	365,708	Note 1
Tangible fixed assets	325,843,681	325,845,288	1,607	
Financial fixed assets	1,260	6,161,678	6,160,418	Note 2
TOTAL NON-CURRENT ASSETS	425,814,934	432,342,667	6,527,733	
CURRENT ASSETS				
Inventories	20,323,362	20,325,330	1,968	
Receivables	64,747,346	58,450,406	(6,296,940)	Note 2
Other receivables	5,118,136	5,549,527	431,391	Note 3
Cash and cash equivalents	79,837,154	79,227,766	(609,388)	Note 3
	170,025,998	163,553,029	(6,472,969)	
Assets classified as held for sale	381,665	381,665	-	
PREPAYMENTS	7,629,519	7,068,126	(561,393)	Note 4
TOTAL CURRENT ASSETS	178,037,182	171,002,820	(7,034,362)	
TOTAL ASSETS	603,852,116	603,345,487	(506,629)	
CURRENT LIABILITIES				
Trade accounts payable	103,898,497	103,839,523	(58,974)	
Overdraft	2,013,469	2,013,469	-	
Current portion of lease liability	3,177,961	3,177,961	-	
Current portion of long term debt	36,642,740	36,642,740	-	
Current tax liabilities	1,267,172	1,112,707	(154,465)	
Other liabilities	20,412,552	20,232,973	(179,579)	Note 3
Liabilities directly associated with assets classified as held for sale	558,370	558,370	-	
TOTAL CURRENT LIABILITIES	167,970,761	167,577,743	(393,018)	
LONG TERM DEBT				
Lease liability	10,111,452	10,111,452	-	
Long term debt	242,797,699	242,797,699	-	
TOTAL LONG-TERM LIABILITIES	252,909,151	252,909,151	-	
Deferred tax liability	15,196,634	15,196,634	-	
TOTAL LIABILITIES	436,076,546	435,683,528	(393,018)	
SHAREHOLDER'S EQUITY				
Issued capital	81,495,470	81,495,470	-	
Reserves	92,360,860	93,181,880	821,020	Note 5
Retained earnings	(21,789,737)	(22,640,779)	(851,042)	Note 5
Equity attributable to owners of the Group	152,066,593	152,036,571	(30,022)	
Non-controlling interests	15,708,977	15,625,388	(83,589)	
TOTAL EQUITY	167,775,570	167,661,959	(113,611)	
TOTAL LIABILITIES AND EQUITY	603,852,116	603,345,487	(506,629)	

Note 1 : Reversal of accumulated depreciation of goodwill recorded by Anima Specialty Medical Services S.R.L. to align to Group accounting policies. Impact on Intangible assets and Depreciation.

Note 2 : Reclassification of long term receivables for Stem Cells Bank S.A. to be collected in more than 12 months. Impact on Financial fixed assets and Receivables.

Note 3 : Correction of cash in transit for MedLife S.A. based on received bank confirmation. Impact on Cash and cash equivalents, Other receivables, Other liabilities.

Note 4 : Release in profit or loss account for MedLife S.A. of marketing expenses recorded as prepayment expense. Impact on Prepayments and Operating expenses.

Note 5 : Allocation of legal reserves as per Romanian Commercial Law, in the case of Policlinica de Diagnostic Rapid S.A., Centrul Medical SAMA S.A. and Stem Cells Bank S.A. Impact on Reserves and Retained earnings.

DIFFERENCES RECORDED BETWEEN PRELIMINARY AND FINAL RESULTS part II

PRO FORMA (RON, unless otherwise indicated)	12 months ended 31 December 2017,			Comment
	Preliminary	Final	Final vs Preliminary	
SALES	638,060,929	638,060,929	-	
Other operating revenues	7,630,731	7,630,731	-	
OPERATING INCOME	645,691,660	645,691,660	-	
OPERATING EXPENSES	(608,362,635)	(608,630,699)	(268,064)	Note 1, 4
OPERATING PROFIT	37,329,025	37,060,961	(268,064)	
Net finance cost	(14,453,723)	(14,453,736)	(13)	
Other financial expenses	(6,362,905)	(6,362,905)	-	
FINANCIAL RESULT	(20,816,628)	(20,816,641)	(13)	
RESULT BEFORE TAXES	16,512,397	16,244,320	(268,077)	
Income tax expense	(6,192,306)	(6,037,841)	154,465	
NET RESULT	10,320,091	10,206,479	(113,612)	

NET INCOME TO ADJUSTED EBITDA (RON, unless otherwise indicated)	12 months ended 31 December 2017,			Comment
	Preliminary	Final	Final vs Preliminary	
Net income/(loss) for the period	10,320,091	10,206,479	(113,612)	
Add back:			-	
Taxes on income	6,192,306	6,037,841	(154,465)	
<i>Out of which:</i>				
Base tax expense	5,788,262	5,633,797	(154,465)	
One off impact	404,044	404,044	-	
Net financial result	20,816,628	20,816,641	13	
Depreciation, amortization and impairment, including write-ups	45,006,994	44,641,286	(365,708)	Note 1
Adjusted EBITDA	82,336,019	81,702,247	(633,772)	

PROFORMA REVENUE SPLIT BY BUSINESS LINE (RON, unless otherwise indicated)	12 months ended 31 December 2017,			Comment
	Preliminary	Final	Final vs Preliminary	
Clinics	172,838,796	172,838,796	-	
Stomatology	37,565,681	37,565,681	-	
Hospitals	121,154,547	121,154,547	-	
Laboratories	118,400,630	118,400,630	-	
Corporate	147,635,388	147,635,388	-	
Pharmacies	29,526,655	29,526,655	-	
Other Sales	10,939,232	10,939,232	-	
Total Sales	638,060,929	638,060,929	-	

Note 1 : Reversal of accumulated depreciation of goodwill recorded by Anima Specialty Medical Services S.R.L. to align to Group accounting policies. Impact on Intangible assets and Depreciation.

Note 4 : Release in profit or loss account for MedLife S.A. of marketing expenses recorded as prepayment expense. Impact on Prepayments and Operating expenses.

DIFFERENCES RECORDED BETWEEN PRELIMINARY AND FINAL RESULTS part III

CONSOLIDATED STATEMENT OF CASH FLOWS (RON, unless otherwise indicated)	12 months ended 31 December 2017,			Comment
	Preliminary	Audited	Audited vs Preliminary	
Cash flow from operating activities				
Profit / Loss before tax	14,544,622	14,276,545	(268,077)	Note 1, 4
Adjustments for:				
Depreciation	43,444,329	43,078,621	(365,708)	Note 1
Disposal of subsidiaries	-	-	-	
Interest expense	14,201,673	14,201,686	13	
Interest income	(613,193)	(613,193)	-	
Allowance for doubtful debts and receivables written-off	(485,889)	(485,889)	-	
Write off and allowance of other current assets	-	-	-	
Financial discounts	-	-	-	
Gain/(Loss) with impairment of non-current assets	-	-	-	
Unrealized exchange gain/loss	7,102,716	7,102,716	-	
Other non-monetary gains	(4,561,947)	(4,561,947)	-	
Bargain gain	(729,165)	(729,165)	-	
Net gain/(loss) on disposal of property	-	-	-	
Operating cash flow before working capital changes	72,903,145	72,269,374	(633,771)	
Increase in accounts receivable	(17,734,479)	(18,029,348)	(294,869)	Note 2, 3
Increase in inventories	(2,716,343)	(2,718,311)	(1,968)	
Decrease/(Increase) in prepayments	(716,482)	(155,089)	561,393	Note 4
Increase in accounts payable	2,620,809	2,380,649	(240,160)	Note 3
Cash generated from operations	54,356,650	53,747,275	(609,375)	
Income tax paid	(5,058,217)	(5,058,217)	-	
Interest paid	(13,455,443)	(13,455,456)	(13)	
Interest received	613,193	613,193	-	
Net cash flow from operating activities	36,456,183	35,846,795	(609,388)	
Cash flow from investing activities				
Investments in business combinations	(29,388,050)	(29,388,050)	-	
Additional participation interest acquired	(2,401,752)	(2,401,752)	-	
Purchase of intangible assets	(1,534,853)	(1,534,853)	-	
Purchase of property, plant and equipment	(40,626,665)	(40,626,665)	-	
Proceeds from sale of fixed assets	-	-	-	
Proceeds from sale of business combinations	-	-	-	
Net cash used in investing activities	(73,951,320)	(73,951,320)	-	
Cash flow from financing activities				
Share capital contribution	67,563,436	67,563,436	-	
Increase in loans	65,257,781	65,257,781	-	
Payment of loans	(21,661,647)	(21,661,647)	-	
Payments of financial leasing	(14,218,842)	(14,218,842)	-	
Dividends paid to NCI	(310,287)	(310,287)	-	
Net cash generated by financing activity	96,630,441	96,630,441	-	
Net change in cash and cash equivalents	59,135,304	58,525,916	(609,388)	
Cash and cash equivalents opening balance	20,701,850	20,701,850	-	
Cash and cash equivalents closing balance	79,837,154	79,227,766	(609,388)	

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III. Q&A SESSION

Thank you!

