



**The Largest Ecosystem on the
private healthcare market in Romania**

**One of the largest private healthcare companies in
Central and Eastern Europe**

Investors and Analysts Presentation

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



CONTENTS

| | PAGE |
|----------------------------------|----------|
| I. INTRODUCTION TO MEDLIFE | 4 |
| A. KEY INVESTMENT HIGHLIGHTS | 5 |
| B. HOW WE GREW | 7 |
| C. MEDLIFE NETWORK | 10 |
| D. BUSINESS OVERVIEW | 11 |
| E. 2019 KEY EVENTS | 14 |
| II. MARKET OVERVIEW | 15 |
| III. GROUP FINANCIAL SNAPSHOT | |
| A. H1 2019 FINANCIAL RESULTS | 19 |
| B. MISSION STATEMENT & EVOLUTION | 27 |



I. INTRODUCTION TO MEDLIFE

Founded in 1996, MedLife is the leading private healthcare provider in Romania*. The Company operates the widest network of clinics, one of the largest networks of medical laboratories, general and specialised hospitals and it has the largest client database for Healthcare Prevention Packages in the country. The Company has developed its Stomatology business line, opening a standalone clinic in 2015 and acquiring in 2016 the majority stake of Dent Estet group, the largest dental clinic network in Romania. The Group is also active in the Pharmacies business line, operating a number of pharmacies in its own clinics or in their proximity.



MedLife's presence in all these 6 core healthcare service areas is the basis of the Group's unique revenue capture model, offering patients a complete service from prevention to diagnosis to treatment. In addition, in 2019 MedLife crossed the country's borders and announced the first international transaction through the acquisition of 51% stake in Rózsakert Medical Center (RMC) Group of companies, one of top 10 medical services providers in Hungary, thus being one of the largest private healthcare companies in Central and Eastern Europe.



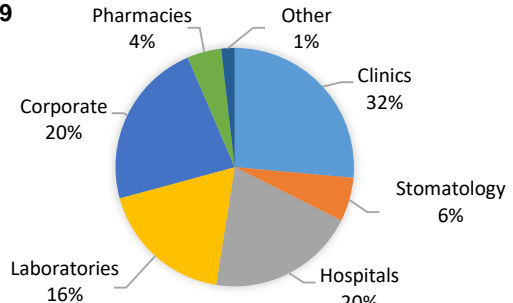
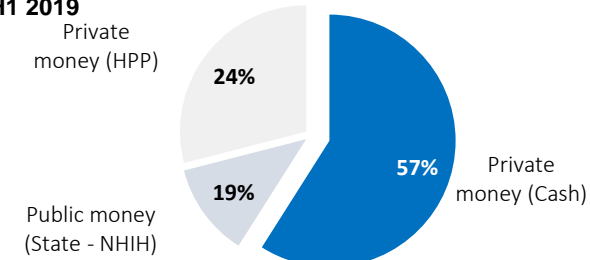
Throughout its history, MedLife and the companies it controls have had over 5 million unique patients, namely around 1 in 4 Romanians.

MedLife Group has a successful history as regards both organic growth and growth by acquisitions. Starting with 2009 onwards, MedLife has opened or acquired more than 130 medical units. Its strong and experienced management team has been capable of creating and managing these growth opportunities, acquiring valuable knowledge and experience, which can allow finding the best way to continue expanding successfully.

The shares issued by MedLife SA are traded on the stock market managed by the Bucharest Stock Exchange, Premium Category, with the "M" trading symbol.

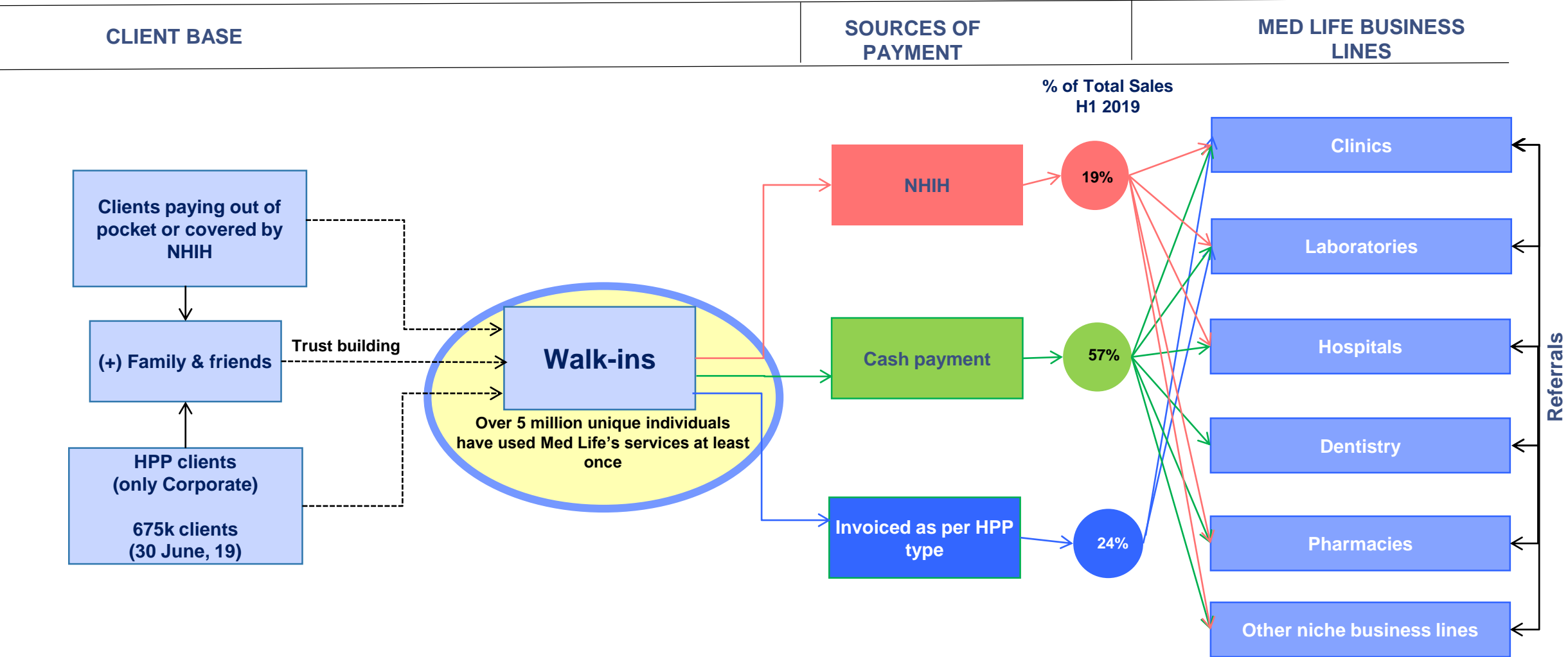
A. KEY INVESTMENT HIGHLIGHTS



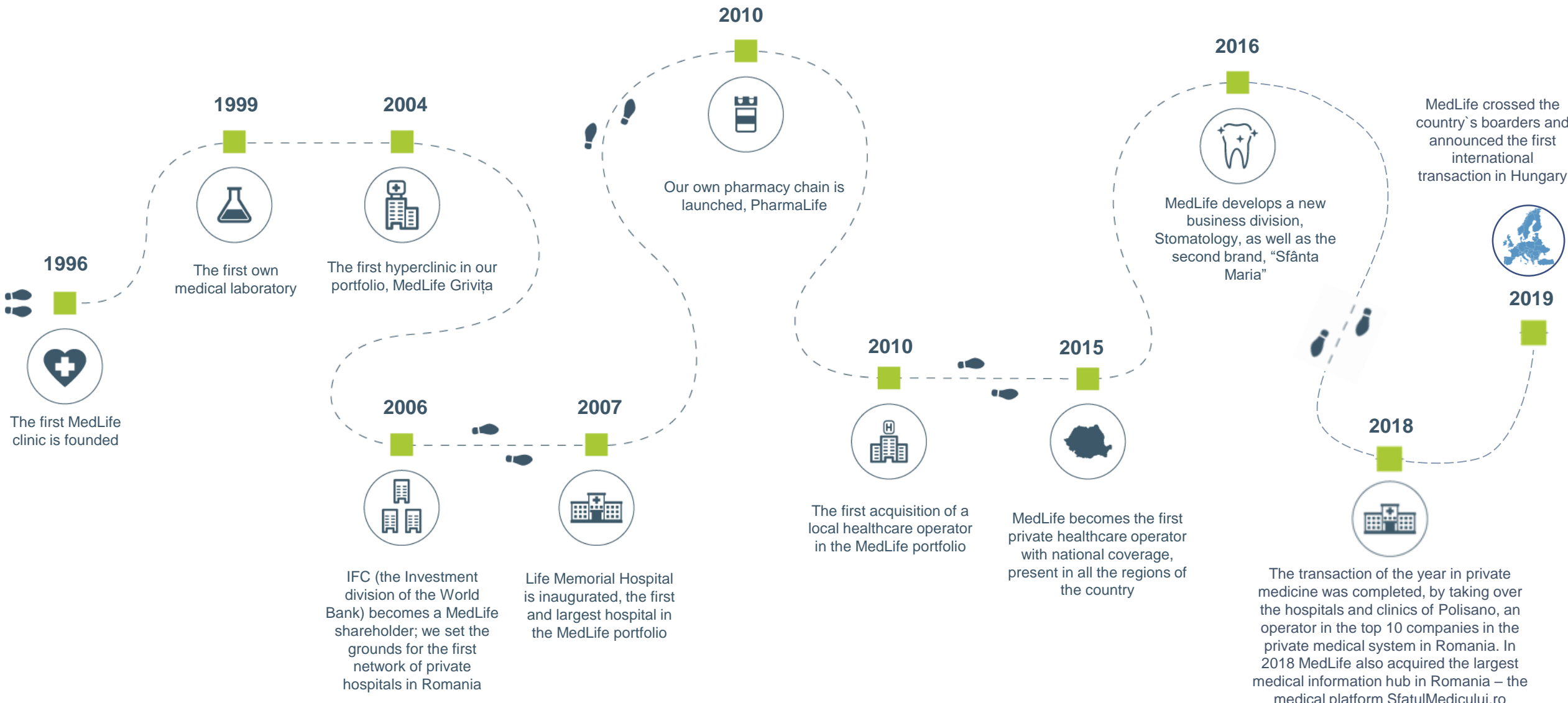
| 1 | Romania – attractive & growing healthcare market | <ul style="list-style-type: none"> Expected - highest growth of healthcare market in CEE with a CAGR for private healthcare of 9.6% over 2018 – 2023 | | | | | | | | | | | | | | | | |
|-----------------------------|---|---|----------------|------------|----------------------|-----|---------------------|-----|-----------------------------|-----|--------------|-----|-------------|----|------------|----|-------|----|
| 2 | MedLife - the leading private healthcare operator in Romania and one of the largest players in CEE | <ul style="list-style-type: none"> Pro-Forma Sales 2018: RON 804 mln Pro-Forma Sales H1 2019 : RON 460.8 mln One of the most trusted healthcare brands | | | | | | | | | | | | | | | | |
| 3 | MedLife - balanced and highly synergic business model, with 6 mutually reinforcing business lines and 2 distinct brands that capture revenue from patients from all disposable income classes | <p>Pro-forma H1 2019 Sales</p>  <table border="1"> <caption>Pro-forma H1 2019 Sales by Business Line</caption> <thead> <tr> <th>Business Line</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Clinics</td> <td>32%</td> </tr> <tr> <td>Hospitals</td> <td>20%</td> </tr> <tr> <td>Corporate</td> <td>20%</td> </tr> <tr> <td>Laboratories</td> <td>16%</td> </tr> <tr> <td>Stomatology</td> <td>6%</td> </tr> <tr> <td>Pharmacies</td> <td>4%</td> </tr> <tr> <td>Other</td> <td>1%</td> </tr> </tbody> </table> | Business Line | Percentage | Clinics | 32% | Hospitals | 20% | Corporate | 20% | Laboratories | 16% | Stomatology | 6% | Pharmacies | 4% | Other | 1% |
| Business Line | Percentage | | | | | | | | | | | | | | | | | |
| Clinics | 32% | | | | | | | | | | | | | | | | | |
| Hospitals | 20% | | | | | | | | | | | | | | | | | |
| Corporate | 20% | | | | | | | | | | | | | | | | | |
| Laboratories | 16% | | | | | | | | | | | | | | | | | |
| Stomatology | 6% | | | | | | | | | | | | | | | | | |
| Pharmacies | 4% | | | | | | | | | | | | | | | | | |
| Other | 1% | | | | | | | | | | | | | | | | | |
| 4 | Largest HPP client base and facility portfolio in Romania | <ul style="list-style-type: none"> >675k HPP clients from >5,000 companies >5 mln unique patients in the past 20 years | | | | | | | | | | | | | | | | |
| 5 | MedLife sales- mostly from the private sector | <p>Based on H1 2019 Sales</p>  <table border="1"> <caption>Based on H1 2019 Sales by Funding Source</caption> <thead> <tr> <th>Funding Source</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Private money (Cash)</td> <td>57%</td> </tr> <tr> <td>Private money (HPP)</td> <td>24%</td> </tr> <tr> <td>Public money (State - NHIH)</td> <td>19%</td> </tr> </tbody> </table> | Funding Source | Percentage | Private money (Cash) | 57% | Private money (HPP) | 24% | Public money (State - NHIH) | 19% | | | | | | | | |
| Funding Source | Percentage | | | | | | | | | | | | | | | | | |
| Private money (Cash) | 57% | | | | | | | | | | | | | | | | | |
| Private money (HPP) | 24% | | | | | | | | | | | | | | | | | |
| Public money (State - NHIH) | 19% | | | | | | | | | | | | | | | | | |
| 6 | Track record of successful management of organic growth and acquisitions | <ul style="list-style-type: none"> 20 hyperclinics, 49 clinics, 10 hospitals, 33 labs, approx 200 sampling points, 12 dental clinics, 10 pharmacies as at June 2019 Strong track record of acquisitions: 23 acquisitions completed as of June 2019 | | | | | | | | | | | | | | | | |

THE LARGEST ECOSYSTEM ON THE PRIVATE HEALTHCARE MARKET

Unique Revenue Capture Model - Flow of Referrals Among Business Lines



B. HOW WE GREW



C. MEDLIFE NETWORK

The two brands of MedLife Group - the only private medical Romanian service company that can use its synergies at national level to capture competitive advantages



MEDLIFE BRAND NETWORK

- 20** Hyperclinics
- 39** Clinics
- 10** Hospitals
- 25** Laboratories
- Approx. **160** Sampling points
- 12** Dental Clinics
- 10** Pharmacies

SFANTA MARIA BRAND NETWORK

- 10** Clinics
- 8** Laboratories
- Approx. **40** Sampling points

D. BUSINESS OVERVIEW

| | HEALTHCARE PREVENTION PACKAGES (HPP) | CLINICS | HOSPITALS | LABORATORIES | PHARMACIES | STOMATOLOGY |
|--|--|--|--|---|---|---|
| ALL KEY SEGMENTS COVERED | Mandatory occupational health platform. Diagnosis & screening for employees – Polish model | Outpatient services including Imagistics. Very strong brand – “Hyperclinics” | Maternity, specialist and generalist facilities | Full range of tests performed from standard blood tests to complex genetic analysis | Prescription, OTC and related products | Wide range of dental services, from kids to adults, from check-ups to surgery |
| LEADING PLAYER | Over 5 million unique patients in Medlife’s database (namely around 1 in 4 Romanians) Approx.3,000 doctors and 2,000 nurses as of June 2019 | | | | | |
| | c. 675k clients From over 5,000 companies | c. 1.5 m visits in 2018 and 899k visits in H1 2019 | c. 75k patients for hospitals business line in 2018 and 42k in H1 2019 | over 5.6 m tests in 2018 and 3 m tests in H1 2019 | c. 270k clients in 2018 and 132k in H1 2019 | c. 102k visits in 2018 and 60k in H1 2019 |
| CASH FOCUSED REVENUES | Sales exposure to NHIH (public money) - 19% as at H1 2019 | | | | | |
| | 100% private money | 77% private money | 67% private money | 84% private money | 41% private money | 100% private money |
| PROFITABLE | PRO FORMA EBITDA 2018: RON 103.4 mln | | | PRO FORMA EBITDA H1 2019: RON 78.3 mln | | |
| | PRO FORMA Sales 2018: RON 804 mln | | | PRO FORMA Sales H1 2019 : RON 460.8 mln | | |
| BALANCED SALES % OF TOTAL PRO-FORMA H1 2019 | 20% | 32% | 20% | 16% | 4% | 6% |

BUSINESS SEGMENTS

MEDLIFE: A PIONEER IN LARGE SCALE CLINICS AND LARGE SCALE HIGH-END LAB OPERATION



HYPERCLINICS

- One stop shop concept - MedLife hyperclinics includes medical ambulatory specialties, providing in one single place: clinical examinations and imaging
- Hyperclinics have over **20** medical offices and different imaging capabilities: Radiology, Bone Density - DEXA, CT, MRI 3T, 2D-4D ultrasounds, Mammography
- Some of them have associated a Center of Excellence
- Available in all cities with a population of over 150,000 inhabitants
- **20** hyperclinics currently in operation
- Size promotes revenue capture across services and specialties
- Four principles: safety first; integrated team services and database; complexity and innovation; including solutions for difficult patients research and clinical study



CLINICS

- MedLife clinics are generally located in smaller cities or act as satellites for larger clinics
- Usually between **5** and **12** medical offices with sampling point and no Diagnostics and Imaging
- Available mainly in cities with a population of over 80,000 inhabitants
- **49** clinics currently in operation



LABORATORIES

- MedLife central laboratory has the latest and complex automatic line processing biological laboratory tests in Southeastern Europe
- Full range of tests performed from standard blood tests to complex genetic analysis
- Partnership with Cerba laboratory in France (Pasteur)
- Highly complex Centre of Genetics and Medical Biology
- The latest laboratory technologies by Abbott
- A significant lower rapid turnaround time
- The first line includes sorting stations / sampling, centrifugation, analysis and storage
- The only line in Romania comprising analyzers for biochemistry, immunology and coagulation



BUSINESS SEGMENTS

MEDLIFE: LARGEST OPERATOR OF PRIVATE HOSPITALS*



HOSPITALS

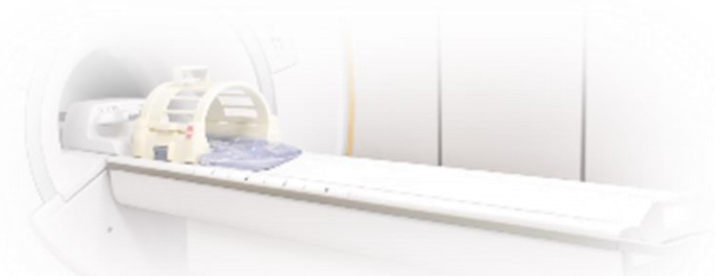
- MedLife hospitals cover a wide range of medical and surgical specializations, reuniting the best medical staff, with significant national and international expertise
- **10** hospitals – 7 inpatient hospitals and 3 day inpatient. Life Memorial Hospital has another 3 licensed external inpatient hospital units located in Titan, Grivita and Obor
- **893** beds for day inpatient and inpatient hospitalization and **31** operating theatres
- Bucharest, Brasov, Arad, Cluj and Sibiu are the main hospitals centers
- Four principles: safety first; integrated team services and database; complexity and innovation; including solutions for difficult patients research and clinical study

INPATIENT UNITS BREAKDOWN**

| | LIFE MEMORIAL BUCHAREST | GENESYS ARAD | EVA BRASOV | PDR BRASOV | PEDIATRICS BUCHAREST | OBOR BUCHAREST | ANGIOLIFE BUCHAREST |
|-----------------|------------------------------------|---------------------------------|---------------------------|-----------------------|---------------------------------|---------------------------------|--------------------------------|
| | Opened 2007 | Acquired 2011 | Acquired 2011 | Opened 2011 | Opened 2011 | Opened 2012 | Opened 2015 |
| LAND / BUILDING | Owned | Owned | Owned | Owned | Owned | Rented | Rented |
| BEDS / THEATERS | 232/ 10 | 77 / 3 | 35 / 3 | 82 / 3 | 132 / 2 | 36 / 3 | 9/ 1 |
| FOCUS | General | General | Maternity | General | Pediatric | Orthopedics and Plastic Surgery | Interventional Medicine |
| | TITAN BUCHAREST | HUMANITAS CLUJ | POLISANO SIBIU | | | | |
| | Opened 2015 | Acquired 2017 | Acquired 2018 | | | | |
| LAND / BUILDING | Rented | Rented | Owned | | | | |
| BEDS / THEATERS | 29/ 1 | 13/ 2 | 210 / 3 | | | | |
| FOCUS | Surgery and Day Hospitalization | Surgery and Day Hospitalization | General | | | | |

*by number of beds

**day inpatient units are not listed



E. 2019 KEY EVENTS

ACQUISITIONS

- 51% of the shares in **RMC Group, Hungary** (*finalized in March 2019*)
- 65% of the shares in **Badea Medica Center of Excellence** in Cluj (*finalized in May 2019*)
- Increase from 55% to 90% shares in **Sama Group, Craiova**
- Increase from 80% to 83% shares in **PDR Group, Brasov**
- Increase from 55% to 58% shares in **Genesys Group, Arad**

ORGANIC GROWTH

- 2 **Dent Estet** clinics in Sibiu – one for adults, one for kids; and
- **Floreasca Hyperclinic** in Bucharest- brownfield project- to be inaugurated in Q3 2019

EXPANSION PLANS

- Additional investments in high margin imagistic services: 3 new **MRIs** that serve also under the contract with NHIH, reaching a total number of 18 **MRIs** nationwide

FINANCING FROM BANKS

- Board of Directors started the negotiations with the Banks of the terms and conditions for the increase of the credit limit granted up to 90m EUR

II. MARKET OVERVIEW

FAVOURABLE MACROECONOMIC ENVIRONMENT

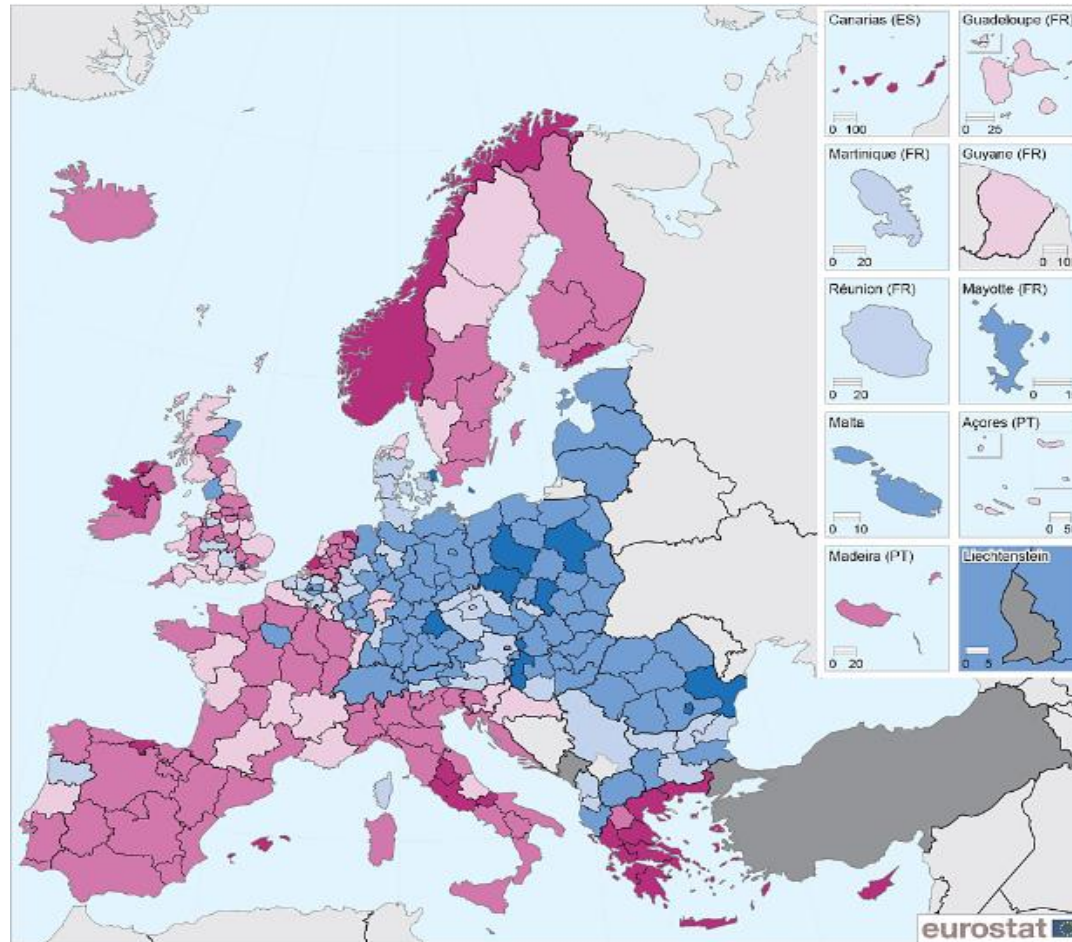
Macroeconomic Environment

- The Romanian economy expanded by 4.7% in H1 2019 as compared to H1 2018 and 4.1% YoY in 2018 (2017: 6.9%; 2016: 4.8%) as compared to EU which expanded by 1.9% YoY in 2018. According to European Commission forecasts, Romanian GDP is expected to stabilize at approx. 4% YoY growths, namely 3.8% in 2019 and 3.6% in 2020, as compared to EU – expected growth of 1.4% in 2019 and 1.6% in 2020.
- According to National Bank of Romania, Romania's total external debt is 103 bn euros (long-term external debt totaled 70.361 bn euros as at June 2019 (67.9% of total external debt), while short-term external debt totaled 33.310 bn euros as at June 2019 (32.1% of total external debt). The short-term external debt coverage, calculated at residual value, with NBR foreign exchange reserves as at 30 June 2019, was 73%.
- Romania's average monthly salary is the second lowest in CEE, prompting significant growth potential as the region converges towards WE levels, in conjunction with productivity improvements.
- The private consumption per capita has shown consistent growth rates of 6-8% p.a., driven by the increase of the average net salary, fiscal easing measures and low interest rates and is expected to continue to grow in the long term at a solid pace of 5-6% p.a.

MARKET OVERVIEW

FAVOURABLE MACROECONOMIC ENVIRONMENT

Macroeconomic Environment



CHANGE OF GDP PER INHABITANT IN PURCHASING POWER STANDARDS (PPS) IN RELATION TO THE EU-28 AVERAGE, 2007-2015

(percentage points difference between 2007 and 2015)

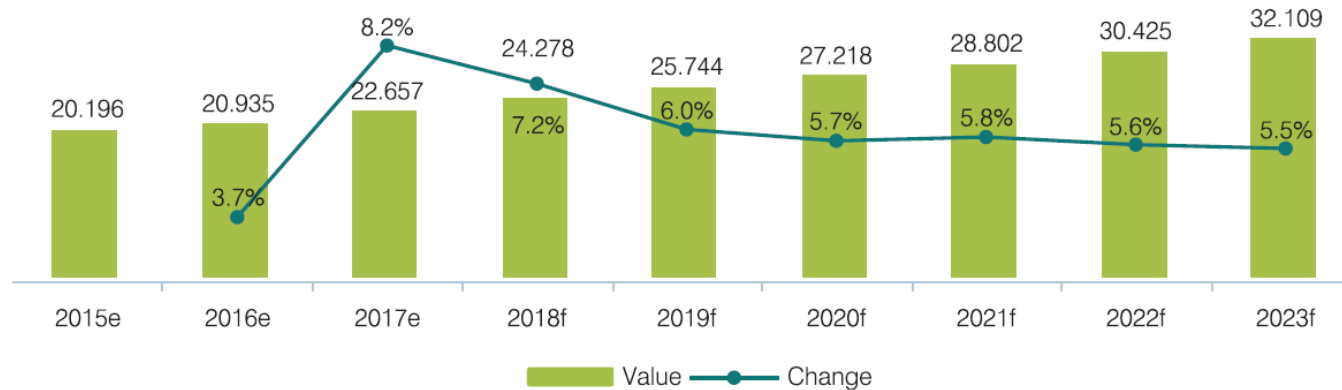
- **Romania** has increased with 5-15 percentage points & even higher than 15 percentage points in certain regions of the country in relation to the EU-28 average between 2007-2015



MARKET OVERVIEW

HEALTHCARE MARKET ASSESSMENT

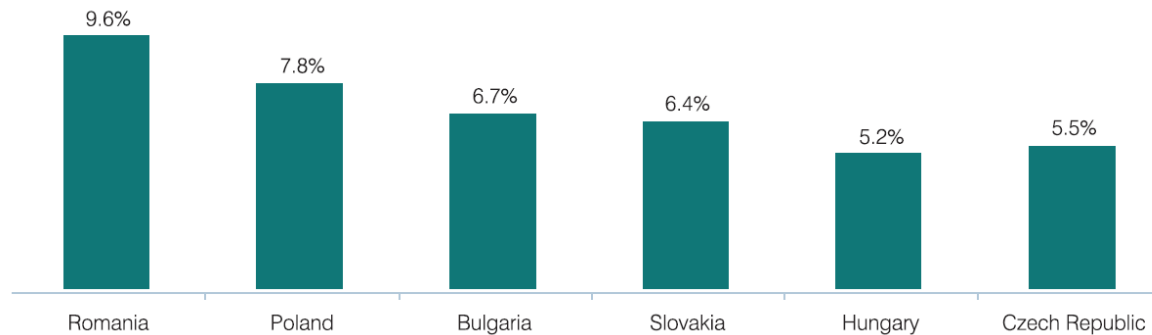
Private healthcare market



Value (EUR bn) and change (%) of the private healthcare market in Central Europe, 2015-2023

Because the development of private investment was boosted by the recently introduced tax deductibility, Romania is now the third largest market among the countries listed below

Outpacing the rest of CE private healthcare markets



Average 2018-2023 CAGR (%) for development in private healthcare markets in CE

Source: PMR Report 2018

MARKET OVERVIEW

HEALTHCARE MARKET GROWTH FUNDAMENTALS

Private healthcare market

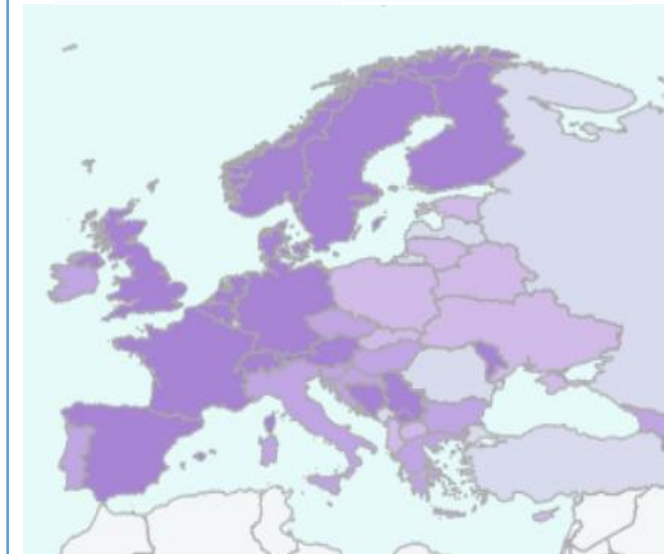
The **Romanian private healthcare** industry has developed considerably over the last few years.

Opportunities include:

- A reduction in the levels of satisfaction of patients with public services and the development of new national programmes;
- The slowly changing mentality of patients, who are becoming increasingly better informed and requesting integrated and personalised medical services. These can be offered only by the private sector, which is, therefore, attracting these patients;
- The economic recovery characterized by an increase in the average net salary per inhabitant and an increase in the average monthly expenditure per household combined with a low healthcare spending as a percentage of GDP, leaving room for more income to be spent on healthcare; and
- Tax incentives introduced in 2017 – deductibility for HPP up to 400 EUR per year per employee.

Current health expenditure as percentage of GDP, 2015

Legend (%)



III. GROUP FINANCIAL SNAPSHOT

A. H1 2019 FINANCIAL RESULTS

SALES

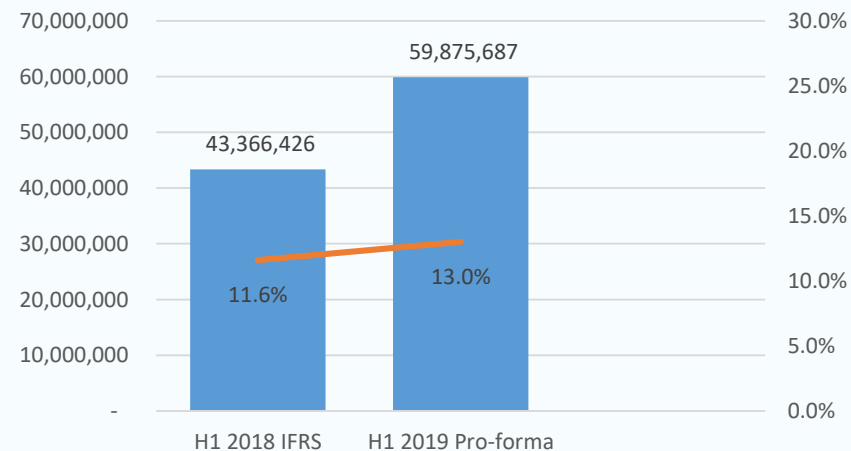
Sales increased by :
 + 23.4% Pro-forma H1 2019 vs. IFRS H1 2018
 + 25.4% IFRS H1 2019 vs. IFRS H1 2018
 + 15% like2like

EBITDA

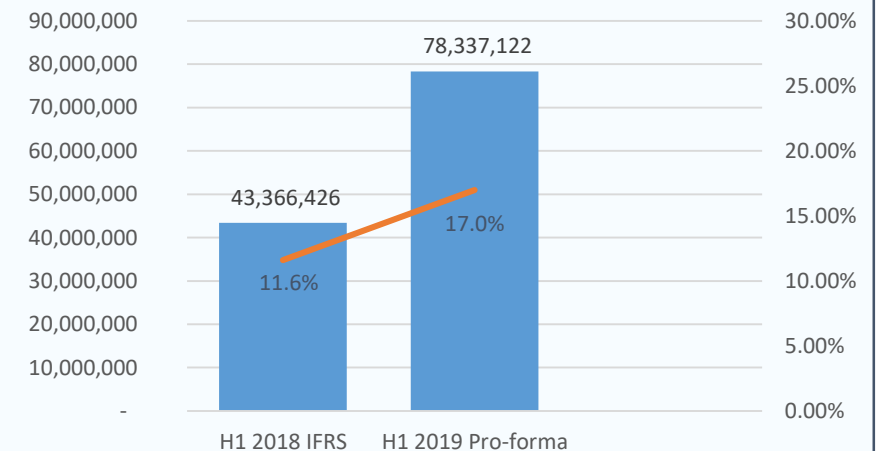
■ Improved margin: Before applying IFRS 16: 13% Pro-forma H1 2019 vs. 11.6% IFRS H1 2018 (fig_1 below)
After applying IFRS 16: 17% Pro-forma H1 2019 vs. 11.6% IFRS H1 2018 (fig_2 below)

■ Absolute value of EBITDA increased by: Before applying IFRS 16: 38.1% Pro-forma H1 2019 vs. IFRS H1 2018
After applying IFRS 16: 80.6% Pro-forma H1 2019 vs. IFRS H1 2018

EBITDA AND EBITDA MARGIN BEFORE APPLYING IFRS 16 (fig_1)



EBITDA AND EBITDA MARGIN AFTER APPLYING IFRS 16 (fig_2)



H1 2019 FINANCIAL RESULTS (Cont.)

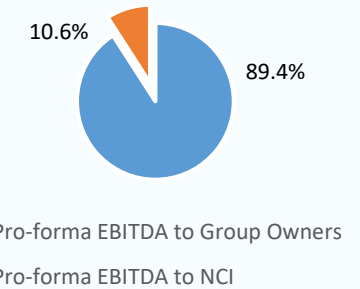
EBITDA

■ Split of **Pro-forma EBITDA** between Owners of the Group / NCI for H1 2019:

- **89.4%** to Group Owners
- **10.6%** to NCI

Vs.

- **88.3%** to Group Owners for IFRS H1 2018
- **11.7%** to NCI for IFRS H1 2018



EBIT

■ **Improved margin:** Before applying IFRS 16: 6.8% Pro-forma H1 2019 vs. 4.6% IFRS H1 2018

After applying IFRS 16: 7.0% Pro-forma H1 2019 vs. 4.6% IFRS H1 2018

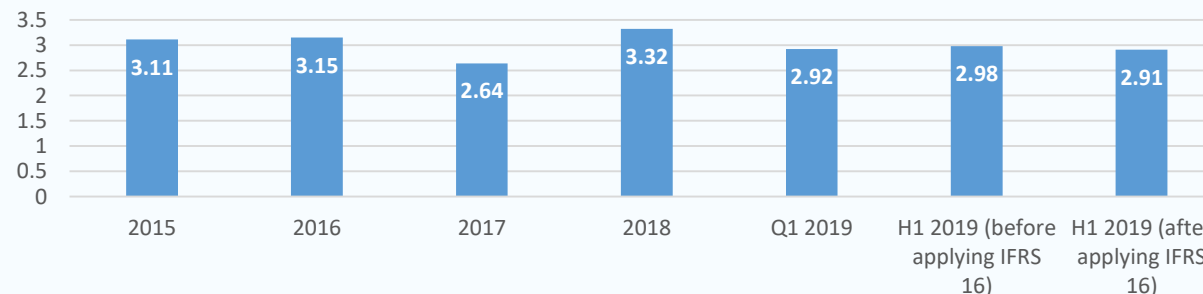
■ **Absolute value of EBIT increased by:** Before applying IFRS 16: 84% Pro-forma H1 2019 vs. IFRS H1 2018

After applying IFRS 16: 89.9% Pro-forma H1 2019 vs. IFRS H1 2018

■ **Positive evolution in EBIT and EBITDA** due to optimization efforts across all business lines and stability behavior in Depreciation.

NET DEBT to Pro-forma EBITDA Ratio

■ **Stable Net Debt to Pro-forma EBITDA Ratio** (*pro-forma EBITDA for 6m 2019 was annualized*)



H1 2019 FINANCIAL RESULTS (Cont.)

NET RESULT

- Absolute value of Net Result **increased** by: **Before applying IFRS 16**: 150.4% Pro-forma H1 2019 vs. IFRS H1 2018
After applying IFRS 16: 130.2% Pro-forma H1 2019 vs. IFRS H1 2018

NET RESULT attributable to Owners and NCI

- Split of Net Result **IFRS H1 2019, before applying IFRS 16**: 69% Owners / 31% NCI
- Split of Net Result **IFRS H1 2019, after applying IFRS 16**: 67% Owners / 33% NCI
- Split of Net Result **IFRS Q1 2019**: 40% Owners / 60% NCI
- Split of Net Result **IFRS 2018**: 80% Owners / 20% NCI
- Split of Net Result **IFRS H1 2018**: 66% Owners / 34% NCI

Net attributable profit to Owners has improved as compared to Q1 2019, nevertheless still being influenced by increased Financial Loss coming from:

1. Other financial expenses (i.e. loss from FX rate differences) in amount of **4.4m** RON in H1 2019 as compared to **315k** RON financial income in H1 2018; and
2. IFRS 16 Impact on Financial Result of **1.9m** RON in H1 2019.

H1 2019 FINANCIAL RESULTS (Cont.)

Consolidated Statement of Financial Position

| Description | December 31, 2018 | June 30, 2019 | %VAR | Impact from | June 30, 2019 | %VAR |
|--|----------------------|-----------------------------------|-------------|--------------------|--------------------|--------------|
| | IFRS | IFRS (before applying IFRS 16) | | IFRS 16 | IFRS | |
| Non-current assets | 590,174,447 | 601,757,252 | 2.0% | 97,680,895 | 699,438,147 | 18.5% |
| Current assets | 163,919,759 | 184,253,799 | 12.4% | - | 184,253,799 | 12.4% |
| TOTAL ASSETS | 754,094,206 | 786,011,051 | 4.2% | 97,680,895 | 883,691,946 | 17.2% |
| Current liabilities | 245,246,366 | 261,589,974 | 6.7% | 36,678,022 | 298,267,996 | 21.6% |
| Long term liabilities | 313,538,596 | 320,223,945 | 2.1% | 61,925,086 | 382,149,031 | 21.9% |
| Deferred tax liability | 16,436,342 | 16,457,838 | 0.1% | 308,182 | 16,766,020 | 2.0% |
| TOTAL LIABILITIES | 575,221,304 | 598,271,757 | 4.0% | 98,911,290 | 697,183,047 | 21.2% |
| Equity attributable to owners of the Group | 159,350,814 | 165,180,726 | 3.7% | (1,130,765) | 164,049,961 | 2.9% |
| Non-controlling interests | 19,522,088 | 22,558,568 | 15.6% | (99,631) | 22,458,937 | 15.0% |
| EQUITY | 178,872,902 | 187,739,294 | 5.0% | (1,230,395) | 186,508,899 | 4.3% |

IFRS 16 adjustments:

1. Right-of-use asset : 97,680,895 RON;
2. Lease liability (current and long term): 98,603,108 RON;
3. Deferred tax liability: 308,182 RON; and
4. Impact in net result: (1,230,395) RON.

H1 2019 FINANCIAL RESULTS (Cont.)

Consolidated Statement of Profit and Loss

| Description | H1 2019 | | | Impact from IFRS 16 | H1 2019 | | | H1 2019 | | | H1 2019 | |
|----------------------------|----------------------|--------------------------------|---------------|---------------------|----------------------|---------------|----------------------|-------------------------------------|---------------|----------------------|---------------|--|
| | H1 2018 IFRS | IFRS (before applying IFRS 16) | %VAR | | H1 2019 IFRS | %VAR | H1 2018 IFRS | Pro-forma (before applying IFRS 16) | %VAR | Pro-forma | %VAR | |
| Sales | 373,549,456 | 468,294,294 | 25.4% | - | 468,294,294 | 25.4% | 373,549,456 | 460,796,701 | 23.4% | 460,796,701 | 23.4% | |
| Other operating income | 1,975,206 | 3,893,238 | 97.1% | - | 3,893,238 | 97.1% | 1,975,206 | 3,922,882 | 98.6% | 3,922,882 | 98.6% | |
| OPERATING INCOME | 375,524,662 | 472,187,532 | 25.7% | - | 472,187,532 | 25.7% | 375,524,662 | 464,719,583 | 23.8% | 464,719,583 | 23.8% | |
| OPERATING EXPENSES | (358,464,646) | (445,070,467) | 24.2% | 1,003,926 | (444,066,541) | 23.9% | (358,464,646) | (433,334,408) | 20.9% | (432,330,483) | 20.6% | |
| OPERATING PROFIT | 17,060,016 | 27,117,065 | 59.0% | 1,003,926 | 28,120,991 | 64.8% | 17,060,016 | 31,385,176 | 84.0% | 32,389,100 | 89.9% | |
| EBITDA | 43,366,426 | 55,497,547 | 28.0% | 18,461,436 | 73,958,983 | 70.5% | 43,366,426 | 59,875,687 | 38.1% | 78,337,122 | 80.6% | |
| FINANCIAL RESULT | (7,468,780) | (12,432,349) | 66.5% | (1,926,139) | (14,358,488) | 92.2% | (7,468,780) | (12,508,512) | 67.5% | (14,434,651) | 93.3% | |
| RESULT BEFORE TAXES | 9,591,236 | 14,684,716 | 53.1 % | (922,213) | 13,762,503 | 43.5 % | 9,591,236 | 18,876,664 | 96.8 % | 17,954,450 | 87.2% | |
| Income tax expense | (3,517,089) | (2,980,408) | (15.3)% | (308,182) | (3,288,590) | (6.5)% | (3,517,089) | (3,665,479) | 4.2 % | (3,973,661) | 13.0% | |
| NET RESULT | 6,074,147 | 11,704,308 | 92.7% | (1,230,395) | 10,473,913 | 72.4% | 6,074,147 | 15,211,185 | 150.4% | 13,980,789 | 130.2% | |

IFRS 16 adjustments:

1. Rent: release of 18,461,436 RON from Rent expense;
2. Depreciation: additional 17,457,510 RON in Depreciation expense;
3. EBITDA: increase of 18,461,436 RON;
4. Financial result: additional 1,926,139 RON in Finance Cost; and
5. Income tax expense: additional 308,182 RON in Income tax expense.

H1 2019 FINANCIAL RESULTS (Cont.)

Consolidated Statement of Cash Flow

| Description | June 30, 2019 | June 30, 2018 |
|--|---------------------|---------------------|
| Net income before taxes | 13,762,503 | 9,591,236 |
| Adjustments for non-monetary items | 57,698,787 | 33,649,077 |
| Operating cash flow before working capital and other monetary changes | 71,461,290 | 43,240,313 |
| Cash generated from working capital changes | (19,395,945) | (10,935,438) |
| Other monetary changes (income tax and net interest paid) | (10,824,451) | (10,068,311) |
| Net cash from operating activities | 41,240,894 | 22,236,564 |
| Net cash used in investing activities | (27,777,898) | (38,114,520) |
| Net cash from/ (used in) financing activities | (4,599,538) | (30,276,447) |
| Net change in cash and cash equivalents | 8,863,458 | (46,154,403) |
| Cash and cash equivalents beginning of the period | 34,206,159 | 79,227,766 |
| Cash and cash equivalents end of the period | 43,069,617 | 33,073,363 |



H1 2019 FINANCIAL RESULTS (Cont.)

OPEX Evolution

| Description | H1 2019 | | | Impact from IFRS 16 | | | % of OPERATING EXPENSES | | | % of SALES | | | |
|--|--------------------|--------------------------------|--------------|---------------------|--------------------|--------------|-------------------------|--------------|----------------|--------------|--------------|-----------------|------|
| | H1 2018 IFRS | IFRS (before applying IFRS 16) | %VAR | Impact from IFRS 16 | H1 2019 IFRS | %VAR | H1 2018 IFRS | H1 2019 IFRS | Change | H1 2018 IFRS | H1 2019 IFRS | Change | Note |
| Consumable materials and repair materials | 58,076,149 | 76,031,057 | 30.9% | - | 76,031,057 | 30.9% | 16.2% | 17.1% | 0.9 p.p | 15.5% | 16.2% | 0.7 p.p | |
| Commodities | 14,382,449 | 15,366,400 | 6.8% | - | 15,366,400 | 6.8% | 4.0% | 3.5% | -0.6 p.p | 3.9% | 3.3% | -0.6 p.p | |
| Utilities | 4,460,621 | 5,958,792 | 33.6% | - | 5,958,792 | 33.6% | 1.2% | 1.3% | 0.1 p.p | 1.2% | 1.3% | 0.1 p.p | |
| Repairs maintenance | 3,876,102 | 5,688,967 | 46.8% | - | 5,688,967 | 46.8% | 1.1% | 1.3% | 0.2 p.p | 1.0% | 1.2% | 0.2 p.p | |
| Rent | 21,217,514 | 22,288,083 | 5.0% | (18,461,436) | 3,826,647 | -82.0% | 5.9% | 0.9% | -5.1 p.p | 5.7% | 0.8% | -4.9 p.p | A |
| Insurance premiums | 1,212,528 | 1,530,405 | 26.2% | - | 1,530,405 | 26.2% | 0.3% | 0.3% | 0 p.p | 0.3% | 0.3% | 0 p.p | |
| Promotion expense | 7,184,824 | 6,148,989 | -14.4% | - | 6,148,989 | -14.4% | 2.0% | 1.4% | -0.6 p.p | 1.9% | 1.3% | -0.6 p.p | |
| Communications | 1,842,591 | 2,016,807 | 9.5% | - | 2,016,807 | 9.5% | 0.5% | 0.5% | -0.1 p.p | 0.5% | 0.4% | -0.1 p.p | |
| Third party expenses & Salaries expenses, out of which: | 213,500,727 | 272,985,203 | 27.9% | - | 272,985,203 | 27.9% | 59.6% | 61.5% | 1.9 p.p | 57.2% | 58.3% | 1.1 p.p | B |
| <i>Third party expenses (including doctor's agreements)</i> | <i>98,284,039</i> | <i>125,927,709</i> | <i>28.1%</i> | - | <i>125,927,709</i> | <i>28.1%</i> | <i>27.4%</i> | <i>28.4%</i> | <i>0.9 p.p</i> | <i>26.3%</i> | <i>26.9%</i> | <i>0.6 p.p</i> | |
| <i>Salary and related expenses (including social contrib.)</i> | <i>115,216,688</i> | <i>147,057,494</i> | <i>27.6%</i> | - | <i>147,057,494</i> | <i>27.6%</i> | <i>32.1%</i> | <i>33.1%</i> | <i>1 p.p</i> | <i>30.8%</i> | <i>31.4%</i> | <i>0.6 p.p</i> | |
| Depreciation | 26,306,410 | 28,380,482 | 7.9% | 17,457,510 | 45,837,992 | 74.2% | 7.3% | 10.3% | 3 p.p | 7.0% | 9.8% | 2.7 p.p | C |
| Other administration and operating expenses | 6,404,731 | 8,675,283 | 35.5% | - | 8,675,283 | 35.5% | 1.8% | 2.0% | 0.2 p.p | 1.7% | 1.9% | 0.1 p.p | |
| OPERATING EXPENSES | 358,464,646 | 445,070,467 | 24.2% | (1,003,926) | 444,066,541 | 23.9% | 100% | 100% | 0 p.p | 96.0% | 94.8% | -1.1 p.p | |

Note:

The Group recorded a 1.1 p.p. decrease of Operating Expenses as % of Sales in H1 2019 as compared to H1 2018:

- A. 4.9 p.p. decrease of "Rent" as % of Sales, generated by first time adoption of IFRS 16;
- B. 1.1 p.p. increase of "Third parties and salaries expenses" as % of Sales as an effect of increased salaries in the public sector; and
- C. 2.7 p.p. increase of "Depreciation" as % of Sales, mainly due to first time adoption of IFRS 16.

H1 2019 FINANCIAL RESULTS (Cont.)

KEY OPERATIONAL METICS FOR H1 2019

| Business line | Info | H1 2019 IFRS | H1 2018 IFRS |
|---------------|------------------|--------------------|--------------------|
| Clinics | Revenue | 139,893,313 | 107,489,756 |
| Clinics | Visits | 899,257 | 702,745 |
| Clinics | Avg fee | 155.6 | 153.0 |
| Stomatology | Revenue | 28,815,355 | 21,432,948 |
| Stomatology | Visits | 59,871 | 52,334 |
| Stomatology | Avg fee | 481.3 | 409.5 |
| Hospitals | Revenue | 107,025,708 | 74,386,210 |
| Hospitals | Patients | 41,638 | 33,998 |
| Hospitals | Avg fee | 2,570.4 | 2,188.0 |
| Laboratories | Revenue | 75,561,558 | 66,939,058 |
| Laboratories | Analyses | 2,969,079 | 2,898,322 |
| Laboratories | Avg fee | 25.4 | 23.1 |
| Corporate | Revenue | 91,004,382 | 82,077,433 |
| Corporate | Subscriptions | 676,276 | 614,756 |
| Corporate | Avg fee | 134.6 | 133.5 |
| Pharmacies | Revenue | 19,586,689 | 17,346,771 |
| Pharmacies | Clients | 132,080 | 138,632 |
| Pharmacies | Sales per client | 148.3 | 125.1 |
| Others | Revenue | 6,407,290 | 3,877,280 |



B. MISSION STATEMENT & EVOLUTION

| | 2016 IFRS | 2017 IFRS | 2018 Pro-forma IFRS |
|---|--|--|---|
| Consistent track record of strong growth of Sales | 502.9 mRON | 623.2 mRON, increased by 24% | 804 mRON, increased by 29% |
| through acquisitions and organic growth | <p>MedLife units as at 31 December 2016:</p> <ul style="list-style-type: none"> - 18 hyperclinics; - 21 clinics; - 8 hospitals; - 26 labs; - 8 dental offices; <i>and</i> - 9 pharmacies | <p>MedLife units as at 31 December 2017:</p> <ul style="list-style-type: none"> - 19 hyperclinics; - 34 clinics; - 9 hospitals; - 29 labs; - 9 dental offices; <i>and</i> - 10 pharmacies | <p>MedLife units as at 31 December 2018:</p> <ul style="list-style-type: none"> - 20 hyperclinics; - 47 clinics; - 10 hospitals; - 33 labs; - 9 dental offices; <i>and</i> - 10 pharmacies |
| Complex medical system with national coverage | <ul style="list-style-type: none"> - Leading the private medical services market in Romania; - Continued the business plan announced to shareholders and investors regarding consolidation of position at national level: completed 20 acquisitions and numerous organic growth projects; - Presences in all cities with more than 150k inhabitants; - Through RMC acquisition in Hungary, MedLife strengthens its position, being one of the largest healthcare providers in Central and Eastern Europe | | |

MISSION STATEMENT & EVOLUTION *(Cont.)*

| | 2016 IFRS | 2017 IFRS | 2018 Pro-forma IFRS |
|--|---------------------|-----------------------------|--------------------------------|
| EBITDA evolution in absolute figures | 54.6 mRON | 77.9 mRON, increased by 43% | 103.4 mRON, increased by 32.7% |
| Sustainable and improved EBITDA margin | 10.9% EBITDA margin | 12.5% EBITDA margin | 12.9% EBITDA margin |

Thank you!

