

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

## **ANNOUNCEMENT**

Report Date: **10 May 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 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 Q1 2024 results report***

MedLife announces a 22% increase in the pro-forma consolidated turnover in the first quarter of the year, along with a robust increase in margins.

" The leader of the medical services in Romania proves that a good quality of the medical act, combined with a systemically built network at national level, can offer both an improvement in the quality of people's lives and a sustainable economic activity".

- MedLife recorded in Q1 2024 a pro-forma consolidated turnover of RON 647 million, up 22% compared to the same period of the previous year;
- The Group achieves high growth on almost all business lines, maintaining its top position in terms of turnover due to a unique local strategy of systemic development at national level and creation of the largest private medical network in Romania;
- For the current year, MedLife's priorities are: continuing to invest in the quality of services by maintaining and expanding the portfolio of doctors with high professional integrity;
- From an investment perspective, MedLife will maintain the acquisitive profile that brought this growth, as well as organic investments, maintaining, however, as in the first quarter, a special attention on the improvement of margins compared to the previous year and an easing of the level of indebtedness.

**Bucharest, May 10th, 2024:** MedLife, the largest private medical services network in Romania, presents its financial results for the first quarter of the current year, highlighting an important increase in pro-forma consolidated turnover, which reached RON 647 million, up 22% compared to the same period of the previous year.

The results obtained between January and March 2024, illustrate a consistent evolution in the financial and operational performance of the business. The positive impact of the integration of companies in the Group and the investments made in recent years can also be noted, which started to show their effectiveness.

”As leader in the private medical field for over 10 years, we have taken on the role of promoting standards of excellence and innovation in Romanian medicine. With the most extensive national network and nearly 30 years of experience in this industry, we demonstrate a solid know-how in maintaining and constantly improving the lives of patients that visit us, as well as providing growth opportunities and stability for our investors. At the core of our vision lies the commitment to being very good professionals, providing access to cutting-edge technologies, supported by perhaps the most competent medical team in the private sector. The resources we have and our development plans make us confident in our ability to build a healthier future for Romania”, declared Mihai Marcu, CEO and President of MedLife Group.

### **Positive evolution in all business lines**

In general terms, the demand for medical services remained high during the first quarter of the year, boosted by a strong recognition of the quality of our doctors by each patient. Most of MedLife Group's business lines recorded a good performance compared to the same period of the previous year. Thus, the highest growth was recorded by hospitals (+39%), followed by the corporate segment (+28%), clinics (+24%) and laboratories (+19%).

The strategic approach of non-organic market consolidation to build the largest medical network in Romania has strengthened the prestige and trust associated with the MedLife brand, the results being supported by a constant performance in all regions of the country, despite persistent inflation and competitiveness.

On average, over 25,000 services are accessed daily within MedLife units, with most of them underlining the special emphasis that Romanians place on health. MedLife has also made significant progress in the field of advanced surgical treatments - from robotic-assisted interventions in urology and general surgery to complex surgeries in niche specialties such as oncology or neurosurgery. MedLife has a strong presence in these areas in cities like Cluj, Brasov, Sibiu and Bucharest, reflecting its commitment to offer the best medical services and the most advanced technologies to patients.

### **Objectives for the current year**

For the current year, MedLife continues to provide its patients high-quality services, investing in digitization and cutting-edge technology to bring the medicine of the future closer. In fact, in recent years, the company has had the largest investments in the medical sector in the field of robotics. It is recognized that MedLife has invested heavily in surgical robots, becoming, at the same time, the only network in Romania, respectively one of the few in Europe, that transports patients' biological samples with the help of drones.

Strategic objectives include maintaining medical services at the highest standards; completing ongoing projects, such as MedLife Medical Park, as well as inaugurating hospitals in Timisoara and Craiova, expected to be put into operation 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. Moreover, MedLife reiterates the availability of resources for new acquisitions in 2024 and will take full advantage of the high experience accumulated in the field of M&A in the private medical services market, becoming an example of good practice and implementation at national level. At the same time, the company's representatives are convinced that prudence in acquisitions and mergers will contribute to the improvement of profit margins and gradual reduction of the debt/ebitda ratio.

Currently, MedLife Group owns the strongest diagnostic and treatment network in Romania, with 700 own and partner locations nationwide and over 6.5 million unique patients who have accessed

prevention, wellness, treatment and hospitalization services. Additionally, over 800,000 employees benefit from medical service subscriptions through MedLife subscriptions.

### Analysis of the Consolidated Comprehensive Income

Sales for the 3 months period ended March 31, 2024, amounted to RON 646,621,900 higher by 22.1% compared to sales recorded for the 3 months period ended March 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.

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 606,642,061 for 3 months 2024, representing an increase of 20.1%, or RON 101,455,187 as compared to 3 months 2023. The Group's operating expenses as a percentage of total operating income reached 93.5% for the 3 months period ended 31 March 2024 and 94.8% for the 3 months period ended 31 March 2023.

Operating profit recorded an increase of 51.4% for 3 months 2024 as compared to 3 months 2023, from RON 27,583,492 for 3 months 2023 to RON 41,769,042 for 3 months 2024.

Financial loss increased for 3 months 2024 with RON 7,609,006 from a negative RON 15,096,179 for 3 months 2023 to a negative RON 22,705,185 for 3 months 2024.

The net result for the 3 months period ended 31 March 2024 increased with RON 4,680,463 as compared to the corresponding period of 2023, from RON 8,424,575 for 3 months 2023 to RON 13,105,038 for 3 months 2024.

On a pro-forma basis, gross sales for 3 months 2024 amount to RON 646,621,900 and Adjusted EBITDA to RON 99,065,868.

### Analysis of the Consolidated Balance Sheet

Non-current assets amount to RON 2,132,627,060 as of 31 March 2024, recording an increase of RON 29,798,240 or 1.4% as compared to 31 December 2023. Increase mainly due to increase in Property, Plant and Equipment with 24.9m RON.

Current assets increased with RON 80,956,069 or by 15.2% from RON 533,508,611 as at 31 December 2023 to RON 614,464,680 as at 31 December 2023.

Current liabilities (excluding interest-bearing debt items) increased with RON 71,758,360, or by 14.7%, from RON 487,952,032 as at 31 December 2023, to RON 559,710,392 as at 31 March 2024.

Interest bearing debt increased with RON 27,275,959 or by 1.7% from RON 1,561,520,588 as of 31 December 2023 to RON 1,588,796,547 as of 31 March 2024.

### Operational Key Performance Indicators

Business line	Info	3 months	
		2024	2023
Clinics	<b>Revenue</b>	<b>247,277,200</b>	<b>199,260,702</b>
Clinics	Visits	1,064,126	863,694
Clinics	Avg fee	232.4	230.7
Stomatology	<b>Revenue</b>	<b>32,271,456</b>	<b>32,289,809</b>
Stomatology	Visits	51,045	46,681
Stomatology	Avg fee	632.2	691.7
Hospitals	<b>Revenue</b>	<b>150,892,857</b>	<b>108,295,119</b>
Hospitals	Patients	39,375	33,259

**ED LIFE S.A.**

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Subscribed and paid-in share capital: 5,536,270.5 RON



Hospitals	Avg fee	3,832.2	3,256.1
Laboratories	<b>Revenue</b>	<b>68,316,673</b>	<b>57,199,089</b>
Laboratories	Analyses	2,039,379	1,853,301
Laboratories	Avg fee	33.5	30.9
Corporate	<b>Revenue</b>	<b>74,151,620</b>	<b>57,953,029</b>
Corporate	Subscriptions	888,582	846,217
Corporate	Avg fee	83.4	68.5
Pharmacies	<b>Revenue</b>	<b>16,660,891</b>	<b>18,481,757</b>
Pharmacies	Clients	119,827	123,312
Pharmacies	Sales per client	139.0	149.9
Others	<b>Revenue</b>	<b>57,051,204</b>	<b>55,973,973</b>

**Report availability**

The Q1 2024 results report is available on the company's international website, in the Investor Relations section / Investor Reports and Presentations / Periodic Reports (<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 10 May 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 / Periodic reports. In order to participate to the event, please contact us at [investors@medlife.ro](mailto:investors@medlife.ro).

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Chief Executive Officer