



Investors and Analysts Day

April 5th, 2017

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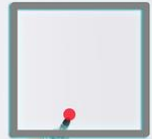


## OUR COMMITMENT

It has been 20 years since health became more than a job for us, turning into passion. Millions of patients have chosen us for the best solutions to their medical needs, and their confidence that they will find passionate professionals at MedLife, always ready to help them, is the most important resource of our activity.

For 20 years, we have not ceased to innovate, to know, to invest in our physicians and in medical equipment and to be there for our patients around the world, as close to them as possible.

This continues to be our commitment.



# CONTENTS

	PAGE
■ I. INTRODUCTION TO MEDLIFE .....	5
A. OUR SERVICES .....	6
B. HOW WE GREW .....	16
C. BUSINESS OVERVIEW .....	18
D. MARKET OVERVIEW .....	19
■ II. PAST TWELVE MONTHS DEVELOPMENTS .....	21
■ III. GROUP FINANCIAL SNAPSHOT .....	22



# I. INTRODUCTION TO MEDLIFE

MedLife is the largest private healthcare provider in Romania. The company operates the widest network of clinics, one of the large networks of medical laboratories, general and specialised hospitals and it has the largest client database for Healthcare Prevention Packages in the country. In addition, from the standpoint of sales, it is one of the largest private healthcare companies in Central and Eastern Europe, according to the public information available to MedLife Group.

Throughout its history, MedLife and its subsidiaries have had more than 5 million unique patients, namely around 1 in 4 Romanians.

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

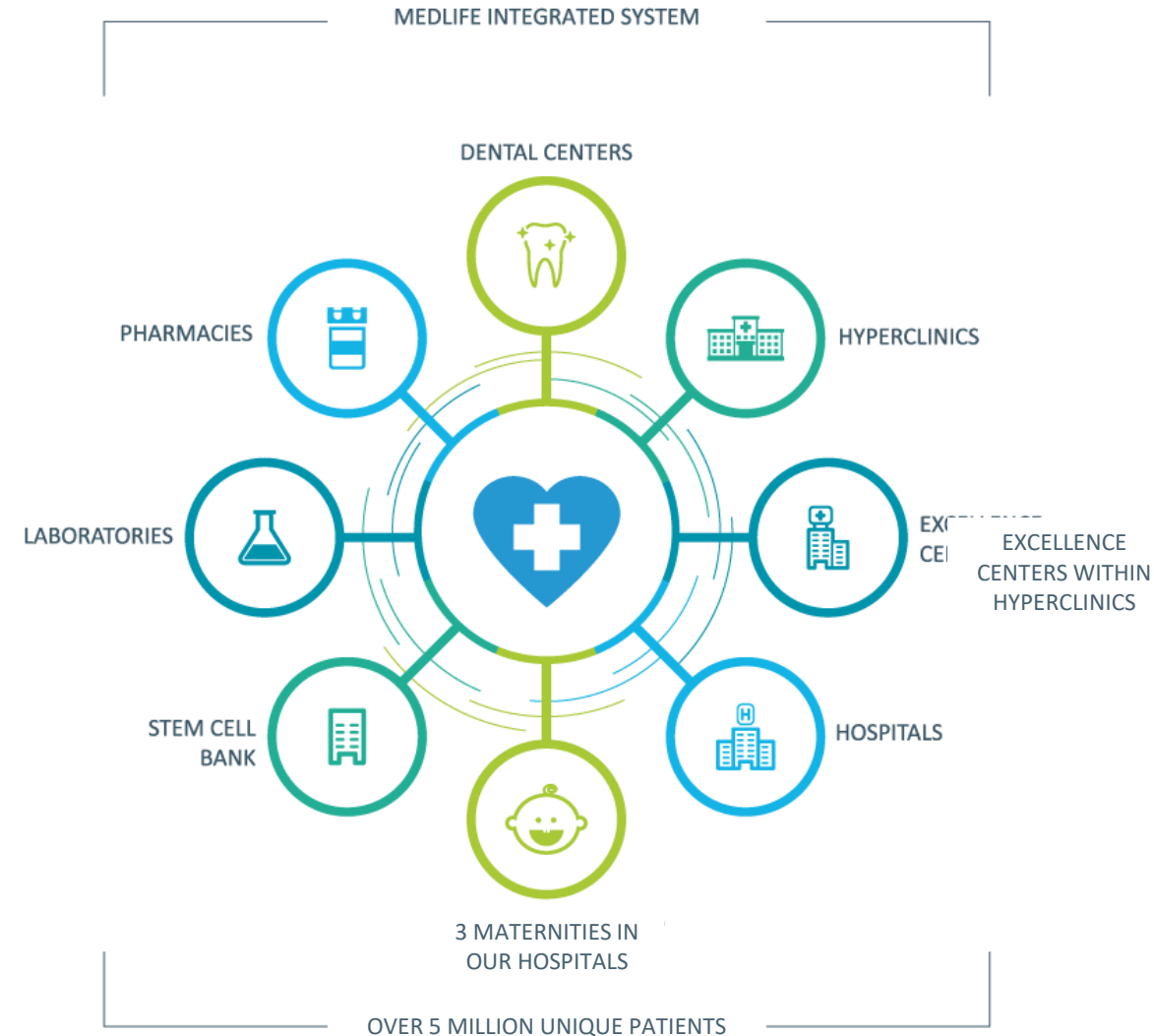
MedLife Group has a successful history as regards both organic growth and growth by acquisitions.

Its strong and experienced management team has been capable of creating and managing these growth opportunities, acquiring valuable knowledge and experience, which can allow finding the best way to continue expanding successfully.

# A. OUR SERVICES

## Integrated system for excellence in healthcare

Patients need full solutions, which is why we developed the MedLife Medical System, which includes clinics, laboratories, hospitals, maternity hospitals, excellence centres, pharmacies and a stem cell bank, a system providing integrated healthcare services under the same roof.





# OUR SERVICES

## MedLife Hyperclinics and Clinics - Integrated healthcare services

We have a network of 17 hyperclinics and 20 clinics spread across the country.

### Hyperclinics business line at a glance :

- One stop shop concept - MedLife hyperclinics includes medical ambulatory specialties, providing in one single place: clinical examinations and imaging.
- Hyperclinics have over 20 medical offices and different imaging capabilities: Radiology, Bone Density - DEXA, CT, MRI 3T, 2D-4D ultrasounds, Mammography
- Some of them have associated a Center of Excellence
- Available only in cities with a population of over 175k.
- Size promotes revenue capture across services and specialties.
- Four principles: safety first; integrated team services and database; complexity and innovation; including solutions for difficult patients research and clinical study

### Clinics business line at a glance :

- MedLife clinics are generally located in smaller cities or act as satellites for larger clinics
- Usually between 5 and 12 medical offices with sampling point and no Diagnostics and Imaging
- Available mainly in cities with a population of over 80k
- 20 clinics in operations



Hyperclinic - Large healthcare unit that comprises all medical specialties, providing examinations, imaging investigations and medical analyses in the same place. Term coined by MedLife.



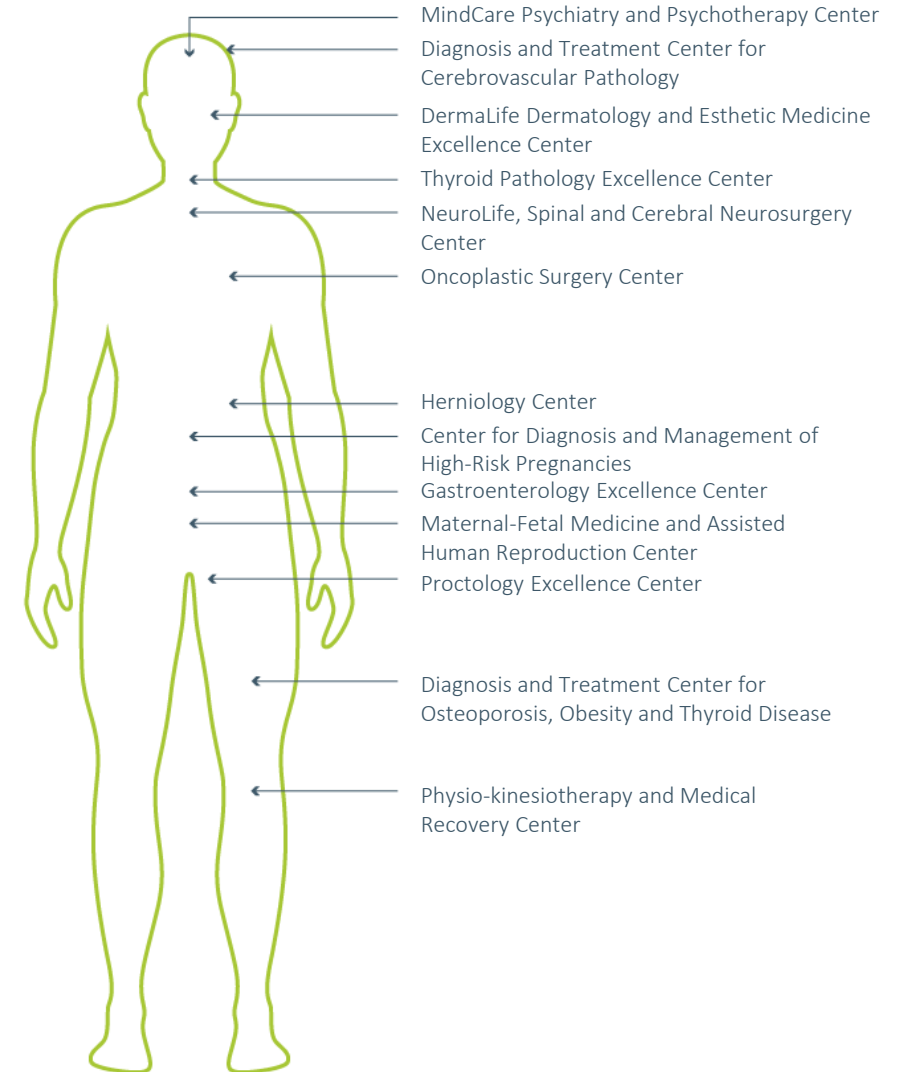


# OUR SERVICES

## MedLife excellence centers

Excellence in healthcare services has been MedLife's goal from day one:

- In the 15 MedLife excellence centres, bringing together supra-specialized physicians, patients will enjoy healthcare services of the highest standards, from examination to diagnosis, analyses and treatment.
- Our excellence centers are dedicated to diagnosing and treating conditions from specific medical fields.







# OUR SERVICES

## Dental centers – DENT ESTET by MedLife

Because we wanted to answer a larger number of medical needs of our patients, we have extended a new business segment by concluding a large-scale partnership with the biggest dental service operator in Romania.



### Stomatology business line at a glance

- Stomatology business line offers a full range of dental services, from routine check-ups to dental surgery, implants and orthodontics.
- MedLife is the only operator in Romania specialized in orthodontic services per age groups
- Team of ultra-specialized physicians, with numerous credentials obtained in Europe and the United States of America
- Our own Anaesthesia and Intensive Care department, allowing the application of various sedation techniques



### PRGF technology

Allows quick healing after dental interventions with a high degree of complexity, without pain or risk of complications, in just a few minutes.



# OUR SERVICES

## MedLife hospitals

The largest network of private hospitals in the country – 8 hospital units in Bucharest and in the country, with a total number of 620 beds and 25 operating rooms

### Hospitals business line at a glance

- MedLife hospitals cover a wide range of medical and surgical specializations, reuniting the best medical staff, with significant national and international expertise
- 8 hospitals – 5 inpatient hospitals and 3 day inpatient. Life Memorial Hospital has another 3 licensed external inpatient hospital units located in Titan, Grivita and Obor
- 620 beds for day inpatient and inpatient hospitalization
- 25 operating theatres
- Bucharest, Brasov, Arad are the main hospitals centers
- Four principles: safety first; integrated team services and database; complexity and innovation; including solutions for difficult patients research and clinical study



### INPATIENT UNITS BREAKDOWN

	LIFE MEMORIAL	GENESYS ARAD	EVA BRASOV	PDR BRASOV	PEDIATRICS BUCHAREST	OBOR BUCHAREST	TITAN BUCHAREST
	Opened 2007	Acquired 2011	Acquired 2011	Opened 2011	Opened 2011	Opened 2012	Opened 2015
LAND / BUILDING	Owned	Owned	Owned	Owned	Owned	Rented	Rented
BEDS / THEATERS	182 / 8	77 / 3	35 / 3	82 / 3	132 / 2	36 / 3	29/ 1
FOCUS	General	General	Maternity	General	Pediatric	Orthopedics and Plastic Surgery	Titan Surgery and Day Hospitalization

# OUR SERVICES

## MedLife maternity hospitals

Over 17,000 babies were born in our maternity hospitals:

- Grivița Maternity Hospital, Bucharest
- Eva Maternity Hospital, Braşov
- Genesys Maternity Hospital, Arad





# OUR SERVICES

## Stem cell storage bank – Stem Cells Bank by MedLife

We provide full solutions for mothers and babies, from pregnancy monitoring and birth to stem cell storage and child care.

- By collecting stem cells, you can prevent uncertainty in your child's future

- Processing and isolating stem cells is completely automated, thus removing any risk of contamination in the laboratory
- Multinational team with an experience that guarantees the best treatment for the stored samples



Biotechnological laboratory of the highest performance in Romania, for the isolation and storage of stem cells





# OUR SERVICES

## MedLife laboratories

The largest network of private medical laboratories in Romania – 26 units in Bucharest and in the country.

### Laboratories business line at a glance

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



- 28,000 analyses are processed daily in our laboratories.
- 24-hour results for 70% of the medical analyses
- 1,200 tests, perhaps the largest analysis portfolio



# OUR SERVICES

## MedLife pharmacies

The Group launched its PharmaLife brand of pharmacies in 2010 to capture additional revenue from the patient traffic in the Group's clinics.

Currently, PharmaLife Med has 10 units in Bucharest and in the country, in the cities of Arad, Braşov, Constanţa, Iaşi and Cluj, providing patients with prescription, over-the-counter and healthcare related products.

### Pharmacies business line at a glance

- PharmaLife – the network of pharmacies included in the MedLife Healthcare System
- Wide range of pharmaceutical products
- Professional advice provided by specialists



Collaboration agreements with insurance funds to dispense free and reimbursable prescription drugs

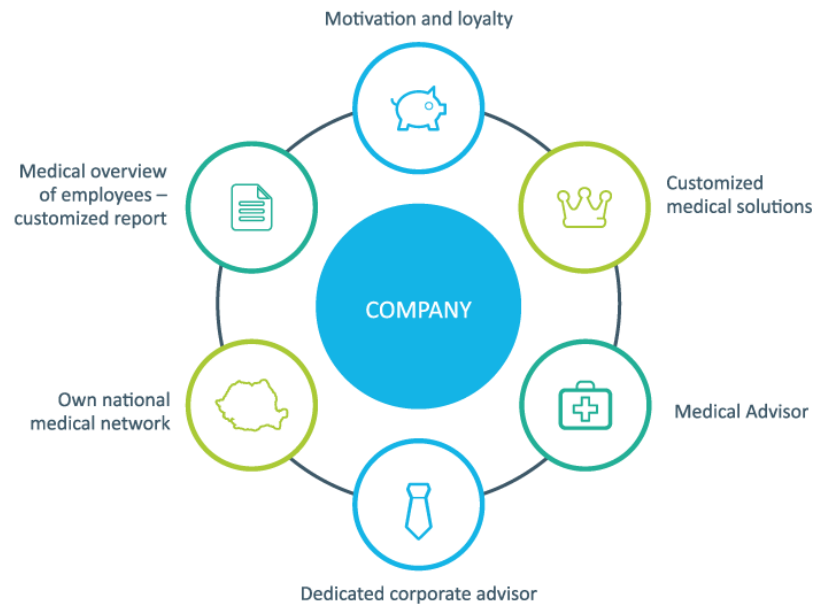


# OUR SERVICES

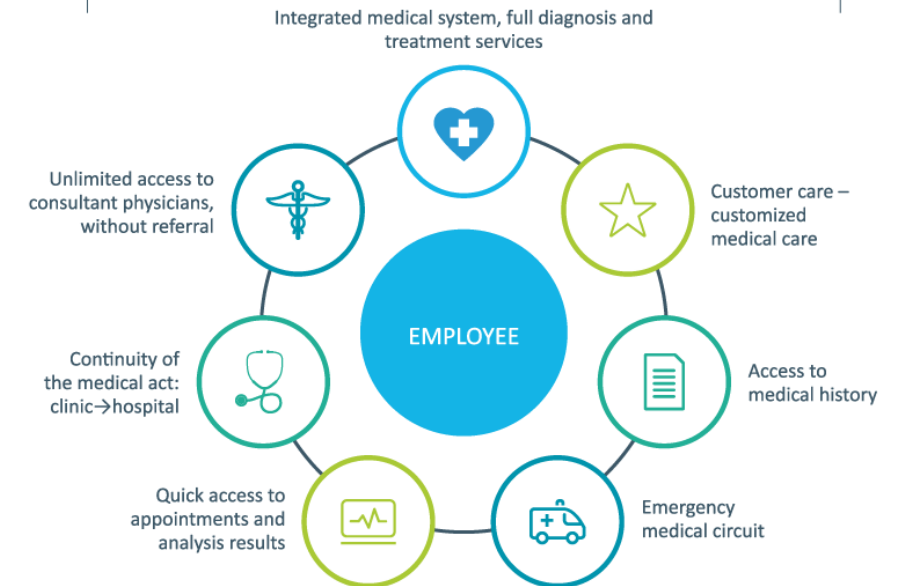
## Corpoarte - Health Prevention Packages (HPP)

The Corporate business line offers HPPs on a subscription basis, generally to corporate clients, as part of the benefit packages for their employees. These programmes, which focus on prevention, such as regular checkups and access to diagnostic services, complement the legally required occupational health services that corporate clients contract from MedLife as the Standard HPP. Health prevention packages cover only diagnostic services and does not refer to hospitalization services, medication or any other procedures outside diagnostics field of services.

### ADVANTAGES FOR THE COMPANY:

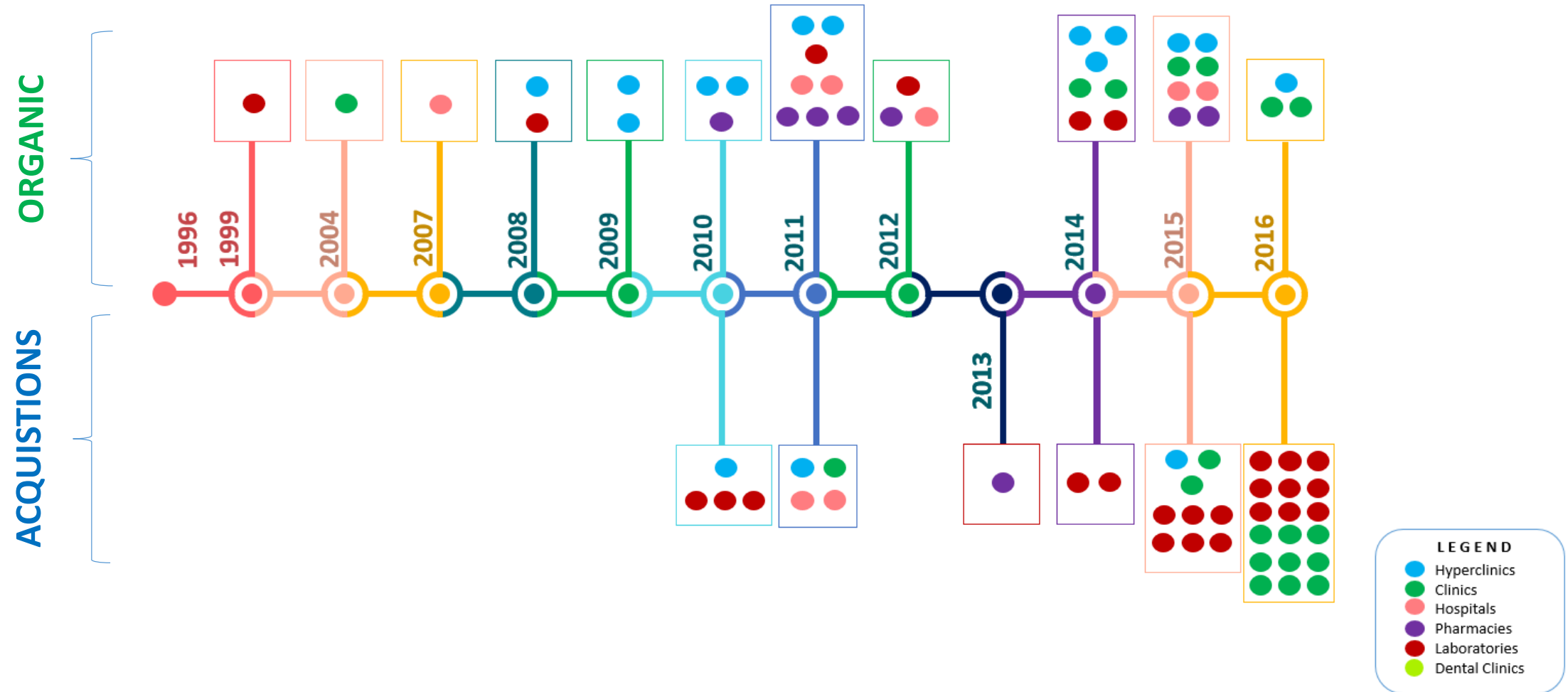


### ADVANTAGES FOR THE EMPLOYEES:



# B. HOW WE GREW

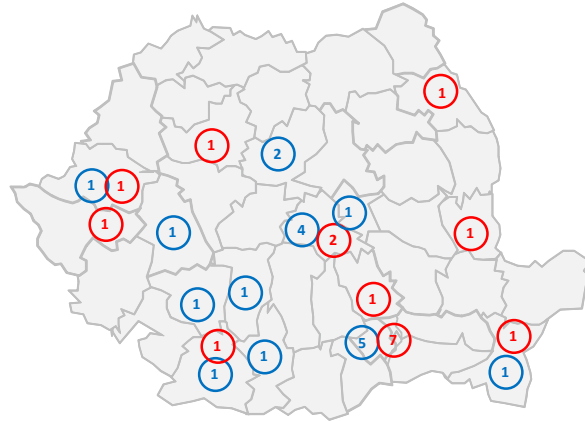
MedLife has a successful track record of management of organic growth and acquisitions





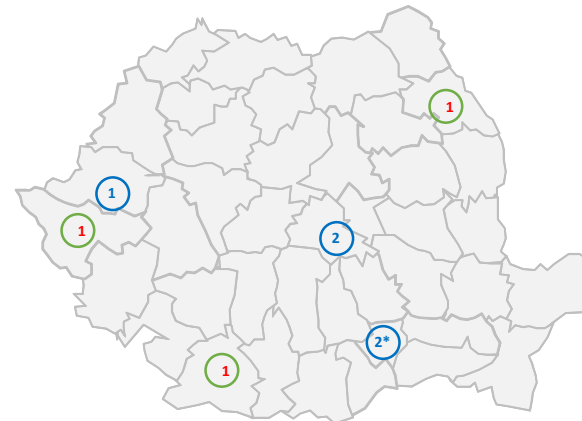
# NATIONAL FOOTPRINT CAPTURES GROWTH IN ALL REGIONS

## HYPERCLINICS/CLINICS



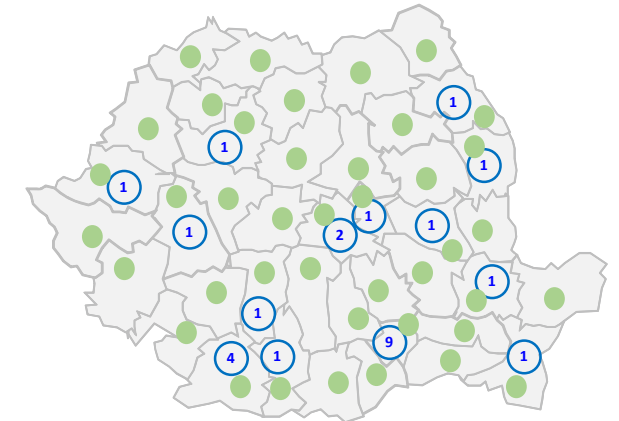
Legend: ○ Hyperclinics ○ Clinics

## HOSPITALS



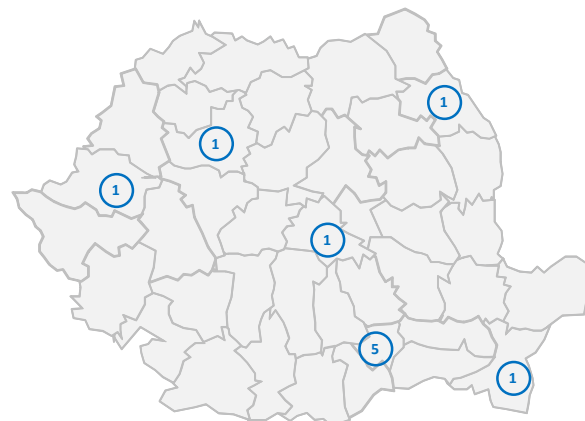
Legend: ○ Day inpatient ○ Inpatient

## LABORATORIES & SPS



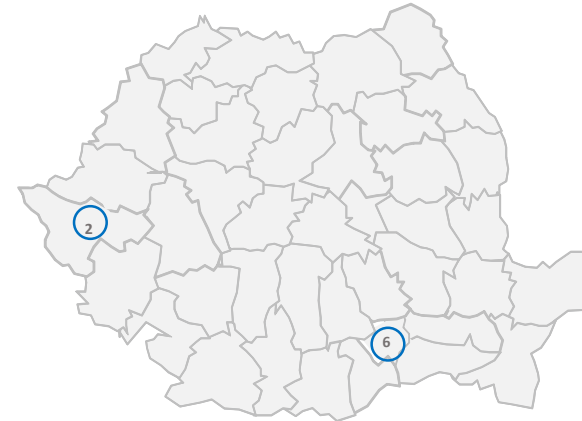
Legend: ○ Laboratories ○ Sampling Points

## PHARMACIES



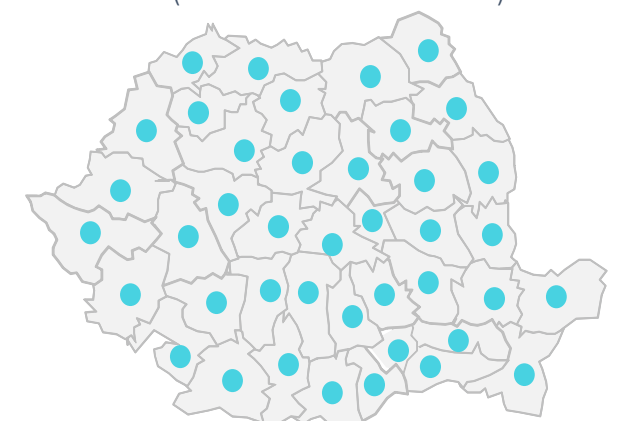
Legend: ○ Pharmacies

## DENTAL CLINICS



Legend: ○ Dental clinics

## NET LIFE COVERAGE (PARTNERSHIP NETWORK)



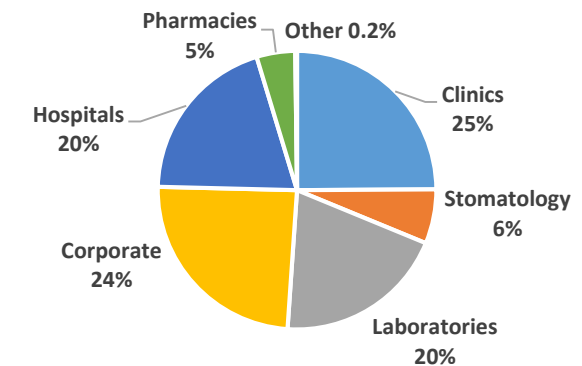
Legend: ○ Presence of Net Life partners

## C. BUSINESS OVERVIEW

- Leading private provider of healthcare services in Romania. Significant improvement of our performance recorded in 2016.

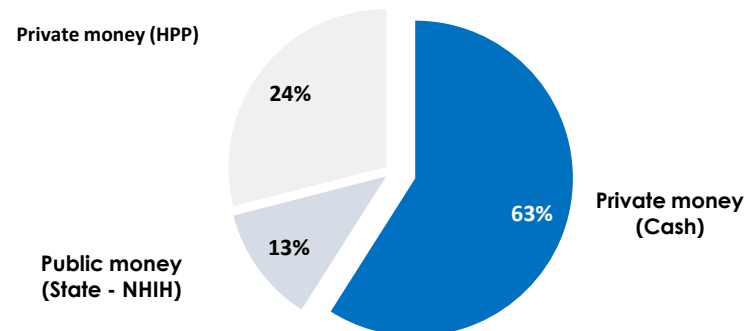
Business line	Info	2016 Performance (expr. in thousands)
Clinics	Visits	909.13
Stomatology	Visits	69.11
Hospitals	Patients	56.28
Laboratories	Analyses	4,223.84
Corporate	Subscriptions	420.93
Pharmacies	Clients	264.60

- Balanced and highly synergic business model.



2016 Pro Forma Sales

- MedLife sales - mostly from the private sector.




































2016 Pro Forma Sales



# D. MARKET OVERVIEW

## MEDLIFE – INDUSTRY LEADER AND LEADING NATIONAL PLAYER

TOP 6 PLAYERS	PRESENCE	SALES 2016 (EUR MLN)*	# OF CLINICS	# OF HPP CLIENTS	# OF BEDS	# OF LABS
	national	 117.07	 37	 421k	 620	 26
 REGINA MARIA REȚEAUA PRIVATĂ DE SĂNĂTATE	national	 91	 29	 300K	 465	 15
 MEDICOVER	regional	 64	 18	 77K	 122	 16
 SANADOR Sănătatea ca stil de viață	local	 50	 4	n.a.	 402	 1
 GRAL MEDICAL	local	 20.5	 10	n.a.	 60	 11
 Polisano Totul pentru viață	local	 17	 4	n.a.	 51	 3







\* MedLife sales represent FY 2016 Pro-Forma sales

Regina Maria, Medicover, Sanador, Polisano and Gral sales estimated based on public data available (press releases, PMR 2016 Report)

Source: 2016 PMR Report of operational data (no. of clinics, no. of HPP clients, no. of beds, no. of labs).

# MEDLIFE – INDUSTRY LEADER AND LEADING NATIONAL PLAYER

## MARKET EVOLUTION<sup>1</sup>

TOP 6 PLAYERS	SALES 2015 (EUR MLN)	SALES 2016 <sup>2</sup> (EUR MLN)	ABS CHANGE (EUR MLN)	% CHANGE	ESTIMATED INCREASE BREAKDOWN	
					ORGANIC	ACQUISITIONS
	87	112	25	29%	22 p.p.	7 p.p.
	65	91	26	40%	7 p.p.	33 p.p.
	56	64	8	14%	11 p.p.	3 p.p.
	42	50	8	19%	19 p.p.	-
	19	21	1	6%	6 p.p.	-
	15	17	2	11%	11 p.p.	-

<sup>1</sup> Information estimated by the company based on public data available (Ministry of Finance data, press releases etc.)

<sup>2</sup> MedLife sales extracted from 31 December 2016 Group IFRS Financial Statements



## II. PAST TWELVE MONTHS DEVELOPMENTS

### ACQUISITIONS :

- **100%** of the shares in PRIMA MEDICAL, March 2016;
- **60%** of the shares in STEM CELLS BANK, March 2016;
- **100%** of the shares in DIAMED CENTER, March 2016;
- **60%** of the shares in DENT ESTET, July 2016.
- **90%** of the shares in CM PANDURI, October 2016.
- **80%** of the shares in ALMINA TRADING, March 2017.
- **ANIMA** carried out in 2017 (subjected to CP's and Competition Council approval)

### GREENFIELD OPENINGS :

- **Ploiesti Hyperclinic**, opened in September 2016

### CREDIT FACILITIES CONTRACTED BY THE GROUP

- Club Loan : three credit facilities, totaling **EUR 48.8 million** and **RON 27 million**
- International Finance Corporation Loan : totaling **EUR 10 million**

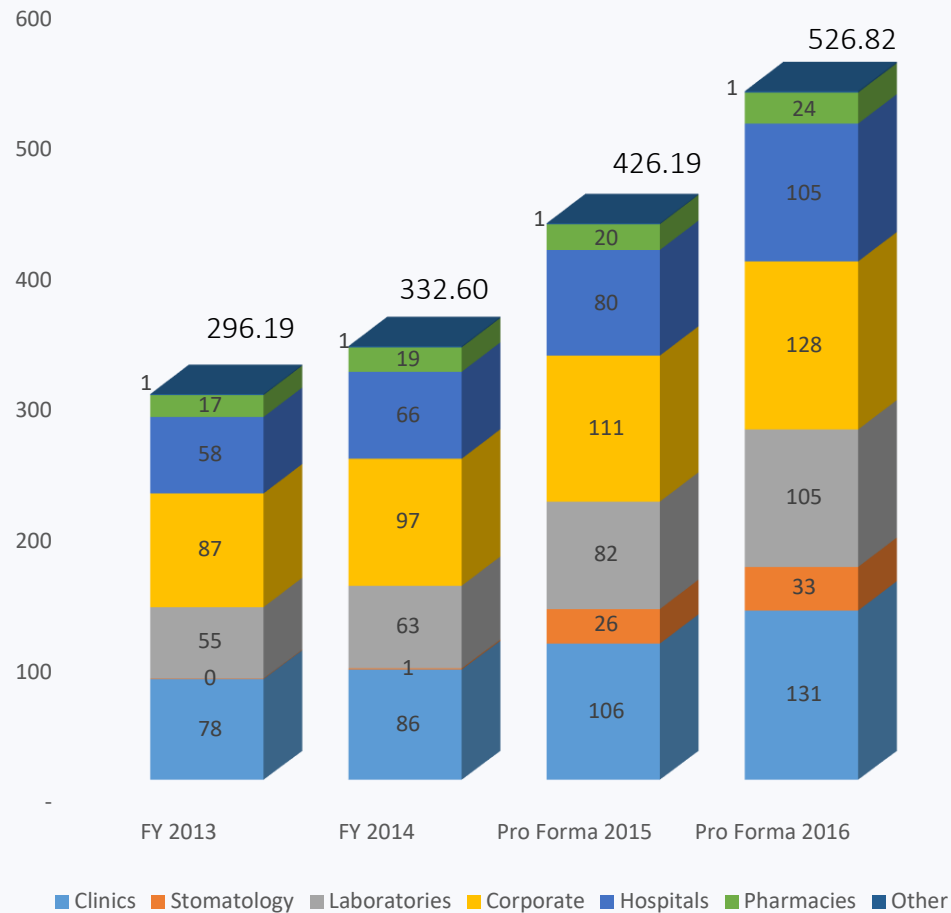
### OTHER EVENTS :

- Launch of **Sfânta Maria** laboratory brand
- **MedLife IPO**

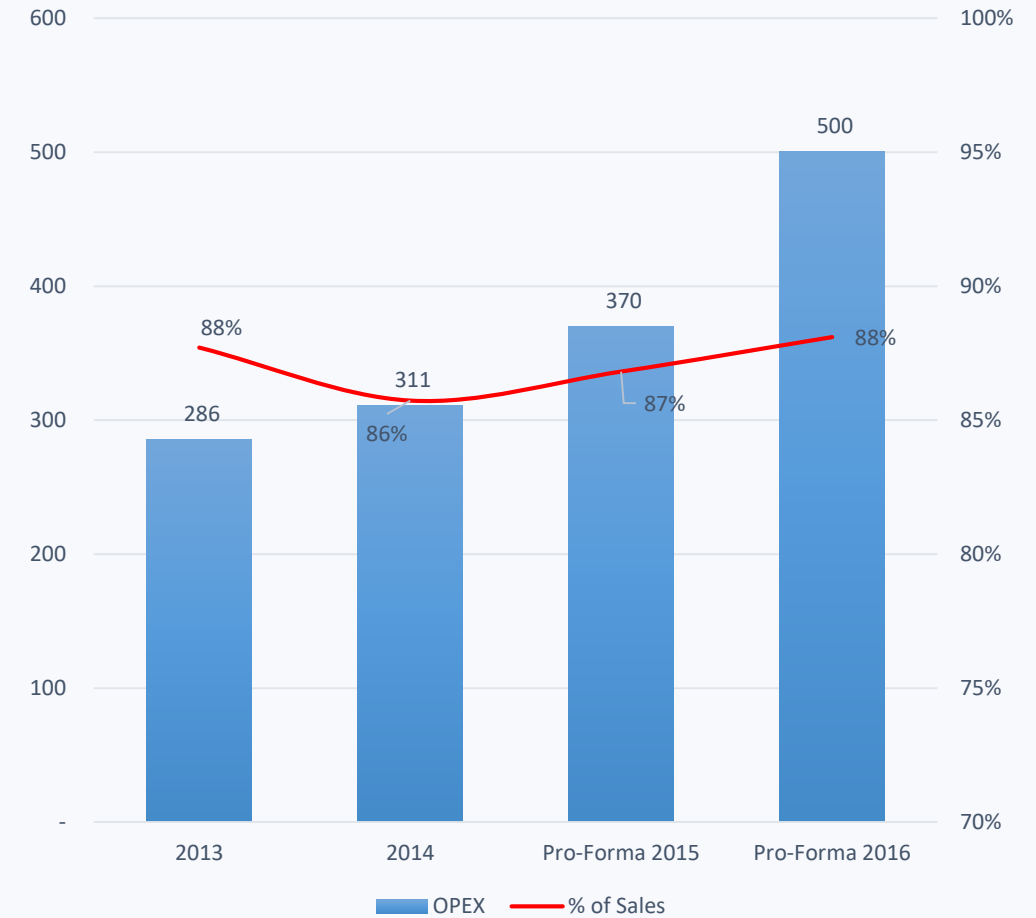


# III. GROUP FINANCIAL SNAPSHOT

## CONSISTENT TRACK RECORD OF STRONG GROWTH SALES (RON mln)



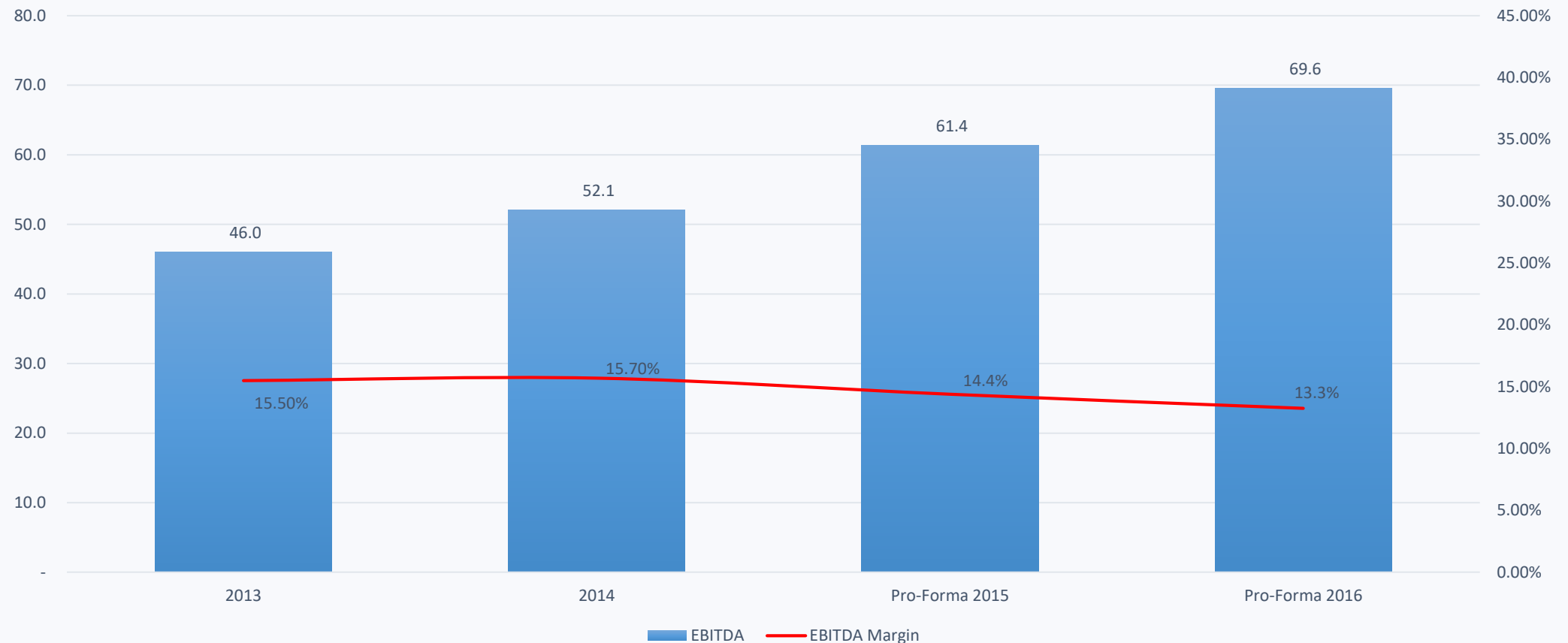
## STABLE OPEX OPEX (RON mln) (% of Sales)



# GROUP FINANCIAL SNAPSHOT

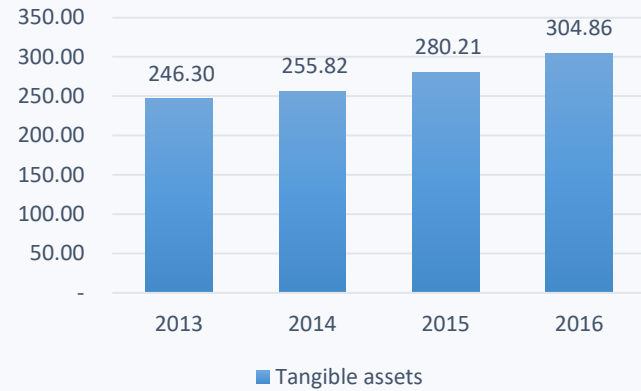
## EBITDA EVOLUTION

EBITDA (RON mln) and EBITDA margin (%)

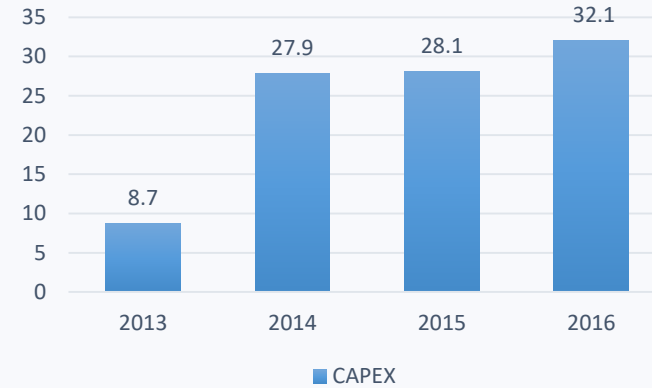


# GROUP FINANCIAL SNAPSHOT

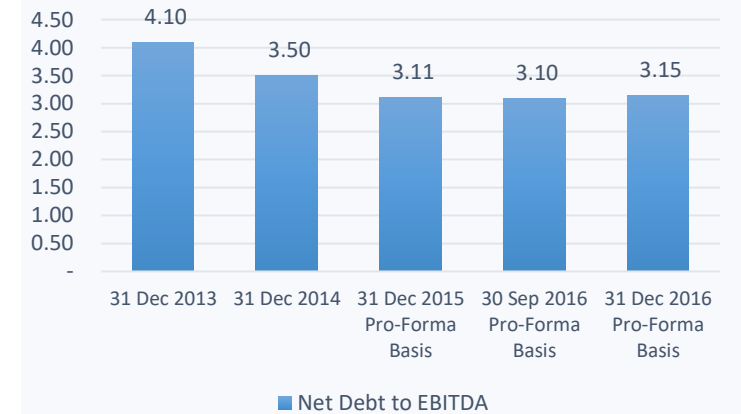
**ASSET BASE**  
mln RON



**CAPEX**  
mln RON



**NET DEBT TO EBITDA**





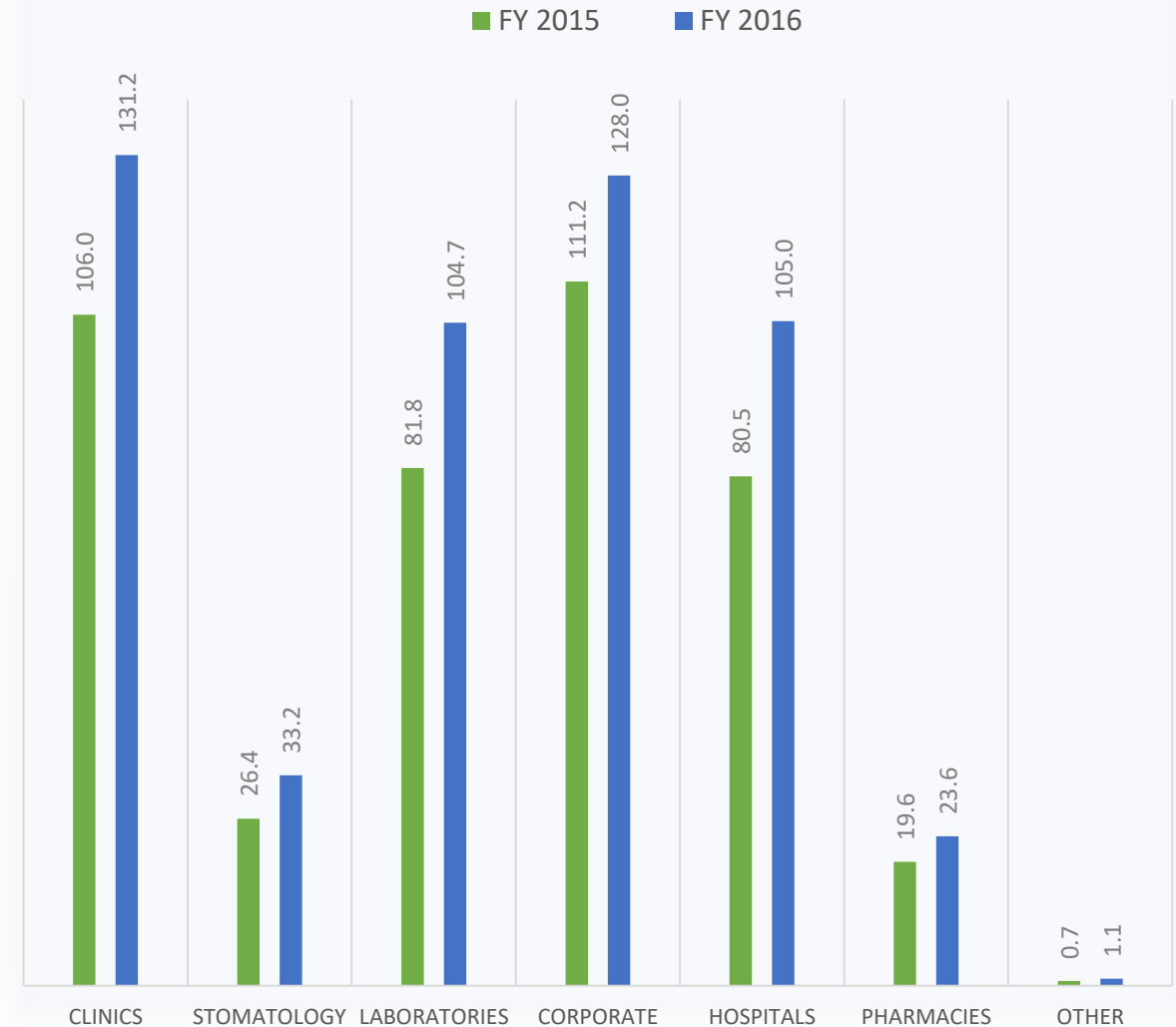
# SALES EVOLUTION PER BUSINESS LINE

## PRO FORMA SALES EVOLUTION

2015 financial year vs 2016 financial year in mln RON

Business Line	FY 2015	FY 2016	VAR ABS	VAR %
Clinics	106.01	131.23	25.22	24%
Stomatology	26.38	33.22	6.84	26%
Laboratories	81.80	104.72	22.92	28%
Corporate	111.22	127.99	16.76	15%
Hospitals	80.48	104.98	24.49	30%
Pharmacies	19.57	23.60	4.02	21%
Other	0.72	1.08	0.36	50%
<b>TOTAL</b>	<b>426.19</b>	<b>526.82</b>	<b>100.62</b>	<b>24%</b>

## PRO FORMA SALES EVOLUTION YOY



Thank you!

