

**To: BUCHAREST STOCK EXCHANGE
FINANCIAL SUPERVISORY AUTHORITY**

ANNOUNCEMENT

Report Date: **30 August 2024**

Name of the issuing company: **MED LIFE S.A. ("MedLife" or "the Company")**

Registered Office: **Bucharest, Calea Grivitei, no. 365, district 1, Romania**

Telephone / Fax number: **0374 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: **132,870,492 RON**

Total number of shares: **531,481,968 (out of which 417,042 own shares, without voting rights and 531,064,926 shares with voting rights)**

Regulated market on which the issued securities are traded: **Bucharest Stock Exchange, Premium Category**

Publication of the H1 2024 results report

Results for the First Half of 2024: 24% growth in consolidated pro forma revenue, along with margin improvement compared to the same period last year.

"MedLife remains the leader in the private healthcare services market in Romania, the only entrepreneurial medical company listed on the stock exchange, and the first to exceed the threshold of half a billion euros in revenue by the end of this year".

- In the first half of 2024, MedLife recorded consolidated pro forma revenue of RON 1.3 billion, up 24% compared to the same period last year, likely making it the first private healthcare company to exceed half a billion euros in revenue by the end of this year;
- After being the first multidisciplinary medical operator to aggregate dental services, the first to aggregate medical optics and on-site pharmacies, MedLife also becomes the first operator to introduce wellness services alongside health monitoring subscriptions;
- For the second half of the year, MedLife will keep its appetite for investments, both in acquisitions, as well as organic growth, while maintaining a special focus on improving margins compared to the previous year and easing the debt level, as it did in the first semester.

Bucharest, August 30, 2024: MedLife, the largest network of private healthcare services in Romania, presents its financial results for the first half of the current year, highlighting a significant increase in consolidated pro forma revenue, which reached RON 1.3 billion, up 24% compared to the same period last year.

The results obtained in the first 6 months of 2024 illustrate consistent growth in the financial and operational performance of the business. Additionally, the positive impact of integrating companies into the group and the investments made in recent years have begun to show their efficiency.

"The results from the first semester look good, both in terms of revenue and margins, confirming that the strategy we are following is sound and effective. We have strongly consolidated in recent times, being not only the only company listed on the stock exchange but also the only one with Romanian capital remaining at the top of medical services. We have invested in the medical team, in top technology and equipment, in digitalization and process optimizations, and the results have not been long in coming. We have robust

growth in the medical services sector, a sign that Romanians have begun to place more value on prevention and health in general.

In addition to prevention services, Romanians have also started to invest more in wellness, nutrition, and mindfulness, all of which contribute to a healthier lifestyle. So, we are no longer talking about a health subscription, but about a health and wellness subscription - this integrated service package that helps you prevent diseases and maintain good health rather than just treating or intervening when the disease is already in an advanced stage”, said Mihai Marcu, President and CEO of MedLife Group.

Significant Growth in Prevention Services

In general terms, the demand for medical services, especially in the prevention area, has increased, driven by a strong recognition of the quality of doctors within the network nationwide, medical technology, and the quality of medical care. Most of MedLife Group's business lines performed well compared to the same period last year. The largest growth was recorded in hospitals (+38%), laboratories (+29%), followed by the corporate division (+25%), and clinics (+23%).

On average, over 28,000 services are accessed daily within MedLife units, and this underline the great importance Romanians place on health. Likewise, MedLife has made significant progress in advanced surgical treatments - from robot-assisted interventions in urology and general surgery to complex operations in niche specialties such as oncology or neurosurgery. The Group has a strong presence in these fields in cities such as Cluj, Brasov, Sibiu, and Bucharest, reflecting its commitment to offering the best medical services and the most advanced technologies to patients.

“We are proud that MedLife, the leader and the only entrepreneurial company in the private medical sector, has always been a trailblazer and innovator, a model replicated by many companies in the sector a few years later. After nearly 20 years ago integrating a hospital into the private sector for the first time, we paved the way for integrating dentistry, on-site pharmacies, genetics, and medical optics. In the last year, we have become pioneers and the first medical operator in prevention and wellness.

We believe that employers will increasingly look towards integrated subscriptions with wellness, stress management, dentistry, or nutrition. People, in general, feel the need more and more to monitor their health, exercise, relax, and eat healthier. We are confident that entering the wellness segment will be important, that we will thus be able to contribute to the health and well-being of employees of the companies we serve, and even, gradually, to bring significant savings to the state budget. But more importantly, we will achieve a healthier population in the long term. And I firmly believe that this is the future, not just at the level of Romania, but also at European level”, said CEO and President of MedLife Group.

Objectives for the Coming Period

For the current year, MedLife continues to provide its patients with high-quality services, investing in digitalization and top technology to bring the medicine of the future closer. Moreover, in recent years, the company has made the largest investments in the medical sector in the field of robotics. It is well known that MedLife has heavily relied on surgical robots, becoming the only network in Romania, and one of the few in Europe, to transport patients' biological samples using drones.

Strategic objectives include maintaining medical services at the highest standards, completing ongoing projects such as the expansion of MedLife Medical Park, and inaugurating hospitals in Timișoara and Craiova, expected to be operational by the end of the year.

In terms of new acquisitions and expansion efforts, the company's representatives confirmed their interest and openness to new development opportunities, both domestically and in neighboring

countries. Beyond the intention to consolidate in Hungary, MedLife is also considering testing other markets in the region.

At the same time, the company's representatives are confident that prudence in acquisitions and mergers will contribute to improving profit margins and gradually reducing the net debt/EBITDA ratio.

Currently, MedLife Group has the strongest network of diagnosis and treatment in Romania, with over 6.5 million unique patients having used prevention, wellness, treatment, and hospitalization services.

Analysis of the Consolidated Comprehensive Income

Sales for the 6 months period ended June 30, 2024, amounted to RON 1,310,400,099 higher by 22.9% compared to sales recorded for the 6 months period ended June 30, 2023. 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 2023 and 2024.

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 RON 1,235,646,973 for the 6 months period ended June 30, 2024, representing an increase of 20.5%, or RON 210,611,799 as compared to the similar period of 2023. The Group's operating expenses as a percentage of total operating income represented 94.0% for the 6 months period ended June 30, 2024 and 95.4% for the 6 months period 2023.

Operating profit recorded an increase of 57.1% for 6 months 2024 as compared to 6 months 2023, from RON 49,933,285 for 6 months 2023 to RON 78,436,028 for 6 months 2024.

Financial loss increased for 6 months 2024 with RON 11,811,633 from a negative RON 37,665,255 for 6 months 2023 to a negative RON 49,476,888 for 6 months 2024.

The net result for the 6 months period ended 30 June 2024 increased with RON 12,441,180 as compared to the corresponding period of 2023, from RON 5,003,676 for 6 months 2023 to RON 17,444,856 for 6 months 2024.

On a pro-forma basis, gross sales for 6 months 2024 amount to RON 1,319,671,479 and Adjusted EBITDA to RON 199,554,857.

Analysis of the Consolidated Balance Sheet

Non-current assets amount to RON 2,177,694,307 as of 30 June 2024, recording an increase of RON 74,865,487 or 3.6% as compared to 31 December 2023. Increase mainly due to increase in Property, Plant and Equipment with RON 45.8m.

Current assets increased with RON 59,898,654 or by 11.2% from RON 533,508,611 as at 31 December 2023 to RON 593,407,265 as at 30 June 2024.

Current liabilities (excluding interest-bearing debt items) increased with RON 90,950,443, or by 18.6%, from RON 487,952,032 as at 31 December 2023, to RON 578,902,475 as at 30 June 2024.

Interest bearing debt increased with RON 28,914,867 or by 1.9% from RON 1,561,520,588 as of 31 December 2023 to RON 1,590,435,455 as of 30 June 2024.

Operational Key Performance Indicators

Business line	Info	6 months	
		2024	2023
Clinics	Revenue	487,721,487	397,318,224
Clinics	Visits	2,097,031	1,874,937

ED LIFE S.A.

Registered Office: Bucharest, Calea Grivitei, no. 365, district 1, Romania
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: 5,536,270.5 RON



Clinics	Avg fee	232.6	211.9
Stomatology	Revenue	65,627,115	62,229,799
Stomatology	Visits	98,533	91,107
Stomatology	Avg fee	666.0	683.0
Hospitals	Revenue	317,733,146	230,215,372
Hospitals	Patients	80,272	67,496
Hospitals	Avg fee	3,958.2	3,410.8
Laboratories	Revenue	145,996,236	113,169,369
Laboratories	Analyses	4,332,593	3,565,294
Laboratories	Avg fee	33.7	31.7
Corporate	Revenue	150,715,560	120,962,816
Corporate	Subscriptions	898,856	850,335
Corporate	Avg fee	167.7	142.3
Pharmacies	Revenue	33,382,334	32,269,735
Pharmacies	Clients	238,380	232,277
Pharmacies	Sales per client	140.0	138.9
Others	Revenue	109,224,221	110,043,903

Report availability

The H1 2024 results report is available on the company's international website, in the Investor Relations section / Investor Reports and Presentations (<https://www.medlifeinternational.com/investors-reports/periodic>) and on the Bucharest Stock Exchange's website (symbol M).

Results presentation conference call

We remind you that MedLife will hold a conference call for analysts and investors to present the financial results, on 30 August 2024, starting 4:00 p.m. (Romanian time). The conference call will be held in English, and the related presentation and transcript will be available afterwards, on MedLife's website, in the Investor Relations section / Investor Reports and Presentations. In order to participate to the event, please contact us at investors@medlife.ro.

Mihail Marcu
Chief Executive Officer