

SISTEMUL MEDICAL
MedLife

MED LIFE GROUP

FINANCIAL REPORT 3rd QUARTER 2023

WHICH INCLUDES SIMPLIFIED CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY
EUROPEAN UNION

Name of the issuing company: MED LIFE S.A.
Registered Office: Bucharest, 365 Calea Grivitei, district 1, Romania
Fax no.: 0040 374 180 470
Unique Registration Code at the National Office of Trade Registry: 8422035
Order number on the Trade Registry: J40/3709/1996
Subscribed and paid-in share capital: RON 132,870,492
Regulated market on which the issued securities are traded: Bucharest Stock Exchange

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MED LIFE GROUP
 CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION
 AS AT SEPTEMBER 30, 2023
 (all amounts are expressed in RON, unless otherwise specified)



	September 30, 2023	January 1, 2023
ASSETS		
Non-current Assets		
Goodwill	451,538,546	368,672,606
Intangible assets	106,463,308	100,192,265
Property, plant and equipment	992,782,740	828,501,060
Right-of-use asset	336,426,072	306,413,389
Other financial assets	48,454,112	82,810,704
Total Non-Current Assets	<u>1,935,664,778</u>	<u>1,686,590,024</u>
Current Assets		
Inventories	99,724,165	98,770,370
Trade Receivables	238,143,230	221,358,860
Other assets	57,525,732	44,362,334
Cash and cash equivalents	121,270,631	89,068,154
Prepayments	12,714,720	11,826,587
Total Current Assets	<u>529,378,478</u>	<u>465,386,305</u>
TOTAL ASSETS	<u>2,465,043,256</u>	<u>2,151,976,329</u>
LIABILITIES & SHAREHOLDER'S EQUITY		
Non-Current Liabilities		
Lease liability	247,625,722	225,175,340
Other long term debt	28,458,890	21,657,277
Interest-bearing loans and borrowings	1,012,397,795	803,273,659
Deferred tax liability	44,994,791	44,250,160
Total Non-Current Liabilities	<u>1,333,477,198</u>	<u>1,094,356,436</u>
Current Liabilities		
Trade and other payables	358,496,641	335,356,742
Overdraft	22,780,854	27,801,016
Current portion of lease liability	92,665,731	77,141,698
Current portion of interest-bearing loans and borrowings	81,180,414	55,695,054
Current tax liabilities	4,257,636	814,508
Provisions	9,944,054	9,783,326
Other liabilities	67,696,621	68,989,304
Total Current Liabilities	<u>637,021,951</u>	<u>575,581,648</u>
TOTAL LIABILITIES	<u>1,970,499,150</u>	<u>1,669,938,084</u>
SHAREHOLDER'S EQUITY		
Share capital and Share premium	132,562,337	83,812,556
Treasury shares	(595,125)	(3,219,219)
Reserves	207,847,935	204,591,242
Retained earnings	83,191,166	131,596,255
Equity attributable to owners of the Group	<u>423,006,313</u>	<u>416,780,834</u>
Non-controlling interests	71,537,793	65,257,411
TOTAL EQUITY	<u>494,544,106</u>	<u>482,038,245</u>
TOTAL LIABILITIES AND EQUITY	<u>2,465,043,256</u>	<u>2,151,976,328</u>

Mihail Marcu,

CEO

Alina Irinoiu,

CFO

	Period ended September 30,	
	2023	2022
REVENUE FROM CONTRACTS WITH CUSTOMERS	1,627,415,774	1,323,955,033
Other operating revenues	12,865,976	9,901,201
Operating Income	1,640,281,750	1,333,856,234
Consumable materials and repair materials	(286,957,439)	(224,657,498)
Third party expenses	(456,459,369)	(339,861,734)
Salary and related expenses	(402,924,880)	(322,329,518)
Social contributions	(14,057,657)	(11,395,943)
Depreciation and amortization	(140,899,319)	(102,647,676)
Impairment losses and gains (including reversals of impairment losses)	(1,002,093)	-
Commodities expenses	(155,327,826)	(153,548,065)
Other operating expenses	(105,847,403)	(83,976,492)
Operating expenses	(1,563,475,986)	(1,238,416,926)
Operating Profit	76,805,764	95,439,308
Finance cost	(57,394,710)	(26,335,478)
Other financial expenses	(4,242,058)	(1,531,772)
Financial result	(61,636,769)	(27,867,251)
Result Before Taxes	15,168,996	67,572,057
Income tax expense	(11,365,857)	(10,729,535)
Net Result	3,803,139	56,842,522
Owners of the Group	6,047,063	50,246,118
Non-controlling interests	(1,043,387)	6,596,405
Other comprehensive income items that will not be reclassified to profit or loss		
TOTAL OTHER COMPREHENSIVE INCOME	-	-
Total other comprehensive income attributable to:		
Owners of the Group	-	-
Non-controlling interests	-	-
TOTAL COMPREHENSIVE INCOME	3,803,139	56,842,522
Total comprehensive income attributable to:		
Owners of the Group	6,047,063	50,246,118
Non-controlling interests	(1,043,387)	6,596,405

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MED LIFE GROUP
CONSOLIDATED UNAUDITED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)



	Period ended September 30, 2023	Period ended September 30, 2022
Net profit before taxes	15,168,996	67,572,057
Adjustments for		
Depreciation and amortization	140,899,319	102,647,676
Disposal of subsidiaries	-	-
Provisions for liabilities and charges	(346,628)	-
Interest revenue	(3,085,920)	(615,408)
Interest expense	57,394,710	26,335,478
Dividends	-	-
Allowance for doubtful debts and receivables written-off	1,002,093	-
Written off and allowance of other current assets	-	-
Financial Discounts	1,422	-
Other non-monetary gains	(5,361,263)	(4,649,851)
Unrealized exchange loss	7,474,699	2,184,184
Goodwill impairment	-	-
Net gain on disposal of property	-	-
Operating cash flow before working capital changes	213,147,428	193,474,137
Decrease / (increase) in accounts receivable	(41,616,067)	(67,975,523)
Decrease / (increase) in inventories	3,968,673	(1,596,882)
Decrease / (increase) in prepayments	(223,136)	(802,065)
Increase / (decrease) in accounts payable	(8,885,688)	(54,228,071)
Cash generated from working capital changes	(46,756,218)	(124,602,541)
Cash generated from operations	166,391,210	68,871,596
Income Tax Paid	(8,913,317)	(9,232,461)
Interest Paid	(36,075,786)	(19,065,031)
Interest received	3,085,920	615,408
Net cash from operating activities	124,488,027	41,189,512
Acquisition of subsidiaries, net of cash acquired	(70,024,370)	(196,440,330)
Purchase of intangible assets	(14,227,804)	(9,411,121)
Purchase of property, plant and equipment	(116,429,981)	(62,806,242)
Proceed from sale business combination	-	-
Proceed from sale of fixed assets	-	-
Net cash used in investing activities	(200,682,155)	(268,657,693)
Cash flow from financing activities		
Share capital contribution	-	-
Proceeds from loans	217,400,423	286,222,716
Payment of loans	(51,048,748)	(26,517,826)
Payment of principal portion of lease liabilities	(56,329,528)	(42,077,473)
Dividends paid to NCI	(1,223,591)	(136,861)
Payments for purchase of treasury shares	(401,951)	(6,923,973)
Additional participation interest acquired	-	(6,527,676)
Net cash from financing activities	108,396,606	204,038,908
Net change in cash and cash equivalents	32,202,477	(23,429,274)
Cash and cash equivalents beginning of the period	89,068,154	135,858,888
Cash and cash equivalents end of the period	121,270,631	112,429,614

Mihail Marcu,
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MED LIFE GROUP
 CONSOLIDATED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2023
 (all amounts are expressed in RON, unless otherwise specified)



	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	Attributable to owners of the parent	Non-controlling interests	Total Equity
Balance as at January 1, 2023	33,217,623	(3,219,219)	50,594,933	55,094,194	149,497,049	131,596,255	416,780,835	65,257,412	482,038,247
Profit of the year	-	-	-	-	-	7,126,784	7,126,784	(3,323,645)	3,803,139
Revaluation of Land and Constructions	-	-	-	-	-	-	-	-	-
Deferred tax related to other elements of the overall result	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	7,126,784	7,126,784	(3,323,645)	3,803,139
Recognition of other reserves for fiscal purposes (legal reserves)	-	-	-	15,797	-	(15,797)	-	-	-
Recognition of other reserves	-	-	-	3,240,896	-	(3,240,896)	-	-	-
Increase in share capital through incorporation of reserves	99,652,869	-	(50,594,933)	-	-	(49,057,936)	-	-	-
Additional non-controlling interest arising as of result of business combinations	-	-	-	-	-	-	-	16,633,549	16,633,549
Subsequent acquisition of NCI	-	-	-	-	-	(3,217,244)	(3,217,244)	(5,805,932)	(9,023,176)
Distribution of dividends	-	-	-	-	-	-	-	(1,223,591)	(1,223,591)
Increase from own shares acquisition	-	(401,951)	-	-	-	-	(401,951)	-	(401,951)
Net release of own shares used for acquiring additional NCI	-	3,026,045	-	-	-	-	3,026,045	-	3,026,045
Increase in premiums due to difference between fair value and cost of own shares when the exchange was made	-	-	(308,156)	-	-	-	(308,156)	-	(308,156)
Balance as at September 30, 2023	132,870,492	(595,125)	(308,156)	58,350,886	149,497,049	83,191,166	423,006,313	71,537,793	494,544,106

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MED LIFE GROUP
 CONSOLIDATED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2023
 (all amounts are expressed in RON, unless otherwise specified)



	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	Attributable to owners of the parent	Non-controlling interests	Total Equity
Balance as at January 1, 2022	33,217,623	(4,015,977)	49,177,468	41,850,760	95,484,740	122,394,796	338,109,410	43,295,149	381,404,558
Profit of the year	-	-	-	-	-	32,173,072	32,173,072	5,259,484	37,432,556
Revaluation of Land and Constructions	-	-	-	-	64,300,368	-	64,300,368	1,992,043	66,292,411
Deferred tax related to other elements of the overall result (Note 26)	-	-	-	-	(10,288,059)	-	(10,288,059)	(318,727)	(10,606,786)
Total comprehensive income	-	-	-	-	54,012,309	32,173,072	86,185,382	6,932,800	93,118,182
Recognition of other reserves for fiscal purposes (legal reserves)	-	-	-	885,378	-	(885,378)	-	-	-
Recognition of other reserves	-	-	-	12,358,056	-	(12,358,056)	-	-	-
Additional non-controlling interest arising as of result of business combinations	-	-	-	-	-	-	-	21,895,097	21,895,097
Subsequent acquisition of NCI	-	-	-	-	-	(9,728,180)	(9,728,180)	(6,865,634)	(16,593,814)
Distribution of dividends	-	-	-	-	-	-	-	-	-
Increase from own shares acquisition	-	(7,851,825)	-	-	-	-	(7,851,825)	-	(7,851,825)
Net release of own shares used for acquiring additional NCI	-	8,648,583	-	-	-	-	8,648,583	-	8,648,583
Increase in premiums due to difference between fair value and cost of own shares when the exchange was made	-	-	1,417,465	-	-	-	1,417,465	-	1,417,465
Balance as at December 31, 2022	33,217,623	(3,219,219)	50,594,933	55,094,194	149,497,049	131,596,255	416,780,835	65,257,412	482,038,247

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1. DESCRIPTION OF THE BUSINESS

Med Life S.A. ("MedLife" or the "Parent Company" or the "Company") is a joint-stock company incorporated in 1996, in accordance with the laws and regulations of Romania, with its headquarters in Bucharest, 365, Calea Grivitei, with a share capital of RON 132,870,492, with a nominal share value of 0.25 RON.

The Company's activity resides in the performance of healthcare services activities through medical centres with national coverage.

MedLife, together with its subsidiaries ("MedLife Group" or the "Group"), is offering a large range of medical service, with a network of 35 hyperclinics, 70 clinics, 13 hospitals – located in Bucharest, Arad, Sibiu, Brasov, Cluj, Ploiesti and Pitesti, 38 laboratories, 23 pharmacies and 18 dental clinics. The Group has also more than 170 private clinic partners around Romania.

List of the entities part of Med Life Group as at September 30, 2023 and January 1, 2023 are as follows (ownership percentage):

No.	Entity	Main activity	Location	30 September 2023	1 January 2023
1	Policlinica de Diagnostic Rapid SA	Medical Services	Brasov, Romania	83%	83%
2	Medapt SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
3	Histo SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
4	Policlinica de Diagnostic Rapid Medis SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66.4%	66.4%
5	Bahtco Invest SA	Development of building projects	Bucharest, Romania	100%	100%
6	Med Life Occupational SRL	Medical Services	Bucharest, Romania	100%	100%
7	Pharmalife-Med SRL	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
8	Med Life Broker de Asigurare si Reasigurare SRL	Insurance broker	Bucharest, Romania	99%	99%
9	Accipiens SA	Rental activities	Arad, Romania	83%	83%
10	Genesys Medical Clinic SRL (indirect)*	Medical Services	Arad, Romania	83%	83%
11	Bactro SRL (indirect)*	Medical Services	Deva, Romania	83%	83%
12	Transilvania Imagistica SA (indirect)*	Medical Services	Oradea, Romania	83%	83%
13	Biofarm Farmec SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Arad, Romania	100%	100%
14	RUR Medical SA (indirect)*	Medical Services	Brasov, Romania	83%	83%
15	Biotest Med SRL	Medical Services	Bucharest, Romania	100%	100%
16	Vital Test SRL	Medical Services	Iasi, Romania	100%	100%
17	Centrul Medical Sama SA	Medical Services	Craiova, Romania	90%	90%
18	Ultratest SA (direct si indirect)*	Medical Services	Craiova, Romania	92%	92%
19	Diamed Center SRL	Medical Services	Bucharest, Romania	100%	100%
20	Prima Medical SRL	Medical Services	Craiova, Romania	100%	100%
21	Stem Cells Bank SA	Medical Services	Timisoara, Romania	100%	100%
22	Dent Estet Clinic SA*	Dental healthcare	Bucharest, Romania	65%	60%
23	Green Dental Clinic SRL (indirect)*	Dental healthcare	Bucharest, Romania	33.2%	31%
24	Dentist 4 Kids SRL (indirect)*	Dental healthcare	Bucharest, Romania	65%	60%
25	Dent A Porter SRL (indirect)*	Dental healthcare	Bucharest, Romania	33.5%	31%
26	Dentestet Kids SRL (indirect)*	Dental healthcare	Bucharest, Romania	34.4%	32%
27	Aspen Laborator Dentar SRL (indirect)*	Dental healthcare	Bucharest, Romania	48.8%	45%

No.	Entity	Main activity	Location	30 September 2023	1 January 2023
28	Centrul Medical Panduri SA	Medical Services	Bucharest, Romania	100%	100%
29	Almina Trading SA	Medical Services	Targoviste, Romania	90%	90%
30	Anima Specialty Medical Services SRL	Medical Services	Bucharest, Romania	100%	100%
31	Anima Promovare si Vanzari SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
32	Valdi Medica SA	Medical Services	Cluj, Romania	55%	55%
33	Clinica Polisano SRL	Medical Services	Sibiu, Romania	100%	100%
34	Solomed Clinic SA	Medical Services	Pitesti, Romania	80%	80%
35	Solomed Plus SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%
36	Ghencea Medical Center SA	Medical Services	Bucharest, Romania	100%	100%
37	Sfatul medicului SRL	Medical Platform	Bucharest, Romania	100%	100%
38	RMC Dentart (indirect)*	Dental healthcare	Budapesta, Ungaria	79.9%	81.3%
39	RMC Medical (indirect)*	Medical Services	Budapesta, Ungaria	79.9%	81.3%
40	RMC Medlife	Holding	Budapesta, Ungaria	79.9%	81.3%
41	Badea Medical SRL	Medical Services	Cluj, Romania	65%	65%
42	Oncoteam Diagnostic SA	Medical Services	Bucharest, Romania	100%	79%
43	Centrul medical Micromedica SRL	Medical Services	Piatra Neamt, Romania	100%	100%
44	Micromedica Targu Neamt SRL (indirect)*	Medical Services	Targu Neamt, Romania	100%	100%
45	Micromedica Bacau SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
46	Micromedica Roman SRL (indirect)*	Medical Services	Roman, Romania	100%	100%
47	Medrix Center SRL (indirect)*	Medical Services	Roznov, Romania	100%	100%
48	Spitalul Lotus SRL	Medical Services	Ploiesti, Romania	100%	100%
49	Labor Maricor SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
50	Centrul Medical Matei Basarab SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
51	Pharmachem Distributie SRL	Distribution of Pharmaceutical Products	Bucharest, Romania	75%	75%
52	CED Pharma SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
53	Leti Pharm 2000 SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
54	Monix Pharm SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
55	KronDent SRL (indirect)*	Dental healthcare	Brasov, Romania	39%	36%
56	Medica SA	Medical Services	Sibiu, Romania	60%	60%
57	Dent Estet Ploiesti SRL (indirect)*	Dental healthcare	Ploiesti, Romania	33.2%	30.6%
58	The Lab Stomestet SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%
59	Stomestet SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%
60	Stomestet Plus SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%

No.	Entity	Main activity	Location	30 September 2023	1 January 2023
61	Costea Digital Dental SRL (indirect)*	Dental healthcare	Oradea, Romania	38%	36%
62	Expert Med Centrul Medical Irina (indirect)*	Medical Services	Galati, Romania	76%	76%
63	MNT Healthcare Europe SRL	Medical Services	Ilfov, Romania	50%	50%
64	MNT Asset Management SRL (indirect)*	Holding	Bucharest, Romania	50%	50%
65	Clinica Life-Med SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
66	Pro Life Clinics SRL (indirect)*	Medical Services	Iasi, Romania	60%	60%
67	Onco Card SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
68	Onco Card Invest SRL (indirect)*	Holding	Brasov, Romania	83%	83%
69	Tomorad Expert SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66.4%	66.4%
70	IT Repair SRL (indirect)*	Medical Services	Targu Mures, Romania	49.8%	49.8%
71	Medici's SRL	Medical Services	Timisoara, Romania	80%	80%
72	Micro-Medic SRL	Medical Services	Timisoara, Romania	80%	80%
73	Sweat Concept One SRL	Wellness	Bucharest, Romania	60%	60%
74	OptiCristal Consult SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
75	Alinora Optimex SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
76	Medicris SRL (indirect)*	Medical Services	Oradea, Romania	83%	83%
77	Triamed SRL (indirect)*	Medical Services	Oradea, Romania	83%	83%
78	SC M-Profilaxis SRL (indirect)*	Medical Services	Timisoara, Romania	80%	80%
79	VitaCare Flav SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%
80	Dent Estet Genesys SRL (indirect)*	Medical Services	Arad, Romania	82.2%	71.3%
81	Aspire Dental SRL (indirect)*	Dental healthcare	Bucharest, Romania	65%	60%
82	Sanopass SA	Medical Platform	Targoviste, Romania	62.5%	51%
83	Muntenia Medical Competences S.A.	Medical Services	Pitesti, Romania	79.8%	0%
84	Bios Diagnostic Medical Services SRL*	Medical Services	Bucharest, Romania	51%	0%
85	Centrul de Diagnostic si Tratament Provita S.A.	Medical Services	Bucharest, Romania	51%	0%
86	Medical City Blue SRL*	Medical Services	Bucharest, Romania	51%	0%
87	Laborator Cuza Voda SRL*	Medical Services	Bucharest, Romania	51%	0%
88	Provita Pain Clinic SA*	Medical Services	Suceava, Romania	35.7%	0%
89	Policlinica Sf. Ilie SRL*	Medical Services	Craiova, Romania	100%	0%
90	Policlinica Union SRL*	Medical Services	Cluj, Romania	51%	0%
91	Brol Medical Center SA *	Medical Services	Timisoara, Romania	56%	0%

*These companies are subsidiaries of other subsidiaries in the Group and are included in the consolidation, as they are controlled by the entities which are subsidiaries of the ultimate parent.

2. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The accounting policies applied in these simplified unaudited consolidated financial statements are the same as those applied in the Group's consolidated financial statements as of and for the financial year ended on December 31, 2022.

This financial report must be read together with the last consolidated annual financial statements of the Group as of and for the financial year ended on December 31, 2022, which includes all the necessary information for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. However, certain explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's financial position and performance compared to the last annual financial statements.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

3.1 Declaration of Conformity

The consolidated financial statements ("financial statements") of the group have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (EU).

The accounting policies applied in these financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2022, except for the adoption of new standards effective as of January 1st, 2023.

The financial year corresponds to the calendar year.

3.2 Basis of preparation

The financial statements of the Group are presented in RON ("Romanian Leu"), using going concern principles. All values are rounded to the nearest two decimals. The financial statements have been prepared on the historical cost basis, except for certain items that have been measured at fair value, such as certain non-current assets and financial instruments, as presented in the notes to the financial statements.

The Group maintains the accounting books in accordance with the Regulations on Accounting and Reporting issued by the Ministry of Finance in Romania.

3.3 Going concern

These financial statements have been prepared on a going concern basis, which assumes the Group will be able to realize its assets and discharge its liabilities in the normal course of business. The Group will continue its activity according to the normal course of business in the foreseeable future without encountering the impossibility of continuing its activity or without the significant decrease of its activity.

Based on the Group's current financial position and the modelled scenarios, the directors have concluded that the Group has sufficient liquidity to meet all its obligations for at least the twelve months from the date of this report and the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Significant judgements, estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as of the date of the balance sheet and revenue and expenses for the period.

When preparing these simplified unaudited consolidated financial statements, the Group's judgements, estimates and significant assumptions are the same as those applied in the audited consolidated financial statements as of and for the financial year ended December 31, 2022.

3.5 Foreign currency and translation

Functional and presentation currency

These financial statements are presented in Romanian Leu ("RON"), which is the currency of the primary economic environment in which the Group operates (its "functional currency").

The exchange rates as announced by the National Bank of Romania on September 30, 2023 were RON 4.9746 for EUR 1 (December 31, 2022: RON 4.9474 for EUR 1), respectively 1.2709 for HUF 100 (December 31, 2022: RON 1.2354 for 100 HUF).

The average exchange rates for the period of 9 months 2023 were RON 4.9388 for 1 EUR (9 months 2022: RON 4.9351 for 1 EUR), respectively RON 1.2945 for 100 HUF (9 months 2022: RON 1.2870 for 100 HUF).

Translation of foreign currencies

Transactions in foreign currencies are translated to the respective functional currency of the Group at the exchange rate ruling at the time of the transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange ruling at the reporting date. The foreign exchange differences arising on these translations are recognised as other financial income/expense in the income statement.

Translation of foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Foreign exchange differences arising on translation are recognised in equity through the statement of comprehensive income.

4. GOODWILL

The Group records goodwill resulting from business combinations.

For the purpose of impairment testing, goodwill is allocated to the cash generating unit (CGU) which is expected to benefit from the synergies of the business combination. Management conducts impairment tests on an annual basis or whenever there is an indication of impairment to assess the recoverability of the carrying value of goodwill, at each individual level. No impaired goodwill was identified in this context.

5. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES ASSETS

	September 30 2023	January 1, 2023
Gross book value	1,740,841,268	1,461,161,755
Accumulated depreciation	(641,595,220)	(532,468,429)
Net book value	1,099,246,048	928,693,326

6. INVENTORIES

	September 30 2023	January 1, 2023
Consumables	49,121,975	50,500,617
Materials in the form of inventory items	1,276,667	1,153,623
Merchandise	49,324,905	47,115,210
Inventory in transit	619	920
TOTAL	99,724,165	98,770,370

7. TRADE RECEIVABLES

	September 30 2023	January 1, 2023
Trade receivables	276,994,040	258,302,033
Allowance for doubtful receivables	(38,850,811)	(36,943,173)
TOTAL	238,143,230	221,358,860

Credit risk for MedLife Group primarily relates to trade receivables in the ordinary course of business. Customers' compliance with agreed credit terms is monitored regularly and closely. Where payments are delayed by customers, steps are taken to restrict access to services or contracts are terminated.

Certain customers, which are public or quasi-public institutions, or subsidiaries of MedLife, may have longer payment terms and services may continue to be delivered when amounts are overdue, based on management's assessment of a lower credit risk.

The average receivable period for the services offered is 95 days. There is no interest on commercial receivables within the first 95 days from the date of issue of the invoice, which also represents the average contractual term.

The carrying amount of financial assets, measured at amortised cost, represents the maximum credit exposure. There are no credit enhancements or collateral held that would offset such amounts. As the customer base of the Group is very diverse, there are generally no large concentrations of credit risk.

8. CASH AND BANKS

	September 30 2023	January 1, 2023
Cash in bank	115,173,387	85,385,761
Cash in hand	3,929,877	2,554,466
Cash equivalents	2,167,367	1,127,928
TOTAL	121,270,631	89,068,154

9. PREPAYMENTS

As of September 30, 2023 the Group has prepayments in amount of RON 12,714,720 (RON 11,826,587 as of January 1, 2023). The prepayments balance as of September 30, 2023 and January 1, 2023 consists mainly of deferred commissions for financing related to the Club loan for undrawn facilities and other amounts such as insurance policies for professionals and tangible assets.

10. TRADE AND OTHER PAYABLES

	September 30 2023	January 1, 2023
Suppliers	289,590,062	281,384,001
Fixed assets suppliers	60,638,053	48,347,315
Advances paid by customers (contract liabilities)	8,268,526	5,625,426
TOTAL	358,496,641	335,356,742

The balance of the suppliers' account consists of debts for the acquisition of consumables, materials and commodities. Fixed assets suppliers consist of debts for the acquisition of medical equipment.

11. OTHER LIABILITIES

	September 30 2023	January 1, 2023
Salary and related liabilities (incl. contributions)	29,138,731	24,169,661
Other liabilities	38,557,890	44,819,643
TOTAL	67,696,621	68,989,304

12. LEASES

Leasing facilities refer to buildings, medical equipment and vehicles.

	September 30 2023	January 1, 2023
Non-current portion of lease liability	247,625,722	225,175,340
Current portion lease liability	92,665,731	77,141,698
TOTAL	340,291,454	302,317,038

13. NET FINANCIAL DEBT

	September 30 2023	January 1, 2023
Current portion of interest-bearing loans and borrowings	103,961,268	83,496,070
Non-current portion of interest-bearing loans and borrowings	1,012,397,795	803,273,659
TOTAL	1,116,359,063	886,769,729

On 13 December 2022, following the approval of the General Meeting of Shareholders on 21 November 2022, MedLife, together with co-borrowers BAHTCO INVEST S.A., ACCIPIENS S.A., POLICLINICA DE DIAGNOSTIC RAPID S.A., CLINICA POLISANO S.R.L., DENT ESTET CLINIC S.A., GENESYS MEDICAL CLINIC S.R.L., CENTRUL MEDICAL SAMA S.A., VALDI MEDICA S.R.L., PHARMALIFE MED S.R.L., PRIMA MEDICAL S.R.L., ANIMA SPECIALTY MEDICAL SERVICES S.R.L., CED PHARMA S.R.L., BADEA MEDICAL S.A., CENTRUL MEDICAL MICROMEDICA S.R.L., SOLOMED CLINIC S.A., VITA CARE FLAV S.R.L., PHARMACHEM DISTRIBUTIE S.A., SANO PASS S.A., MNT ASSET MANAGEMENT S.R.L., MNT HEALTHCARE EUROPE S.R.L., SWEAT CONCEPT ONE S.A., ONCO CARD S.R.L., ONCOCARD INVEST S.R.L., DIAMED CENTER S.R.L., STEM CELLS BANK S.A., SFATUL MEDICULUI.RO S.A. and MEDICI'S S.A., signed with Banca Comercială Română, as lead arranger, a syndicated credit facility in the total amount of 228 million euros for the refinancing and increase of the existing credit of 50.7 million euros. The bank syndicate that signed the new credit granted to the MedLife Group is comprised of Banca Comerciala Romana, as coordinator, lead arranger, documentation agent, facility and guarantee agent, and financier, Raiffeisen Bank, BRD Groupe Societe Generale, Banca Transilvania, ING Bank N.V. Amsterdam Branch Bucharest, and Erste Group Bank AG, as lead arrangers and financiers.

The syndicated credit contract involves a refinancing agreement for existing facilities, extending the financing period, rearranging terms and conditions, as well as an additional increase of 50.7 million euros, which will be in the form of a term facility, used by MedLife, along with other liquidity of the Group, for possible new acquisition opportunities on the market

The closing balance of the syndicated loan is 995,034,121 RON as of September 30th 2023. As at September 30, 2023, the Group's drawn and undrawn financing facilities included the following:

- loan agreement and an overdraft facility agreement secured by CEC Bank S.A. and Clinica Polissano S.R.L., with an outstanding balance of RON 20,275,645 as of 30 September 2023;

- a loan agreement secured by Banca Transilvania S.A. and Ghencea Medical Center S.A., with an outstanding balance of RON 449,836 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Micromedica Roman S.R.L., with an outstanding balance of RON 735,921 as of 30 September 2023;
- two loan agreements secured by Banca Transilvania S.A. and Centrul Medical Micromedica S.R.L., with an outstanding balance of RON 619,523 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Dent Estet Ploiesti S.R.L., with an outstanding balance of RON 2,007,011 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Life Med S.R.L., with an outstanding balance of RON 458,500 as of 30 September 2023;
- a loan agreement secured by BRD GROUPE SOCIETE GENERALE S.A. and Pro Life Clinics S.R.L., with an outstanding balance of RON 50,000 as of 30 September 2023, and a loan agreement secured by ING BANK N.V. AMSTERDAM SUCURSALA BUCURESTI and Pro Life Clinics S.R.L., with an outstanding balance of RON 38,054 as of 30 September 2023;
- a loan agreement secured by EXIM BANK S.A. and Medicris S.R.L., with an outstanding balance of RON 353,707 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Medical City Blue S.R.L., with an outstanding balance of RON 351,655 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Centrul de Diagnostic și Tratament Provita S.R.L., with an outstanding balance of RON 54,279,017 as of 30 September 2023;
- a loan agreement secured by Banca Comercială Română and Provita Pain Clinic S.A., with an outstanding balance of RON 559,800 as of 30 September 2023;
- a loan agreement secured by Libra Bank and Policlinica Union S.R.L., with an outstanding balance of RON 107,625 as of 30 September 2023;
- a loan agreement secured by Banca Transilvania S.A. and Onco Team Diagnostic S.R.L., with an outstanding balance of RON 173,537 as of 30 September 2023;
- an overdraft facility agreement secured by Garanti Bank S.A. and Med Life S.A., with the amount drawn as of 30 September 2023 being RON 9,949,200;
- an overdraft facility agreement secured by Unicredit Tirioc Bank and Prima Medical S.R.L., with a maximum credit limit of RON 800,000, fully drawn as of 30 September 2023;
- an overdraft facility agreement secured by Banca Transilvania S.A. and Pharmachem Distribuție S.R.L., with an outstanding balance of RON 3,830,082 as of 30 September 2023;
- an overdraft facility agreement concluded between Banca Transilvania S.A. and Medical City Blue S.R.L., with an outstanding balance of RON 354,943 as of 30 September 2023;
- an overdraft facility agreement concluded between Banca Transilvania S.A. and Centrul de Diagnostic și Tratament Provita S.R.L., with an outstanding balance of RON 2,904,011 as of 30 September 2023;
- an overdraft facility agreement concluded between ING BANK N.V. AMSTERDAM SUCURSALA BUCURESTI and Solomed Clinic S.A., with an outstanding balance of RON 101.520 as of 30 September 2023.

The interest rate for each loan for each interest period is the rate per year that is the sum of the applicable margin and depending on the currency of each loan, EURIBOR 6M for the amounts in EUR or ROBOR 6M for the amounts in RON.

As at September 30, 2023 none of the Group members was in breach of any applicable term of the financing facilities.

14. SHARE CAPITAL AND SHARE PREMIUM

The issued share capital in nominal terms consists of 531.481.968 ordinary shares as at 31 December 2022 (31 December 2021: 132,870,492) with a nominal value of RON 0.25 per share. The holders of ordinary shares are entitled to one vote per share in the shareholders' meetings of the Company, except for the treasury shares bought back by the Company as part of the share buy-back program. All shares rank equally and confer equal rights to the net assets of the Company, except for treasury shares.

In accordance with the Decision of the Extraordinary General Meeting of Shareholders of the Company dated 3 August 2023, the share capital of the Company was increased with the amount of RON 99,652,869, from RON 33,217,623 to RON 132,870,492, by issuance of a number of 398,611,476 new shares with a nominal value of RON 0.25 per share.

The Share Capital Increase was carried out through the incorporation of share premiums and reserves (with the exception of the legal reserves), and the newly issued shares were allocated free of charge to the Company's shareholders registered in the register of shareholders kept by Depozitarul Central - S.A. as of 04.09.2023, established as record date ("Record Date").

The effects of the share capital increase were processed on 5 September 2023 and the newly issued shares were allocated to shareholders.

The total number of issued ordinary shares of the Company after the share capital increase was 531,481,968.

	September 30, 2023	January 1, 2023
Share capital	132,870,492	33,217,623
Share premium	(308,156)	50,594,933
TOTAL	132,562,336	83,812,556

	Number of shares	%	Value
Legal entities	290,104,347	54.58%	72,526,087
Marcu Mihail	78,484,828	14.77%	19,621,207
Cristescu Mihaela Gabriela	74,642,760	14.04%	18,660,690
Marcu Nicolae	55,341,600	10.41%	13,835,400
Others	32,908,433	6.19%	8,227,108
TOTAL	531,481,968	100.00%	132,870,492

15. RESERVES

	September 30 2023	January 1, 2023
General reserves	24,341,680	24,325,883
Other reserves	34,009,206	30,768,310
Revaluation reserves	149,497,049	149,497,049
TOTAL	207,847,935	204,591,242

16. NON-CONTROLLING INTEREST

	September 30 2023	January 1, 2023
Balance at beginning of year	65,257,412	43,295,149
Share of profit for the period	(3,323,645)	5,259,484
Share of other comprehensive income	-	1,673,316
Share capital contribution	-	-
Non-controlling interests arising on the acquisition of subsidiaries	16,633,549	21,895,097
Subsequent acquisition of NCI	(5,805,932)	(6,865,634)
Distribution of dividends	(1,223,591)	-
TOTAL	71,537,793	65,257,412

17. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from customers consist of medical services, including revenues from prevention packages of corporate customers and fees for services rendered within Group's medical facilities. Please see breakdown below.

Business Line	9 months 2023	% of Total	9 months 2022	% of Total	Variation 2023/2022
Clinics	608,211,330	37.4%	446,170,930	33.7%	36.3%
Stomatology	92,506,777	5.7%	87,420,487	6.6%	5.8%
Hospitals	353,143,067	21.7%	274,742,758	20.8%	28.5%
Laboratories	171,739,754	10.6%	153,193,881	11.6%	12.1%
Corporate	189,373,911	11.6%	163,704,809	12.4%	15.7%
Pharmacies	46,287,876	2.8%	60,278,085	4.6%	-23.2%
Others	166,153,060	10.2%	138,444,083	10.5%	20.0%
TOTAL SALES	1,627,415,774	100.0%	1,323,955,033	100%	22.9%

18. OTHER OPERATING REVENUES

	9 months 2023	9 months 2022
Other operating revenues	5,444,465	3,461,087
Income from operating grants	2,060,249	1,790,263
Capitalized cost of intangible assets	5,361,263	4,649,851
TOTAL	12,865,977	9,901,202

19. OTHER OPERATING EXPENSES

	9 months 2023	9 months 2022
Utilities	24,745,270	18,262,152
Repairs maintenance	14,196,703	14,843,122
Rent	9,695,457	8,866,438
Insurance premiums	4,236,979	3,363,516
Promotion expense	27,136,312	19,338,991
Communications	4,591,991	3,958,443
Other administration and operating expenses	21,244,691	15,343,831
TOTAL	105,847,403	83,976,493

20. NET FINANCIAL RESULT

	9 months 2023	9 months 2022
Other financial expenses	-	-
(Loss)/Gain from foreign exchange rate impact	(7,940,375)	(2,609,750)
Finance cost	(52,669,901)	(22,519,605)
Bank commissions	(4,724,809)	(3,815,873)
Other income	612,396	462,569
Interest income	3,085,920	615,408
FINANCIAL NET PROFIT/(LOSS)	(61,636,769)	(27,867,251)

21. FINANCIAL ANALYSIS

Analysis of the Consolidated Comprehensive Income

Sales for the 9 months period ended September 30, 2023, amounted to RON 1,627,415,774 higher by 22.9% compared to sales recorded for the 9 months period ended September 2022. This increase was mainly the result of growth in almost all of the Group's business lines, as well as the impact of the acquisitions completed by the Group in 2022 and 2023.

Other operating revenues have increased by 29.9% in 2023 compared to previous year, reaching RON 12,865,976 in 2023.

Operating expenses include variable and fixed costs, as well as the cost of goods and materials used to provide the Group's services. The Group recorded operating expenses of 1,563,475,986 for 9 months 2023, representing an increase of 26.2%, or RON 325,059,060 as compared to 9 months 2022. The Group's operating expenses as a percentage of total operating income reached 95.3% for the 9 months period ended 30 September 2023 and 92.8% for the 9 months period ended 30 September 2022.

Operating expenses evolution

	9 months 2023	9 months 2022	Variation 2023/2022
Consumable materials and repair materials	286,957,439	224,657,498	27.7%
Commodities expenses	155,327,826	153,548,065	1.2%
Utilities	24,745,270	18,262,152	35.5%
Repairs maintenance	14,196,703	14,843,122	-4.4%
Rent	9,695,457	8,866,438	9.4%
Insurance premiums	4,236,979	3,363,516	26.0%
Promotion expense	27,136,312	19,338,991	40.3%
Communications	4,591,991	3,958,443	16.0%
Third party expenses (including doctor's agreements)	456,459,369	339,861,734	34.3%
Salary and related expenses	402,924,880	322,329,518	25.0%
Social contributions	14,057,657	11,395,943	23.4%
Depreciation	140,899,319	102,647,676	37.3%
Impairment losses and gains (including reversals of impairment losses)	1,002,093	-	100.0%
Other administration and operating expenses	21,244,691	15,343,831	38.5%
TOTAL	1,563,475,986	1,238,416,927	26.2%

Operating profit recorded a decrease of 19.5% for 9 months 2023 as compared to 9 months 2022, from RON 95,439,308 for 9 months 2022 to RON 76,805,764 for 9 months 2023.

Financial loss increased for 9 months 2023 with RON 33,769,518 from a negative RON 27,867,251 for 9 months 2022 to a negative RON 61,636,769 for 9 months 2023.

The net result for the 9 months period ended 30 September 2023 decreased with RON 53,039,384 as compared to the corresponding period of 2022, from RON 56,842,522 for 9 months 2022 to RON 3,803,139 for 9 months 2023.

On a pro-forma basis, gross sales for 9 months 2023 amount to RON 1,659,739,013 and Adjusted EBITDA to RON 239,041,480. Please refer to Note 24 – UNAUDITED CONSOLIDATED PRO-FORMA FINANCIAL INFORMATION for more information regarding pro-forma financial information.

Analysis of the Consolidated BS

Non-current assets amount to RON 1,935,664,778 as of 30 September 2023, recording an increase of RON 249,074,754 or 14.8% as compared to 1 January 2023. Increase mainly due to increase in Property, Plant and Equipment following of acquired companies as well as organic development projects, most significant being Nord Hospital and Oncology Centers. Increase also due to increase in Goodwill, following investments in new acquired companies.

Current assets increased with RON 63,992,173 or by 13.8% from RON 465,386,305 as at 1 January 2023 to RON 529,378,478 as at 30 September 2023.

Current liabilities (excluding interest-bearing debt items) increased with RON 25,451,072, or by 6.1%, from RON 414,943,880 as at 1 January 2023, to RON 440,394,952 as at 30 September 2023.

Interest bearing debt increased with RON 267,563,750 or by 22.5% from RON 1,189,086,767 as of 1 January 2023 to RON 1,456,650,517 as of 30 September 2023.

22. MAIN FINANCIAL RATIOS

**Period ended at
September 30, 2023**

Current ratio

Current assets	529,378,478	=		
Current liabilities	637,021,951	=		0.83

Debt to equity ratio

Long Term Debt	1,288,482,407	=		
Equity	494,544,106	=		261%

Long Term Debt	1,288,482,407	=		
Capital Assets	1,783,026,514	=		72%

Trade receivables turnover (days)

Average receivables	229,751,045	=		
Sales	1,627,415,774	=		38.12

Fixed assets turnover

Sales	1,627,415,774	=		
Net Fixed Assets	1,935,664,778	=		0.84

23. OPERATIONAL KEY PERFORMANCE INDICATORS

Business line	Info	9 months	
		2023	2022
Clinics	Revenue	608,211,330	446,170,930
Clinics	Visits	2,837,293	2,203,401
Clinics	Avg fee	214.4	202.5
Stomatology	Revenue	92,506,777	87,420,487
Stomatology	Visits	138,157	138,231
Stomatology	Avg fee	669.6	632.4
Hospitals	Revenue	353,143,067	274,742,758
Hospitals	Patients	102,962	86,882
Hospitals	Avg fee	3,429.8	3,162.3
Laboratories	Revenue	171,739,754	153,193,881
Laboratories	Analyses	5,463,886	4,904,181
Laboratories	Avg fee	31.4	31.2
Corporate	Revenue	189,373,911	163,704,809
Corporate	Subscriptions	867,342	784,910
Corporate	Avg fee	218.3	208.6
Pharmacies	Revenue	46,287,876	60,278,085
Pharmacies	Clients	346,530	465,470
Pharmacies	Sales per client	133.6	129.5
Others	Revenue	166,153,060	138,444,083

24. UNAUDITED CONSOLIDATED PRO-FORMA FINANCIAL ("CONSOLIDATED PRO FORMA PL")

Introduction

The following Consolidated Pro Forma PL of the Consolidated PL is based on the Group's Consolidated FS for the 9 months period ended September 30, 2023, adjusted with the historical financial results of the companies acquired by the Group during the period from 1 January 2023 up to September 30, 2023 (the "**Acquired Companies**").

Details of the Acquired Companies are set out below.

The Consolidated Pro Forma PL for the 9 months period ended September 30, 2023 transposes:

- (i) the acquisition of the Acquired Companies as if the acquisition had occurred on 1 January 2023 by combining the financial results for the period of the Acquired Companies with those of the Group and

- (ii) the elimination of certain expenses included in the Consolidated PL of the Group which the Group considers to be non-operational and/or non-recurring by nature.

The Consolidated Pro Forma PL provides a hypothetical illustration of the impact of the transactions on the Company's earnings. The Consolidated Pro Forma PL has been prepared for the Group as at and for the 9 months period ended September 30, 2023.

The Consolidated Pro Forma PL should be read in conjunction with the Consolidated FS for the 9 months period ended September 30, 2023.

Purpose of the Consolidated Pro Forma PL

The Consolidated Pro Forma PL set out below has been prepared to

- (i) illustrate the effect on the Group of the acquisitions completed in 2023 and
- (ii) provide an estimate of the Group's recurring EBITDA.

The Group's unaudited consolidated pro forma Adjusted EBITDA is also useful when analyzing the Group's current debt compared to its earnings capacity.

Although the Consolidated BS in the Consolidated FS include the full amount of debt incurred to finance the acquisitions completed as of September 30, 2023, the Consolidated PL includes no portion of the annual earnings of the Acquired Companies.

Using the unaudited consolidated pro forma Adjusted EBITDA for such comparison allows inclusion of a measure of the full period earnings that will contribute to the servicing of the debt incurred in relation to the acquisitions.

The Consolidated Pro Forma PL has been prepared for illustrative purposes only and, because of its nature, to address a hypothetical situation and therefore, does not represent the Group's actual financial results.

The Consolidated Pro Forma PL does not necessarily reflect what the combined Group's financial condition or results of operations would have been, had the acquisitions occurred on the dates indicated in the pro-forma calculations. They also may not be useful in predicting the future financial condition and results of operations of the Group with the acquired companies.

The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

Consolidated Pro-Forma PL

	9 Months ended September 30, 2023			
	Consolidated PL	Normalisation	One off	Consolidated Pro forma PL
GROSS SALES	1,627,415,774	32,323,239	-	1,659,739,013
NET SALES	1,627,415,774	(64,664,590)	-	1,562,751,183
Other operating revenues	12,865,976	974,988	-	13,840,964
OPERATING INCOME	1,640,281,750	(63,689,602)	-	1,576,592,148
OPERATING EXPENSES	(1,563,475,986)	65,716,929	16,555,160	(1,481,203,897)
OPERATING PROFIT	76,805,764	2,027,326	16,555,160	95,388,251
Finance cost	(57,394,710)	(1,088,189)	-	(58,482,899)
Other financial expenses	(4,242,058)	198,279	-	(4,043,779)
FINANCIAL RESULT	(61,636,769)	(889,910)	-	(62,526,679)
RESULT BEFORE TAXES	15,168,996	1,137,416	16,555,160	32,861,572
Income tax expense	(11,365,857)	(88,377)	(2,648,826)	(14,103,060)
NET RESULT	3,803,139	1,049,039	13,906,334	18,758,512

Net Result to Adjusted EBITDA

	9 Months ended September 30, 2023			
	Consolidated PL	Normalisation	One off	Consolidated Pro forma PL
Net result/(loss) for the period	3,803,139	1,049,039	13,906,334	18,758,512
Add back:				
Taxes on income	11,365,857	88,377	2,648,826	14,103,060
<i>Out of which:</i>				
Base tax expense	11,365,857	88,377	-	11,454,234
One off impact	-	-	2,648,826	2,648,826
Net financial result	61,636,769	889,910	-	62,526,679
Depreciation, amortisation and impairment, including write-ups	140,899,319	2,753,911	-	143,653,230
Adjusted EBITDA	217,705,083	4,781,237	16,555,160	239,041,480

Sales split by Business Line

9 Months ended September 30, 2023			
Consolidated PL	Normalisation*	One off	Consolidated Pro forma PL
608,211,330	(24,148,591)	-	584,062,739
92,506,777	-	-	92,506,777
171,739,754	3,845,531	-	175,585,285
189,373,911	560,788	-	189,934,699
353,143,067	(44,938,497)	-	308,204,570
46,287,876	-	-	46,287,876
166,153,060	16,179	-	166,169,238
1,627,415,774	(64,664,591)	-	1,562,751,183

*Negative amounts are the due to the elimination of the amounts from National Healthcare Program for Oncology in total amount of 97 million RON, following increase in chemotherapy business, for comparative purposes.

Basis for the Consolidated Pro Forma PL

The Consolidated Pro Forma PL for the 9-month period ended September 30, 2023 has been prepared starting from the Consolidated PL of the Group as of September 30, 2023.

The Consolidated Pro Forma PL was prepared in a manner consistent with the accounting policies adopted by the Group in the Consolidated FS as of September 30, 2023.

The Consolidated Pro Forma PL for the 9 months ended September 30, 2023 gives effect to the acquisitions of the Acquired Companies as if the acquisitions had occurred on 1 January 2023.

Also, certain expense items incurred by the Group in the relevant period which are considered to be non-operational and non-recurring by nature as detailed in the notes to the tables, are reflected in the Consolidated Pro Forma PL as one-off adjustments, based on management judgment for the Group, without taking into account the Acquired Companies.

Consolidated Pro Forma PL adjustments

Normalization adjustments

Normalization adjustments are made to include the financial results of the Acquired Companies in the Group results for the relevant period.

The adjustments represent the unaudited Income Statement items for the portion of the relevant period prior to and including the month of acquisition of the companies.

The companies that were normalized and the months included in the normalization are set out below:

Entity	Date of obtaining control	Months included in Normalization (inclusive) 1 January – 30 September 2023
Nord Group	April 2023	January – March 2023
Muntenia Hospital	February 2023	January 2023
Policlinica Sf. Iilie SRL	March 2023	January – February 2023
Policlinica Union SRL	July 2023	January – June 2023
Brol Medical Center SA	October 2023	January – September 2023

One off adjustment

One-off adjustments represent expenses which have been included in the Group's Consolidated PL but which, in the Group's opinion, represent non-recurring and/or non-operational expenses by nature.

These expenses relate mostly to loss incurred by early- stage units for the period before opening of these units. In addition costs incurred with the acquisition of the Target companies which were expensed reader then capitalized as part of the acquisition cost of the company are also included in one-off adjustments, as well as other one expenses which are not recurrent for the Group.

The one-off expenses are presented below. The amounts calculated for each of the expenses is gross of the applicable income tax.

Type of Expense	Amount for 9 months 2023	Note
Cost of Acquisitions	1,543,972	Note A
Other costs	12,890,931	Note B
Consultancy costs	2,120,257	Note C
Total	16,555,160	

Note A

Cost of Acquisitions includes the expenses incurred in respect of external due diligence reports on target companies covering financial, taxation and legal due diligence. The external costs of aborted acquisitions are also included.

These expenses are considered non-recurrent and non-operational, as they do not relate to the operational medical business of the Group.

Note B

Expenses related mostly to early stage investments that are loss making, for the period before their opening.

Note C

Includes non-recurring costs related to one-off projects.

25. Group's projected pro-forma EBITDA and pro-forma Revenues

Introduction

The following Group`s projected pro-forma EBITDA and pro-forma Revenues are based on the Group's Consolidated Pro Forma PL for the 9 months period ended September 30, 2023, adjusted with the forecasted 9 months results of early-stage investments after 18 months from their opening.

The investments included in projection are:

1. new Nord Hospital in Bucharest;
2. Neolife oncology center in Braila;
3. Neolife oncology center in Valcea;
4. Second radiotherapy equipment in Brasov;
5. Da Vinci Robot in MedPark.

Purpose of the Group`s projected pro-forma EBITDA and pro-forma Revenues

The Group's projected pro-forma EBITDA is useful when analyzing the Group's current debt compared to its earnings capacity, given the significant greenfield and brownfield investments undertaken by the Group in 2023, compared to previous years when the focus was more on M&A projects that contributed with EBITDA to Group`s performance.

Although the Consolidated BS in the Consolidated FS include the full amount of debt incurred to finance the investments completed as of September 30, 2023, the Consolidated PL includes no benefit coming from these early-stage investments, but rather losses.

Using the Group's projected pro-forma EBITDA for such comparison allows inclusion of forecasted results of these investments that will contribute to the servicing of the debt incurred with such investments.

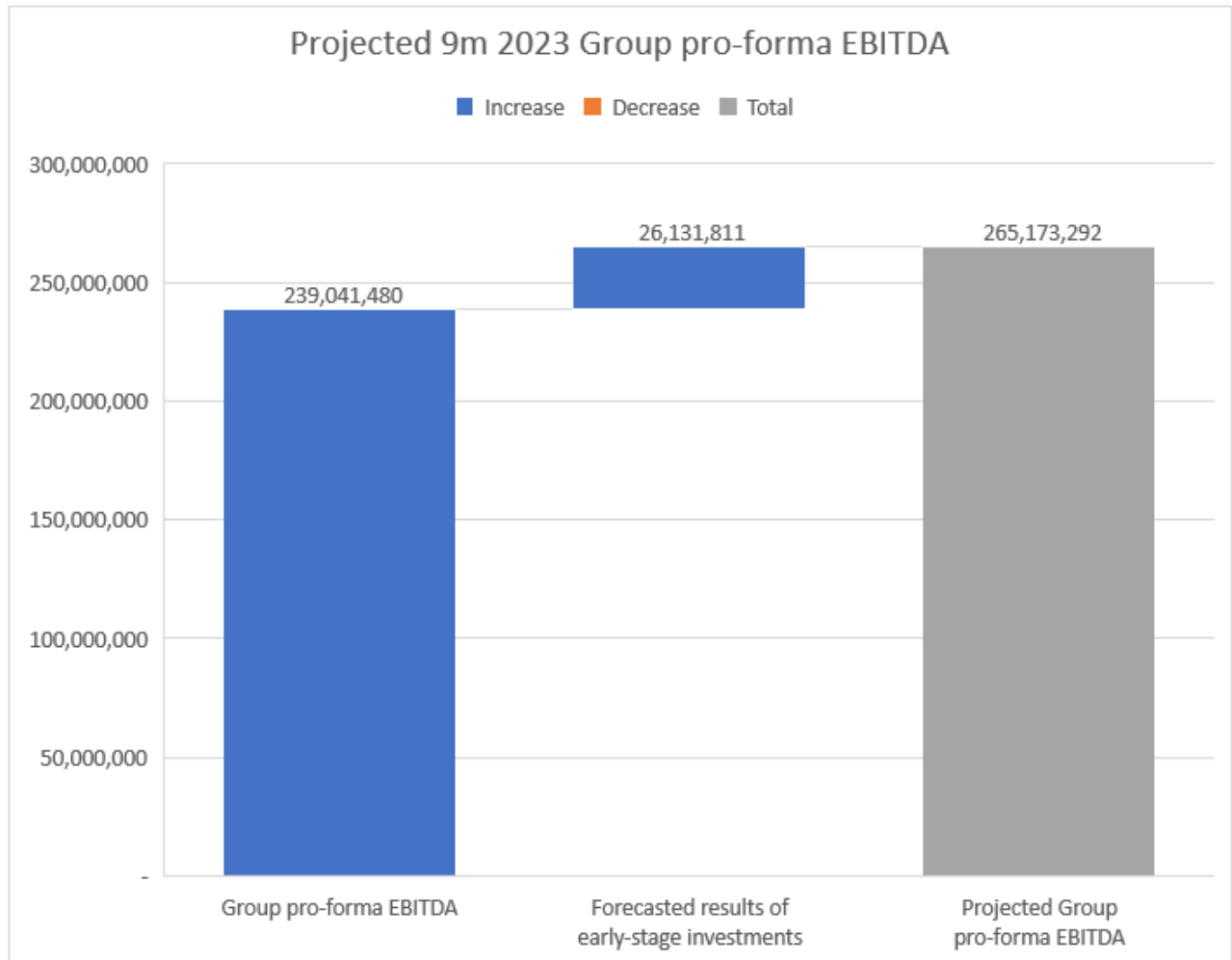
The forecasted results represent the 9 month results of these investments after 18 months period from their opening.

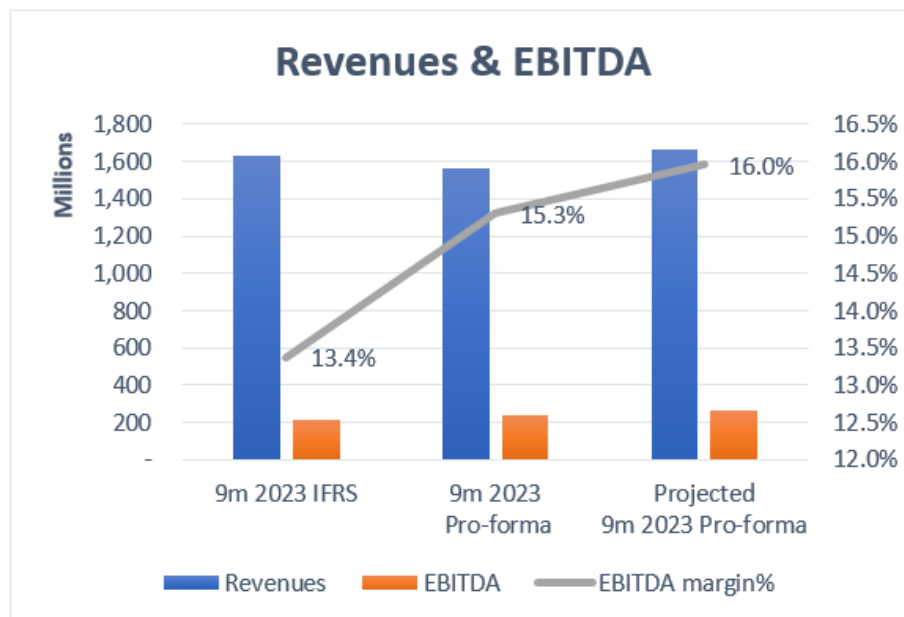
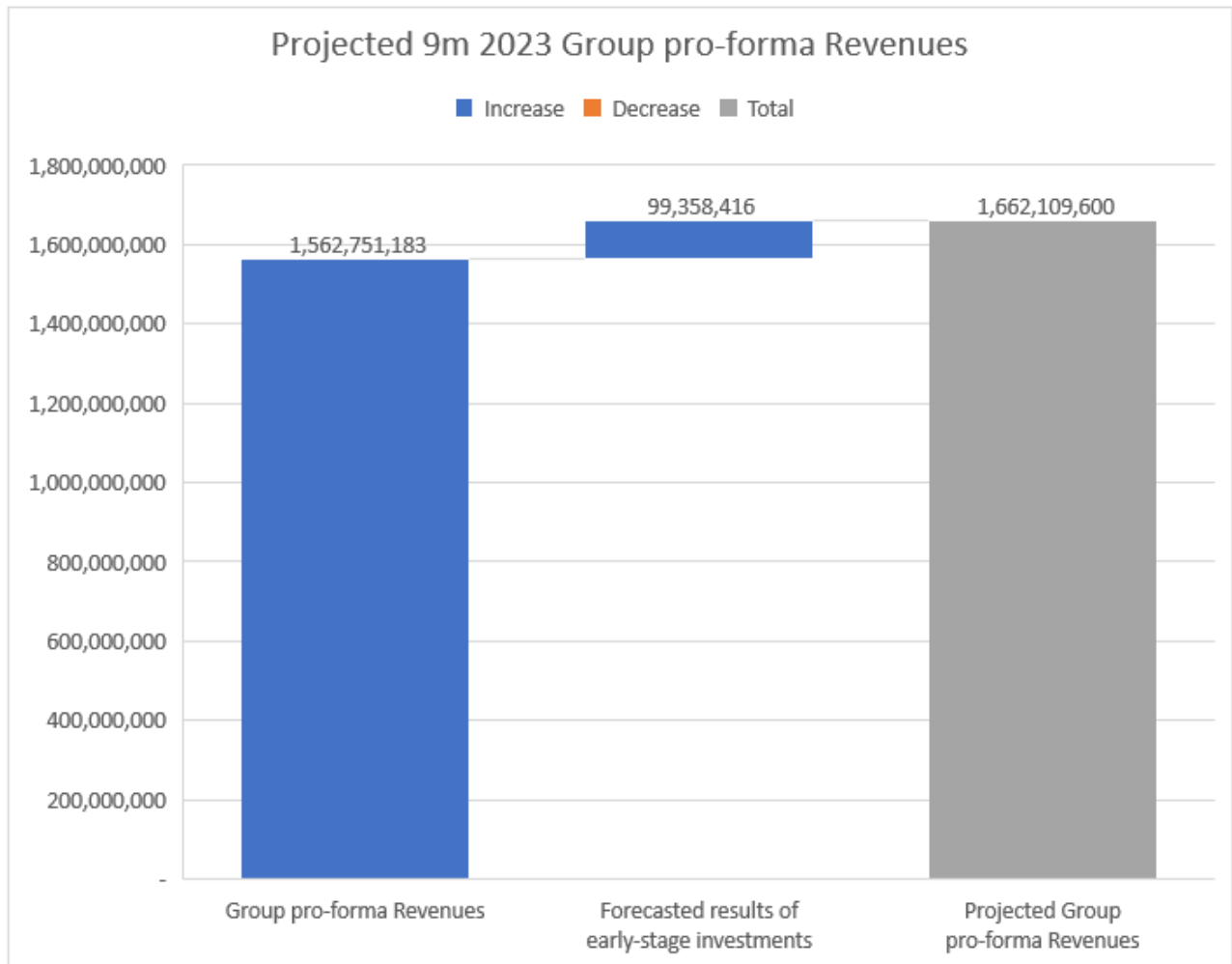
The financial forecast information are prepared coherently with the historic financial situations on the basis of the relevant principles.

The Group's projected pro-forma EBITDA and pro-forma Revenues has been prepared for illustrative purposes only and, because of its nature, to address a forward looking scenario, does not represent the Group's actual financial results.

The actual future results of operations may differ significantly from the Group's projected pro-forma EBITDA and pro-forma Revenues amounts reflected herein due to a variety of factors.

These financial projections/forecasts are in compliance with the Policy on Forecast of Medlife Group published on the website: https://www.medlifeinternational.com/public_files/documente_bursa/policy_of_forecast.pdf





26. IMPORTANT EVENTS

Acquisitions

Completion of the acquisition of Muntenia Hospital

On 10 January 2023, MedLife Group announced the completion of the transaction to take over 99.76% of Muntenia Hospital shares, the largest hospital in Arges county, after the approval of the Competition Council. Thus, the leader of the private medical services market in Romania consolidates its medical expertise in the hospital area and reaches a network of 12 hospitals nationwide.

Completion of the acquisition of Nord Group (formerly Provita)

On 30 March 2023, MedLife announced the completion of the acquisition of a 51% stake in Nord Group (formerly Provita) after receiving approval from the Competition Council. The announcement comes five months after the new partnership was finalized.

In its 11 years of activity in the private medical services market, Nord Group has been particularly successful in Bucharest, where it is present through a multidisciplinary hospital, 5 clinics, two state-of-the-art imaging centers, a laboratory for processing a wide range of medical analyses and tests, as well as the only pain therapy training center in Central and Eastern Europe. At the end of last year, Nord Group expanded outside of the capital by opening a multidisciplinary clinic in Suceava worth 2.5 million euros, which houses an integrated Pain Therapy Center and Breast Center. By the end of November, Nord Group will launch a new private medical hospital in Bucharest.

Acquisition of Sfântul Ilie Polyclinic (acquisition of Sfanta Maria Group)

Present on the local market since 2000, Policlinica Sfântul Ilie is one of the first private clinics in Craiova. With 12 medical specialties, the clinic offers comprehensive medical services and paraclinical investigations to meet the needs of all patients, thus becoming a point of reference in medical activity at the county level. Among the medical specialties that can be accessed within the polyclinic are internal medicine, cardiology, dermatology, endocrinology, physiotherapy, occupational medicine, neurology, obstetrics-gynecology, ophthalmology, ENT, psychiatry and psychology. In 2022, the company recorded a turnover of 2.8 million RON.

Acquisition of Union Medical Clinic (acquisition of Grup Sfanta Maria)

The Union Medical Clinic has over 10 years of experience on the Cluj market and offers a diverse range of high-quality services, covering 21 medical specialties, including cardiology, dermatovenerology, diabetes and nutrition, endocrinology, family medicine, neurology, obstetrics- gynecology, ophthalmology, orthopedics, psychiatry, psychology and urology. Being in a continuous process of evolution, the clinic integrates the latest techniques and medical devices to ensure treatment to patients at European standards. The turnover recorded by the Union Medical Clinic in 2022 amounted to 7.6 million RON.

Acquisition of Brol Medical Center

On September 2023, Med Life S.A., through Medici's SRL, completed the acquisition of a 56% stake in Brol Medical Center. Brol Clinic started its activity in 1996 and has over 25 years of experience in cosmetic surgery. The clinic offers plastic, reconstructive and aesthetic surgery services, consultations and dermatological treatments, as well as nutrition consultations. The turnover recorded by Brol in 2022 amounted to 3.2 million RON.

Organic growth

MedLife Deva Hyperclinic

MedLife continued its expansion plans at the national level through organic development with the inauguration, in January 2023, of the largest medical clinic in the Municipality of Deva. The newest hyperclinic in the network of MedLife covers an area of 1,000 square meters and is the result of an investment of approximately EUR 2.7 million.

Neolife Râmnicu Vâlcea Clinic

On September 21st, Neolife Medical Center Romania inaugurated, in Râmnicu Vâlcea, Radiotherapy and Imaging Center. Located in the courtyard of the Hospital of Obstetrics and Gynecology, the new clinic comes with an innovative contribution in the fight against cancer and represents a significant plus in the treatment and diagnosis of oncological diseases. Equipped with state-of-the-art technology, including state-of-the-art equipment, this unit will provide complex medical services for diagnosis, monitoring and treatment for patients with oncological conditions. The investment related to the new Radiotherapy and Imaging Center amounted to 4 million euros.

Neolife Brăila Clinic

On September 14th was the inauguration of the sixth Neolife private medical center in Romania, located in the courtyard of Brăila County Hospital. The new Neolife Brăila center is equipped with state-of-the-art equipment and equipment, the medical team being made up of professionals in the field of oncological medicine. The diagnostic and treatment services offered by Neolife are free, the costs being reimbursed by the National Health House (NHH). The investment related to the Neolife Private Medical Center reached 5 million euros.

Nord Hospital

By the end of November 2023, Nord Group will launch a new private hospital in Bucharest. The new hospital covers around 25,000 square meters, with 107 beds, 8 operating rooms, a modern imaging center, with more than 28 medical specialties, for both adults and children. The medical teams will be focused on complex interventions, covering the multiple surgical areas.

Corporate events

On 24 March 2023 was published the Convening Notice for the Annual General Meeting of Shareholders (OGMS) scheduled for 27th/28 April 2023. The following items were mainly submitted for approval to MedLife shareholders:

- The audited annual financial statements for the year 2022, at both individual and consolidated levels
- Discharge of liability of the Board of Directors' members
- Budget of revenues and expenses for the year 2023, at both individual and consolidated levels
- Extension of the financial auditor's mandate for a period of 2 years
- Remuneration Report, subject to the consultative vote of shareholders
- Company Remuneration Policy

The items on the agenda were fully approved during the OGMS on 27 April 2023.

Conducting the Extraordinary General Meeting of Shareholders

On July 3, 2023, the Extraordinary General Meeting of Shareholders for 3rd/4th August, 2023 was published. Mainly, the following were submitted to the approval of MedLife shareholders:

- Increasing the social capital
- Amendment of the Company's Articles of Incorporation as a result of the Share Capital Increase
- Other items on the agenda

The items on the agenda were fully approved during the AGEA meeting on August 3, 2023.

26. SUBSEQUENT EVENTS

There were no other significant events after September 30, 2023.

Mihail Marcu,
CEO

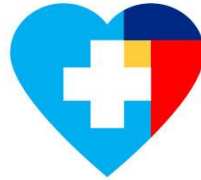
Alina Irinoiu,
CFO

Declaration of management of MedLife Group

We confirm to the best of our knowledge that the Unaudited Consolidated Financial Statements of MedLife Group for the 9-month period ended September 30, 2023, which were prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union, give a true and fair view of the consolidated financial position of the Group as at September 30, 2023, and of its consolidated financial performance and its consolidated cash flows for the period then ended.

Mihail Marcu,
CEO

Alina Irinoiu,
CFO



SISTEMUL MEDICAL
MedLife

MED LIFE S.A.

FINANCIAL REPORT 3rd QUARTER 2023

WHICH INCLUDE SIMPLIFIED UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

PREPARED IN ACCORDANCE WITH ORDER OF THE MINISTRY OF PUBLIC FINANCE NO.
2844/2016 APPROVING THE ACCOUNTING REGULATIONS COMPLIANT WITH THE
INTERNATIONAL FINANCIAL REPORTING STANDARDS

Name of the issuing company: Med Life S.A.

Registered Office: Bucharest, 365 Calea Griviței, District 1, Romania

Fax no.: 0040 374 180 470

Unique Registration Code at the National Office of Trade Registry: 8422035

Order number on the Trade Registry: J40/3709/1996

Subscribed and paid-in share capital: RON 132,870,492

Regulated market on which the issued securities are traded: Bucharest Stock Exchange

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STATEMENT OF UNAUDITED CASH FLOWS	4
STATEMENT OF UNAUDITED CHANGES IN EQUITY	5 - 6
NOTES TO THE SIMPLIFIED UNAUDITED INDIVIDUAL FINANCIAL STATEMENTS	7 - 16

	September 30, 2023	January 1, 2023
ASSETS		
Non-current assets		
Intangible assets	16,135,257	14,665,892
Property, plant and equipment	360,375,529	342,815,667
Right-of-use asset	51,051,144	71,911,269
Other financial assets	500,517,222	413,831,251
TOTAL NON-CURRENT ASSETS	928,079,151	843,224,079
Current Assets		
Inventories	13,093,648	12,513,597
Trade receivables	80,749,378	66,525,981
Loans granted to related parties	156,786,558	162,430,816
Other assets	23,844,067	18,251,900
Cash and cash equivalents	20,221,517	15,141,431
Prepayments	2,239,062	2,674,932
TOTAL CURRENT ASSETS	296,934,230	277,538,657
TOTAL ASSETS	1,225,013,381	1,120,762,736
LIABILITIES & SHAREHOLDER'S EQUITY		
Non-current liabilities		
Lease liability	33,673,962	50,184,177
Other long term debt	-	12,651,217
Interest-bearing loans and borrowings	600,159,384	508,264,032
Deferred tax liability	19,052,772	19,052,772
TOTAL NON-CURRENT LIABILITIES	652,886,118	590,152,198
Current Liabilities		
Trade and other payables	156,071,406	122,505,239
Overdraft	9,949,200	9,894,800
Current portion of lease liability	21,046,928	26,229,711
Current portion of interest-bearing loans and borrowings	46,842,724	31,933,045
Loans received from related parties	19,821,184	12,632,124
Current tax liabilities	97,549	980,993
Provisions	3,480,319	3,480,319
Other liabilities	17,368,480	17,677,023
TOTAL CURRENT LIABILITIES	274,677,790	225,333,254
TOTAL LIABILITIES	927,563,908	815,485,452
SHAREHOLDER'S EQUITY		
Share capital and Share premium	132,562,336	83,812,556
Treasury shares	(595,125)	(3,219,221)
Reserves	141,003,106	141,003,106
Retained earnings	24,479,156	83,680,844
TOTAL EQUITY	297,449,473	305,277,285
TOTAL LIABILITIES AND EQUITY	1,225,013,381	1,120,762,736

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

MED LIFE S.A.
STATEMENT OF UNAUDITED COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)



	Period ended September 30, 2023	Period ended September 30, 2022
Revenue from contracts with customers	473,839,423	439,284,877
Other operating revenues	9,217,504	3,094,371
Operating Income	483,056,927	442,379,248
Consumable materials and repair materials	(66,221,448)	(61,743,956)
Third party expenses	(177,539,379)	(150,729,718)
Salary and related expenses	(139,378,230)	(128,783,916)
Social contributions	(5,208,440)	(4,503,230)
Depreciation and amortisation	(45,052,466)	(39,545,364)
Impairment losses and gains (including reversals of impairment losses)	(1,002,300)	-
Other operating expenses	(34,451,012)	(34,362,808)
Operating expenses	(468,853,275)	(419,668,992)
Operating Profit	14,203,652	22,710,256
Finance income	6,469,114	3,476,069
Finance cost	(28,043,875)	(12,845,771)
Other financial expenses	(2,772,643)	(1,580,835)
Financial result	(24,347,403)	(10,950,537)
Result Before Taxes	(10,143,751)	11,759,719
Income tax expense	-	(1,293,747)
Net Result	(10,143,751)	10,465,972
Other comprehensive income items that will not be reclassified to profit or loss		
	-	-
TOTAL OTHER COMPREHENSIVE INCOME		
	-	-
TOTAL COMPREHENSIVE INCOME	(10,143,751)	10,465,972

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

MED LIFE S.A.
STATEMENT OF UNAUDITED CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)



	Period ended September 30, 2023	Period ended September 30, 2022
Net profit before taxes	(10,143,751)	11,759,719
Adjustments for		
Depreciation and amortisation	45,052,466	39,545,364
Interest expense	28,043,875	12,845,771
Allowance for doubtful debts and receivables written-off	1,002,300	-
Other non-monetary gains	(2,247,750)	(2,336,609)
Unrealised exchange loss	2,772,643	1,580,835
Interest revenue	(6,469,114)	(3,476,069)
Operating cash flow before working capital changes	58,010,668	59,919,011
Decrease / (increase) in accounts receivable	(14,348,750)	(3,227,152)
Decrease / (increase) in inventories	(580,051)	(2,245,883)
Decrease / (increase) in prepayments	435,870	(71,753)
Increase / (decrease) in accounts payable	18,415,948	30,675,767
Cash generated from working capital changes	3,923,017	25,130,979
Cash generated from operations	61,933,685	85,049,990
Income tax paid	(883,444)	(1,037,629)
Interest paid	(10,922,329)	(8,471,840)
Net cash from operating activities	50,127,913	75,540,520
Purchase of investments	(83,250,112)	(102,477,015)
Purchase of intangible assets	(5,497,302)	(4,280,253)
Purchase of property, plant and equipment	(39,177,301)	(50,474,662)
Loans granted to Group companies	7,290,813	(35,722,868)
Net cash used in investing activities	(120,633,902)	(192,954,798)
Payment of loans	(15,851,650)	(16,394,903)
Lease payments	(20,567,804)	(17,272,219)
Proceeds from loans	105,218,419	138,893,508
Payments for purchase of treasury shares	(401,949)	(6,923,973)
Increase in loans obtained from group companies	7,189,060	2,909,247
Net cash from financing activities	75,586,075	101,211,660
Net change in cash and cash equivalents	5,080,086	(16,202,618)
Cash and cash equivalents beginning of the year	15,141,431	38,629,900
Cash and cash equivalents end of the year	20,221,517	22,427,282

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

MED LIFE S.A.
STATEMENTS OF UNAUDITED CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)



	Share Capital	Treasury shares	Share premium	General reserves and other reserves	Revaluation Reserve	Accumulated Results	Total Equity
Balance at 1 January 2023	33,217,623	(3,219,221)	50,594,933	34,538,597	106,464,509	83,680,844	305,277,284
Profit/(loss) of the period	-	-	-	-	-	(10,143,751)	(10,143,751)
Total comprehensive income	-	-	-	-	-	(10,143,751)	(10,143,751)
Increase from own shares acquisition	-	(401,948)	-	-	-	-	(401,948)
Increase/(decrease) of social capital through the issue of shares	99,652,869	-	(50,594,933)	-	-	(49,057,936)	
Net release of own shares used for acquiring additional NCI	-	3,026,045	-	-	-	-	3,026,045
Increase/(decrease) in premiums due to difference between fair value and cost of own shares when the exchange was made	-	-	(308,156)	-	-	-	(308,156)
Balance as at September 30, 2023	132,870,492	(595,125)	(308,156)	34,538,597	106,464,509	24,479,156	297,449,474

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

MED LIFE S.A.
 STATEMENTS OF UNAUDITED CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2023
 (all amounts are expressed in RON, unless otherwise specified)



	Share Capital	Treasury shares	Share premium	General reserves and other reserves	Revaluation Reserve	Accumulated Results	Total Equity
Balance at January 1, 2022	33,217,623	(4,015,977)	49,177,468	34,538,597	66,588,874	80,073,849	259,580,434
Profit/(loss) of the period	-	-	-	-	-	3,606,995	3,606,995
Gain/loss from revaluation of Land and Constructions	-	-	-	-	47,470,993	-	47,470,993
Deferred tax related to other comprehensive income	-	-	-	-	(7,595,358)	-	(7,595,358)
Total comprehensive income	-	-	-	-	39,875,635	3,606,995	43,482,630
Increase from own shares acquisition	-	(7,851,828)	-	-	-	-	(7,851,828)
Net release of own shares used for acquiring additional NCI	-	8,648,583	-	-	-	-	8,648,583
Increase in premiums due to difference between fair value and cost of own shares when the exchange was made	-	-	1,417,465	-	-	-	1,417,465
Balance as at December 31, 2022	33,217,623	(3,219,221)	50,594,933	34,538,597	106,464,509	83,680,844	305,277,284

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

1. DESCRIPTION OF THE BUSINESS

Med Life S.A. ("Med Life" or the "Company") is a joint-stock company incorporated in 1996, in accordance with the laws and regulations of Romania. The Company's activity resides in the performance of healthcare services activities through medical centres located in Bucharest, Cluj, Braila, Timisoara, Iasi, Galati, Ploiesti, Constanta and Targu Mures.

Med Life is one of the leading health care services providers in Romania, having a significant market share at a national level. The registered office of Med Life is located in Bucharest, Calea Grivitei, no. 365. The ultimate parent of the Med Life Group is Med Life SA.

2. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The accounting policies applied in these simplified unaudited individual financial statements are the same as those applied in the Company's individual financial statements as of and for the financial year ended on December 31, 2022.

This financial report must be read together with the last individual annual financial statements of the Company as of and for the financial year ended on December 31, 2022, which includes all the necessary information for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. However, certain explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Company's financial position and performance compared to the last annual financial statements.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

3.1 Declaration of Conformity

The individual financial statements ("financial statements") of the Company have been prepared in accordance with the provisions of Ministry of Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications as well as in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union (EU).

The Company also prepares consolidated financial statements in accordance with IFRS as endorsed by the EU, which are available on the Company's website.

The accounting policies applied in these financial statements are the same as those applied in the Company's annual individual financial statements as at and for the year ended 31 December 2022.

The financial year corresponds to the calendar year.

3.2 Basis of preparation

The financial statements of the Company are presented in RON ("Romanian Leu"), using going concern principles. All values are rounded to the nearest two decimals. The financial statements have been prepared on the historical cost basis, except for certain items that have been measured at fair value, such as certain non-current assets and financial instruments, as presented in the notes to the financial statements.

The Company maintains the accounting books in accordance with the Regulations on Accounting and Reporting issued by the Ministry of Finance in Romania.

3.3 Going concern

These financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company will continue its activity according to the normal course of business in the foreseeable future without encountering the impossibility of continuing its activity or without the significant decrease of its activity.

Based on the Company's current financial position and the modelled scenarios, the directors have concluded that the Company has sufficient liquidity to meet all its obligations for at least the twelve months from the date of this report and the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Significant judgements, estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as of the date of the balance sheet and revenue and expenses for the period.

When preparing these simplified unaudited individual financial statements, the Company's judgements, estimates and significant assumptions are the same as those applied in the audited individual financial statements as of and for the financial year ended December 31, 2022.

3.5 Foreign currency and translation

Presentation currency

These financial statements are presented in Romanian Leu ("RON"), which is the currency of the primary economic environment in which the Company operates (its "functional currency").

The exchange rates as announced by the National Bank of Romania on September 30, 2023 were RON 4.9746 for EUR 1 (December 31, 2022: RON 4.9474 for EUR 1), respectively 1.2709 for HUF 100 (December 31, 2022: RON 1.2354 for 100 HUF).

The average exchange rates for the period of 9 months 2023 were RON 4.9388 for 1 EUR (9 months 2022: RON 4.9351 for 1 EUR), respectively RON 1.2945 for 100 HUF (9 months 2022: RON 1.2870 for 100 HUF).

Translation of foreign currencies

Transactions in foreign currencies are translated to the respective functional currency of the Company at the exchange rate ruling at the time of the transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange ruling at the reporting date. The foreign exchange differences arising on these translations are recognised as other financial income/expense in the income statement.

4. FINANCIAL ASSETS

The Company holds significant investments in other companies.

Carrying amount	September 30 2023	January, 1 2023
Cost of investments in other companies	484,854,141	398,886,091
Long-term loans granted to group companies	13,542,691	13,129,180
Other financial assets	2,120,390	1,815,980
TOTAL	500,517,222	413,831,251

The following table includes the list of Med Life subsidiaries as well as entities that are indirectly controlled, as follows:

No.	Entity	Main activity	Location	30 September 2023	1 January 2023
1	Policlinica de Diagnostic Rapid SA	Medical Services	Brasov, Romania	83%	83%
2	Medapt SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
3	Histo SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
4	Policlinica de Diagnostic Rapid Medis SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66.4%	66.4%
5	Bahtco Invest SA	Development of building projects	Bucharest, Romania	100%	100%
6	Med Life Ocupational SRL	Medical Services	Bucharest, Romania	100%	100%
7	Pharmalife-Med SRL	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
8	Med Life Broker de Asigurare si Reasigurare SRL	Insurance broker	Bucharest, Romania	99%	99%
9	Accipiens SA	Rental activities	Arad, Romania	83%	83%
10	Genesys Medical Clinic SRL (indirect)*	Medical Services	Arad, Romania	83%	83%
11	Bactro SRL (indirect)*	Medical Services	Deva, Romania	83%	83%
12	Transilvania Imagistica SA (indirect)*	Medical Services	Oradea, Romania	83%	83%
13	Biofarm Farmec SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Arad, Romania	100%	100%
14	RUR Medical SA (indirect)*	Medical Services	Brasov, Romania	83%	83%
15	Biotest Med SRL	Medical Services	Bucharest, Romania	100%	100%
16	Vital Test SRL	Medical Services	Iasi, Romania	100%	100%
17	Centrul Medical Sama SA	Medical Services	Craiova, Romania	90%	90%
18	Ultratest SA (direct si indirect)*	Medical Services	Craiova, Romania	92%	92%
19	Diamed Center SRL	Medical Services	Bucharest, Romania	100%	100%
20	Prima Medical SRL	Medical Services	Craiova, Romania	100%	100%
21	Stem Cells Bank SA	Medical Services	Timisoara, Romania	100%	100%
22	Dent Estet Clinic SA*	Dental healthcare	Bucharest, Romania	65%	60%
23	Green Dental Clinic SRL (indirect)*	Dental healthcare	Bucharest, Romania	33.2%	31%
24	Dentist 4 Kids SRL (indirect)*	Dental healthcare	Bucharest, Romania	65%	60%
25	Dent A Porter SRL (indirect)*	Dental healthcare	Bucharest, Romania	33.5%	31%
26	Dentestet Kids SRL (indirect)*	Dental healthcare	Bucharest, Romania	34.4%	32%
27	Aspen Laborator Dentar SRL (indirect)*	Dental healthcare	Bucharest, Romania	48.8%	45%
28	Centrul Medical Panduri SA	Medical Services	Bucharest, Romania	100%	100%
29	Almina Trading SA	Medical Services	Targoviste, Romania	90%	90%
30	Anima Specialty Medical Services SRL	Medical Services	Bucharest, Romania	100%	100%
31	Anima Promovare si Vanzari SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
32	Valdi Medica SA	Medical Services	Cluj, Romania	55%	55%
33	Clinica Polisano SRL	Medical Services	Sibiu, Romania	100%	100%
34	Solomed Clinic SA	Medical Services	Pitesti, Romania	80%	80%
35	Solomed Plus SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%

MED LIFE S.A.
NOTES TO THE UNAUDITED INDIVIDUAL FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(all amounts are expressed in RON, unless otherwise specified)



No.	Entity	Main activity	Location	30 September 2023	1 January 2023
36	Ghencea Medical Center SA	Medical Services	Bucharest, Romania	100%	100%
37	Sfatul medicului SRL	Medical Platform	Bucharest, Romania	100%	100%
38	RMC Dentart (indirect)*	Dental healthcare	Budapesta, Ungaria	81.3%	81.3%
39	RMC Medical (indirect)*	Medical Services	Budapesta, Ungaria	81.3%	81.3%
40	RMC Medlife	Holding	Budapesta, Ungaria	81.3%	81.3%
41	Badea Medical SRL	Medical Services	Cluj, Romania	65%	65%
42	Oncoteam Diagnostic SA	Medical Services	Bucharest, Romania	79%	79%
43	Centrul medical Micromedica SRL	Medical Services	Piatra Neamt, Romania	100%	100%
44	Micromedica Targu Neamt SRL (indirect)*	Medical Services	Targu Neamt, Romania	100%	100%
45	Micromedica Bacau SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
46	Micromedica Roman SRL (indirect)*	Medical Services	Roman, Romania	100%	100%
47	Medrix Center SRL (indirect)*	Medical Services	Roznov, Romania	100%	100%
48	Spitalul Lotus SRL	Medical Services	Ploiesti, Romania	100%	100%
49	Labor Maricor SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
50	Centrul Medical Matei Basarab SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
51	Pharmachem Distributie SRL	Distribution of Pharmaceutical Products	Bucharest, Romania	75%	75%
52	CED Pharma SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
53	Leti Pharm 2000 SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
54	Monix Pharm SRL (indirect)*	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
55	KronDent SRL (indirect)*	Dental healthcare	Brasov, Romania	39%	36%
56	Medica SA	Medical Services	Sibiu, Romania	60%	60%
57	Dent Estet Ploiesti SRL (indirect)*	Dental healthcare	Ploiesti, Romania	33.2%	30.6%
58	The Lab Stomestet SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%
59	Stomestet SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%
60	Stomestet Plus SRL (indirect)*	Dental healthcare	Cluj, Romania	39%	36%
61	Costea Digital Dental SRL (indirect)*	Dental healthcare	Oradea, Romania	38%	36%
62	Expert Med Centrul Medical Irina (indirect)*	Medical Services	Galati, Romania	76%	76%
63	MNT Healthcare Europe SRL	Medical Services	Ilfov, Romania	50%	50%
64	MNT Asset Management SRL (indirect)*	Holding	Bucharest, Romania	50%	50%
65	Clinica Life-Med SRL (indirect)*	Medical Services	Bucharest, Romania	100%	100%
66	Pro Life Clinics SRL (indirect)*	Medical Services	Iasi, Romania	60%	60%
67	Onco Card SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
68	Onco Card Invest SRL (indirect)*	Holding	Brasov, Romania	83%	83%
69	Tomorad Expert SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66.4%	66.4%
70	IT Repair SRL (indirect)*	Medical Services	Targu Mures, Romania	49.8%	49.8%

No.	Entity	Main activity	Location	30 September 2023	1 January 2023
71	Medici's SRL	Medical Services	Timisoara, Romania	80%	80%
72	Micro-Medic SRL	Medical Services	Timisoara, Romania	80%	80%
73	Sweat Concept One SRL	Wellness	Bucharest, Romania	60%	60%
74	OptiCristal Consult SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
75	Alinora Optimex SRL (indirect)*	Medical Services	Brasov, Romania	49.8%	49.8%
76	Medicris SRL (indirect)*	Medical Services	Oradea, Romania	83%	83%
77	Triamed SRL (indirect)*	Medical Services	Oradea, Romania	83%	83%
78	SC M-Profilaxis SRL (indirect)*	Medical Services	Timisoara, Romania	80%	80%
79	VitaCare Flav SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%
80	Dent Estet Genesys SRL (indirect)*	Medical Services	Arad, Romania	73.8%	71.3%
81	Aspire Dental SRL (indirect)*	Dental healthcare	Bucharest, Romania	65%	60%
82	Sanopass SA	Medical Platform	Targoviste, Romania	62.5%	51%
83	Muntenia Medical Competences S.A. *	Medical Services	Pitesti, Romania	79.8%	0%
84	Bios Diagnostic Medical Services SRL *	Medical Services	Bucharest, Romania	51%	0%
85	Centrul de Diagnostic si Tratament Provita S.A.	Medical Services	Bucharest, Romania	51%	0%
86	Medical City Blue SRL *	Medical Services	Bucharest, Romania	51%	0%
87	Laborator Cuza Voda SRL *	Medical Services	Bucharest, Romania	51%	0%
88	Provita Pain Clinic SA *	Medical Services	Suceava, Romania	35.7%	0%
89	Policlinica Sf. Ilie SRL *	Medical Services	Craiova, Romania	100%	0%
90	Policlinica Union SRL*	Medical Services	Cluj, Romania	51%	0%
91	Brol Medical Center S.A.*	Medical Services	Timisoara, Romania	56%	0%

*These companies are subsidiaries of other subsidiaries in the Group and are included in the consolidation, as they are controlled by the entities which are subsidiaries of the ultimate parent.

Long-term loans granted to other Group companies

As of September 30, 2023, the Company presents long-term loans granted to Bahtco Invest SA and Medlife Ocupational SRL.

Other financial assets

Other financial assets represent mainly rent deposits with a maturity longer than one year.

5. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	September 30 2023	January, 1 2023
Gross book value	638,744,740	594,522,691
Accumulated depreciation	(262,233,954)	(237,041,132)
Net book value	376,510,786	357,481,559

6. INVENTORIES

	September 30 2023	January, 1 2023
Consumables	12,744,230	12,174,959
Materials in the form of inventory items	348,799	337,718
Inventory in transit	619	920
TOTAL	13,093,648	12,513,597

7. TRADE RECEIVABLES

	September 30 2023	January, 1 2023
Customers	109,064,086	93,838,389
Advances to suppliers	-	-
Allowance for bad debt	(28,314,708)	(27,312,408)
TOTAL	80,749,378	66,525,981

Credit risk for MedLife primarily relates to trade receivables in the ordinary course of business. Customers' compliance with agreed credit terms is monitored regularly and closely. Where payments are delayed by customers, steps are taken to restrict access to services or contracts are terminated.

Certain customers, which are public or quasi-public institutions, or subsidiaries of MedLife, may have longer payment terms and services may continue to be delivered when amounts are overdue, based on management's assessment of a lower credit risk.

The average receivable period for the services offered is 95 days. There is no interest on commercial receivables within the first 95 days from the date of issue of the invoice, which also represents the average contractual term.

The carrying amount of financial assets, measured at amortised cost, represents the maximum credit exposure. There are no credit enhancements or collateral held that would offset such amounts. As the customer base of the Company is very diverse, there are generally no large concentrations of credit risk.

8. CASH AND CASH EQUIVALENTS

	September 30 2023	January, 1 2023
Cash in bank	18,483,802	14,149,971
Cash in hand	814,353	556,456
Cash equivalents	923,362	435,004
TOTAL	20,221,517	15,141,431

9. PREPAYMENTS

As of September 30, 2023 the Company has prepayments in amount of RON 2,239,062 (RON 2,674,932 as of January 1, 2023). The prepayments balance as of September 30, 2023 consists mainly of deferred commissions for financing related to the Club loan for undrawn facilities and amounts such as insurance policies for professionals and tangible assets.

10. TRADE AND OTHER PAYABLE

	September 30 2023	January, 1 2023
Suppliers	128,911,110	105,588,173
Fixed assets suppliers	24,108,365	14,431,608
Contract liability	3,051,931	2,485,458
TOTAL	156,071,406	122,505,239

11. OTHER LIABILITIES

	September 30 2023	January, 1 2023
Salary and related liabilities (incl. contributions)	12,827,832	13,672,405
Other liabilities	4,540,648	4,004,618
TOTAL	17,368,480	17,677,023

12. LEASES

	September 30 2023	January, 1 2023
Non-current portion of lease liability	33,673,962	50,184,177
Current portion of lease liability	21,046,928	26,229,711
TOTAL	54,720,890	76,413,888

13. FINANCIAL DEBT

	September 30 2023	January, 1 2023
Current portion of interest-bearing loans and borrowings	46,842,724	31,933,045
Non-current portion of interest-bearing loans and borrowings	600,159,384	508,264,032
TOTAL	647,002,108	540,197,077

As at September 30, 2023, the Company's drawn and undrawn financing facilities also included the following:

- a guaranteed overdraft facility between Garanti Bank S.A. and Med Life S.A., the amount drawn on September 30, 2023, is of RON 9,949,200;

The closing balance of the syndicated loan is 633,466,199 RON as of September 30th, 2023.

The interest rate for each loan for each interest period is the rate per year that is the sum of the applicable margin and depending on the currency of each loan, EURIBOR 6M for the amounts in EUR or ROBOR 6M for the amounts in RON.

As at September 30, 2023 the Company was not in breach of any applicable term of the financing facilities.

14. SHARE CAPITAL AND SHARE PREMIUM

The issued share capital in nominal terms consists of 531.481.968 ordinary shares as at 30 September 2023 (31 December 2022: 132,870,492) with a nominal value of RON 0.25 per share. The holders of ordinary shares are entitled to one vote per share in the shareholders' meetings of the Company, except for the treasury shares bought back by the Company as part of the share buy-back program. All shares rank equally and confer equal rights to the net assets of the Company, except for treasury shares.

In accordance with the Decision of the Extraordinary General Meeting of Shareholders of the Company dated 3 August 2023, the share capital of the Company was increased with the amount of RON 99,652,869, from RON 33,217,623 to RON 132,870,492, by issuance of a number of 398,611,476 new shares with a nominal value of RON 0.25 per share.

The Share Capital Increase was carried out through the incorporation of share premiums and reserves (with the exception of the legal reserves), and the newly issued shares were allocated free of charge to the Company's shareholders registered in the register of shareholders kept by Depozitarul Central - S.A. as of 04.09.2023, established as record date ("Record Date").

The effects of the share capital increase were processed on 5 September 2023 and the newly issued shares were allocated to shareholders.

The total number of issued ordinary shares of the Company after the share capital increase was 531,481,968.

	September 30, 2023	January 1, 2023
Share capital	132,870,492	33,217,623
Share premium	(308,156)	50,594,933
TOTAL	132,562,336	83,812,556

	Number of shares	%	Value
Legal entities	290,104,347	54.58%	72,526,087
Marcu Mihail	78,484,828	14.77%	19,621,207
Cristescu Mihaela Gabriela	74,642,760	14.04%	18,660,690
Marcu Nicolae	55,341,600	10.41%	13,835,400
Others	32,908,433	6.19%	8,227,108
TOTAL	531,481,968	100.00%	132,870,492

15. RESERVES

The structure of the Company's reserves is presented below:

	September 30 2023	January, 1 2023
General reserves	6,643,525	6,643,525
Other reserves	27,895,072	27,895,072
Revaluation reserves	106,464,509	106,464,509
TOTAL	141,003,106	141,003,106

16. REVENUE FROM CONTRACTS WITH CUSTOMERS

Turnover for the 9 months period ended September 30, 2023 was RON 473,839,423 (9 months ended September 30, 2022: RON 439,284,877) and consists of medical services, including revenues from prevention packages of corporate customers and fees for services rendered within Med Life's medical units within Romania. The Company's revenues are generated in Romania.

17. OTHER OPERATING REVENUES

	<u>9 months 2023</u>	<u>9 months 2022</u>
Other operating revenues	6,969,754	757,762
Capitalized cost of intangible assets	2,247,750	2,336,609
TOTAL	9,217,504	3,094,371

18. OPERATING EXPENSES

	<u>9 months 2023</u>	<u>9 months 2022</u>
Consumable materials and repair materials	66,221,448	61,743,956
Commodities	-	-
Utilities	6,748,173	5,973,247
Repairs maintenance	3,806,016	4,322,210
Rent	2,327,201	5,122,225
Insurance premiums	1,732,568	1,952,648
Promotion expense	11,520,515	10,193,845
Communications	1,785,179	1,716,633
Third party expenses (including doctor's agreements)	177,539,379	150,729,718
Salary and related expenses	139,378,230	128,783,916
Social contributions	5,208,440	4,503,230
Depreciation	45,052,466	39,545,364
Impairment losses and gains (including reversals of impairment losses)	1,002,300	-
Other administration and operating expenses	6,531,360	5,082,000
TOTAL	468,853,275	419,668,992

19. FINANCIAL NET RESULT

FINANCIAL NET RESULT

	<u>9 months 2023</u>	<u>9 months 2022</u>
Loss from foreign exchange rate impact	(2,772,643)	(1,580,835)
Finance cost	(26,381,610)	(11,492,272)
Bank commissions	(1,662,265)	(1,353,499)
Interest income	6,469,114	3,476,069
FINANCIAL NET LOSS	(24,347,403)	(10,950,537)

20. FINANCIAL ANALYSIS

Analysis of the Profit and Loss Statement

Sales for the 9-month period ended on September 30, 2023, amounted to 473,839,423 RON, an increase of 7.9% compared to sales recorded in the first 9 months of 2022. The variation in sales is due to the price increase carried out at the end of 2022 and also to increase in volumes.

Other operating revenues showed a growth of 197.9% in the first 9 months of 2023 compared to the same period in 2022, reaching 9,217,504 RON as of September 30, 2023 due to sale of Stomatology unit to Dent Estet Clinic SA, subsidiary of Med Life S.A.

Operating expenses include fixed and variable costs, as well as the cost of goods sold and materials used in providing medical services. Med Life S.A. recorded operating expenses of 468,853,275 RON in the first 9 months of 2023, representing a 11.7% increase or 49,184,283 RON, compared to the first 9 months of 2022. The most significant variation

is due to the rise in third-party expenses, amounting to 26,809,661 RON. These expenses pertain to services provided by collaborating doctors, services offered by entities within the group, etc.

Operating profit experienced a decline of 37.5% in the first 9 months of 2023 compared to the same period in 2022, dropping from 22,710,256 RON in the first 9 months of 2022 to 14,203,652 RON in the first 9 months of 2023. Financial loss increased in the first 9 months of 2023 by 13,396,866 RON, rising from 10,950,537 RON in the same period of 2022 to 24,347,403 RON in the first 9 months of 2023. This increase was primarily driven by the financing cost, considering the expansion of the approved additional credit limit in December 2022 and the movement in interest rates.

Consequently, the net result dropped by 20,609,723 RON in the first 9 months of 2023, changing from a profit of 10,465,972 RON in the first 9 months of 2022 to a loss of 10,143,751 RON in the first 9 months of 2023.

Analysis of Balance Sheet Accounts

Total non-current assets amounted to 928,079,151 RON as of September 30, 2023, marking a 10.1% increase compared to January 1, 2023. This variation is due to the growth of other financial assets, reflecting the new investment in acquired companies.

Current assets amounted to 296,934,230 RON as of September 30, 2023, marking a 7,0% increase compared to January 1, 2023.

Current liabilities (excluding interest-bearing liabilities) increased by 39,563,240 RON, or 25.2%, from 157,275,698 RON on January 1, 2023, to 196,838,938 RON on September 30, 2023. This increase is mainly influenced by the rise in trade payables.

Interest-bearing liabilities increased by 85,166,433 RON, rising from 626,505,765 RON on January 1, 2023, to 711,672,198 RON on September 30, 2023. This growth is due to the loan withdrawals made to finance company acquisitions and investments in medical equipment.

21. MAIN FINANCIAL RATIOS PERIOD ENDED AT SEPTEMBER 30, 2023

Current ratio	Period ended at September 30, 2023	
Current assets	296,934,230	= 1.08
Current liabilities	274,677,790	

Debt to equity ratio	Period ended at Sept 30, 2023	
Long Term Debt	633,833,346	= 213%
Equity	297,449,473	
Long Term Debt	633,833,346	= 68%
Capital Assets	931,282,820	

Trade receivables turnover (days)	Period ended at Sept 30, 2023	
Average receivables	73,637,680	= 41.96
Sales	473,839,423	

Fixed assets turnover	Period ended at Sept 30, 2023	
Sales	473,839,423	= 0.51
Net Fixed Assets	928,079,151	

22. EBITDA EVOLUTION

	Period ended September 30, 2023	Period ended September 30, 2022	Variation 2023/2022
Revenue from contracts with customers	473,839,423	439,284,877	7.9%
Other operating revenues	9,217,504	3,094,371	197.9%
Operating Income	483,056,927	442,379,248	9.2%
Operating expenses	(468,853,275)	(419,668,992)	11.7%
Operating Profit	14,203,652	22,710,256	-37.5%
EBITDA	59,256,118	62,255,620	-4.8%
Finance cost	(28,043,875)	(12,845,771)	118.3%
Other financial expenses	(2,772,643)	(1,580,835)	75.4%
Finance income	6,469,114	3,476,069	86.1%
Financial result	(24,347,403)	(10,950,537)	122.3%
Result Before Taxes	(10,143,751)	11,759,719	-186.3%
Income tax expense	-	(1,293,747)	-100.0%
Net Result	(10,143,751)	10,465,972	-196.9%

23. IMPORTANT EVENTS

Acquisitions

Completion of the acquisition of Nord Group (formerly Provita)

On 30 March 2023, MedLife announced the completion of the acquisition of a 51% stake in Nord Group (formerly Provita) after receiving approval from the Competition Council. The announcement comes five months after the new partnership was finalized.

In its 11 years of activity in the private medical services market, Nord Group has been particularly successful in Bucharest, where it is present through a multidisciplinary hospital, 5 clinics, two state-of-the-art imaging centers, a laboratory for processing a wide range of medical analyses and tests, as well as the only pain therapy training center in Central and Eastern Europe. At the end of last year, Nord Group expanded outside of the capital by opening a multidisciplinary clinic in Suceava worth 2.5 million euros, which houses an integrated Pain Therapy Center and Breast Center. By the end of November, Nord Group will launch a new private medical hospital in Bucharest.

Corporate events

Convening of Annual GMS

On 24 March 2023 was published the Convening Notice for the Annual General Meeting of Shareholders (OGMS) scheduled for 27th/28 April 2023. The following items were mainly submitted for approval to MedLife shareholders:

- The audited annual financial statements for the year 2022, at both individual and consolidated levels
- Discharge of liability of the Board of Directors' members
- Budget of revenues and expenses for the year 2023, at both individual and consolidated levels
- Extension of the financial auditor's mandate for a period of 2 years
- Remuneration Report, subject to the consultative vote of shareholders
- Company Remuneration Policy

The items on the agenda were fully approved during the OGMS on 27 April 2023.

Conducting the Extraordinary General Meeting of Shareholders

On July 3, 2023, the Extraordinary General Meeting of Shareholders for 3rd/4th August, 2023 was published. Mainly, the following were submitted to the approval of MedLife shareholders:

- Increasing the social capital
- Amendment of the Company's Articles of Incorporation as a result of the Share Capital Increase
- Other items on the agenda

The items on the agenda were fully approved during the AGEA meeting on August 3, 2023.

24. IMPORTANT SUBSEQUENT EVENTS

There were no other significant events after September 30, 2023.

Mihail Marcu,
CEO

Alina Irinoiu,
CFO

Declaration of management of Med Life SA

We confirm to the best of our knowledge that the Unaudited Separate Financial Statements of Med Life SA (the Company) for the 9-month period ended September 30, 2023, which were prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications, give a true and fair view of the financial position of the Company as at September 30, 2023, and of its financial performance and its cash flows for the period then ended.

Mihail Marcu,
CEO

Alina Irinoiu,
CFO