



MD Medical Group

Financial and Operational Results

1H 2024



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MD Medical Group – Unique Company on the Russian Healthcare Market

- ✓ One of the largest private healthcare providers in Russia
- ✓ Leading company in multidisciplinary healthcare
- ✓ Unique competences in healthcare
- ✓ The first public company in the industry, with the London Stock Exchange IPO back in 2012
- ✓ First level listing of ordinary shares on the Moscow Exchange (ticker: MDMG)

Investment case

Vertically integrated business model strengthened by in-house medical university – MGIMO-MED

Extensive Geography

Wide range of healthcare services



58 Total number of facilities



1 Medical university



78 Medical specializations



>9 ths employees

RUB 15.8bn
Revenue
1H2024

RUB 5.1bn
EBITDA
1H2024

RUB 4.9bn
Net profit
1H2024

Attractive market fundamentals

High standards of medical care, brand recognition

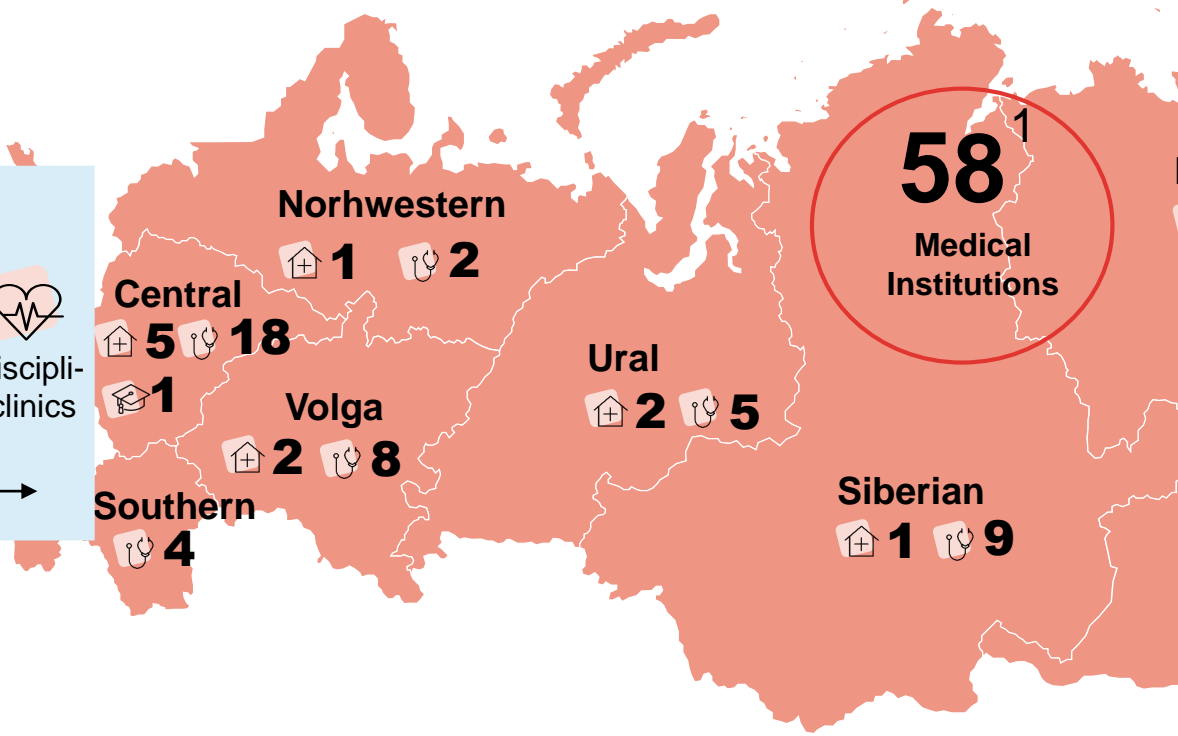
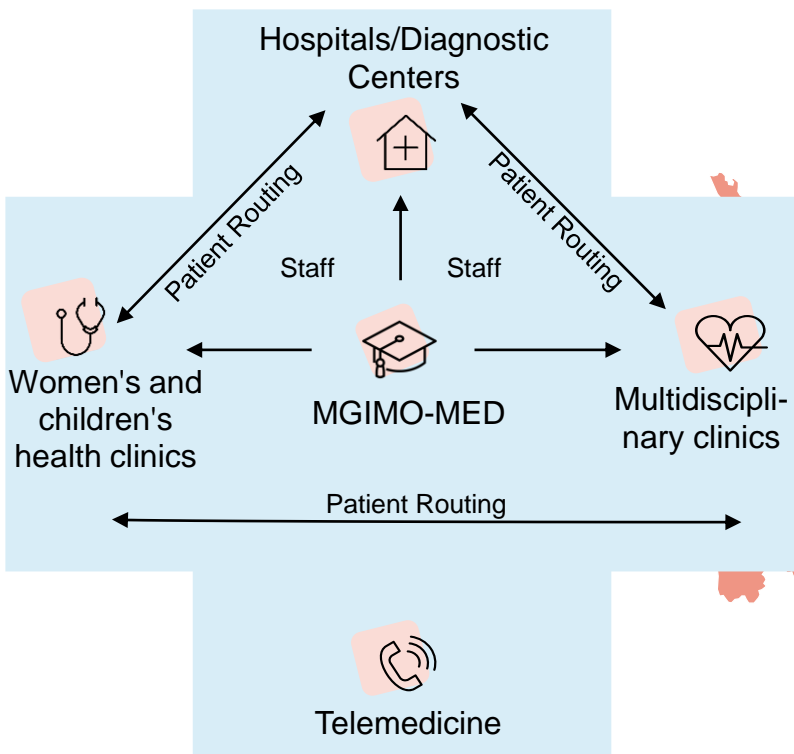
Professional management team motivated for the Company's growth



MD Medical Group – #1 federal network of affordable medicine in Russia

Vertically integrated business model

Extensive geography



- 47 outpatient clinics
- 11 hospitals
- 1 MGIMO-MED
- 223 th. m² Total area
- 7 federal districts
- 29 regions
- 35 cities and towns

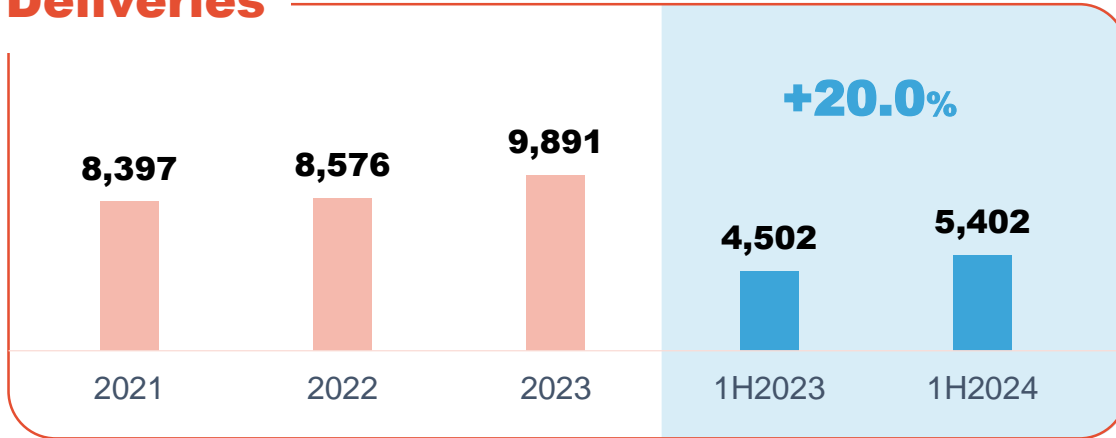
¹ As at publication date

Operational Results

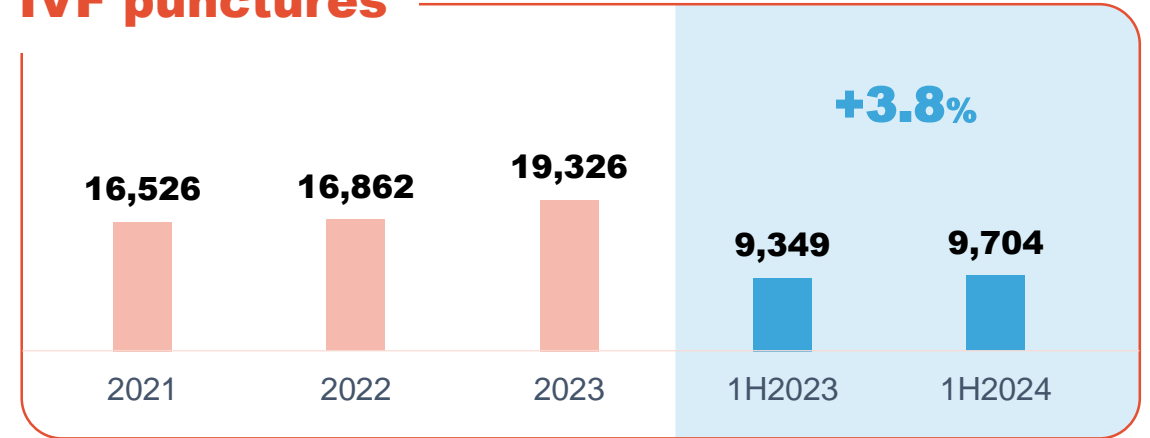


Key operational results

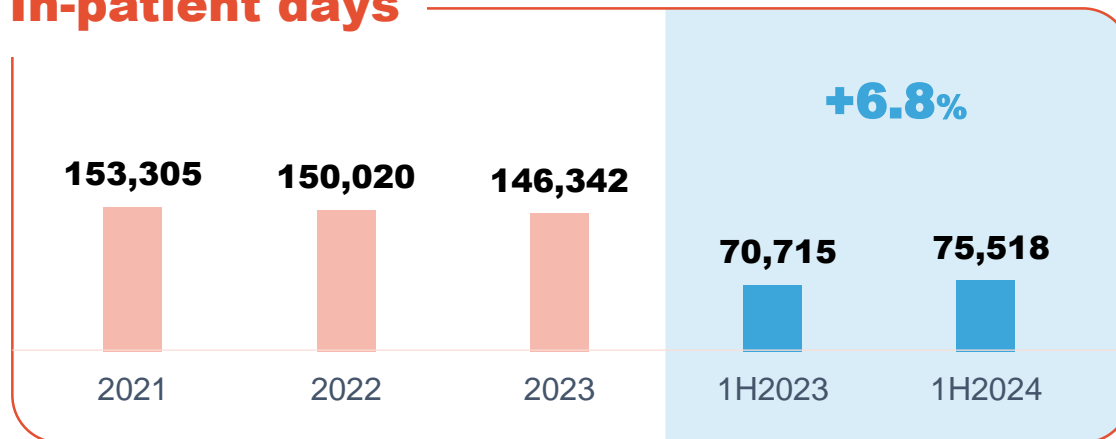
Deliveries



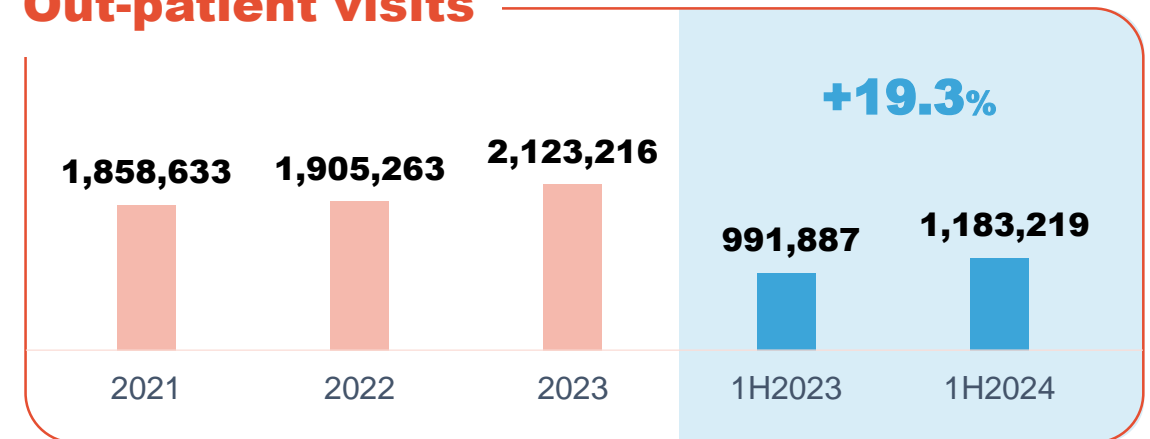
IVF punctures



In-patient days



Out-patient visits





Hospitals in Moscow



LAPINO CLUSTER

Lapino-1

Flagship hospital with a wide range of services

42,000 m²
size

191
beds

Lapino-2

State-of-the-art oncology centre

18,500 m²
size

120
beds

Lapino-4

Infectious diseases hospital

4,200 m²
size

46
beds

MD Group

Multifunctional hospital for the whole family

27,600 m²
size

261
beds

MD Group Michurinsky

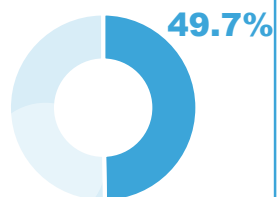
Multifunctional Hospital for the whole family

8,755 m²
size

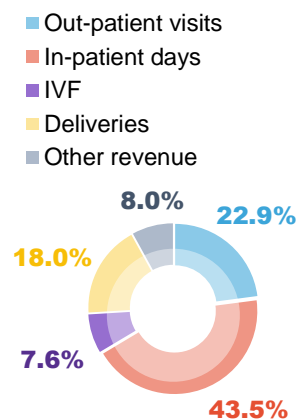
60
beds

1H2024

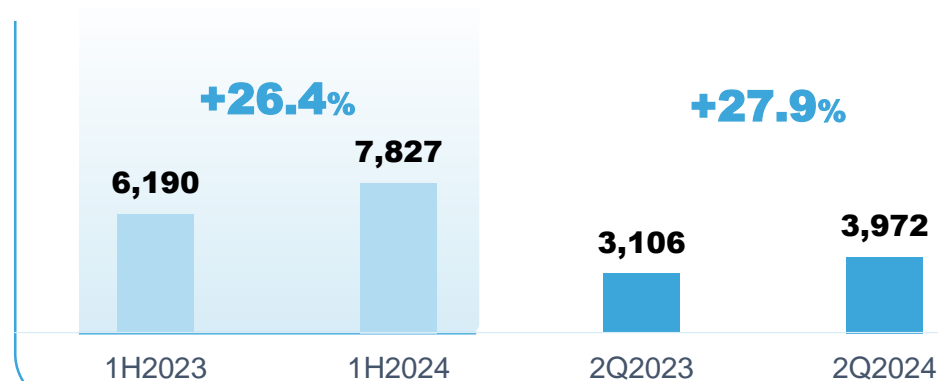
Share of total Group revenue



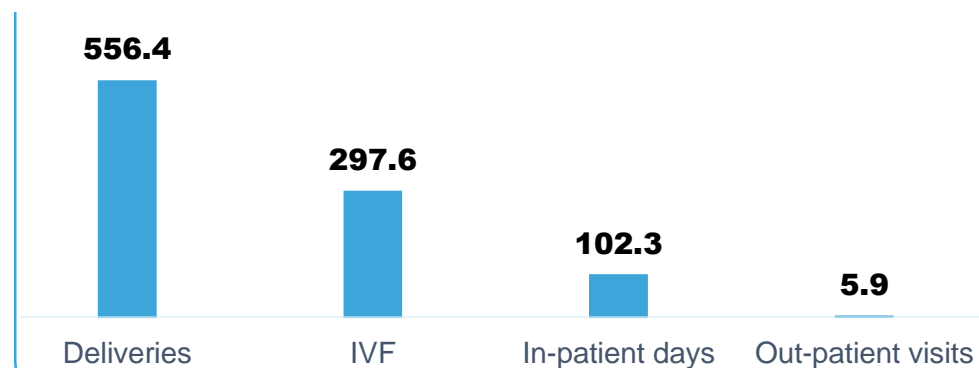
Revenue Structure



Revenue dynamics, RUB mn



Average ticket, RUB ths





Hospitals in Moscow. Key operational results

Key operating drivers of revenue dynamics

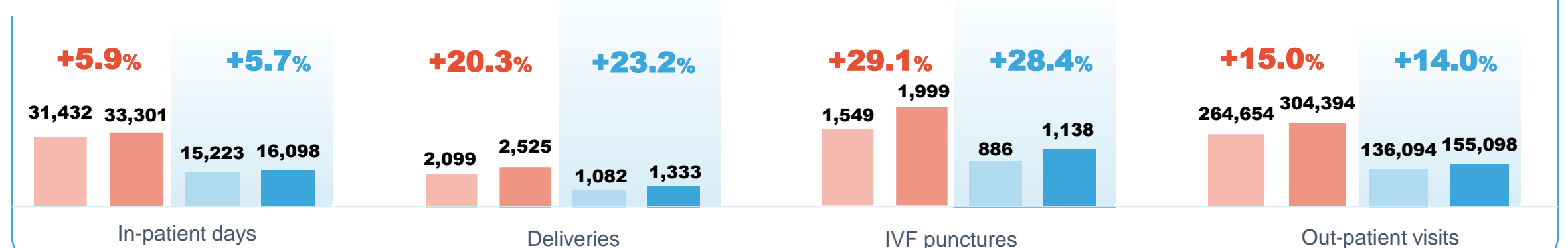
- ✓ Increase in in-patient days:
 - ✓ Oncology, gynaecology, neurology, pediatrics, traumatology
 - ✓ Neurosurgery in Lapino hospital
- ✓ Traditional growth in number of deliveries and IVF punctures
- ✓ Increase in out-patient visits
 - ✓ Gynaecology, pediatrics

Average ticket dynamics

- ✓ In-patient treatments: +15.0%:
 - ✓ Higher number of intensive care days
 - ✓ Higher share of additional services (laboratory and diagnostics testing)
 - ✓ Expansion of commercial services in the oncology segment
 - ✓ Nearly 2x growth of plastic surgeries
- ✓ Deliveries: +22.1%
 - ✓ Growing popularity of home obstetrics centre
 - ✓ Demand for mid and high price contracts
- ✓ Out-patient visits: +10.2%
- ✓ IVF: +1.6%

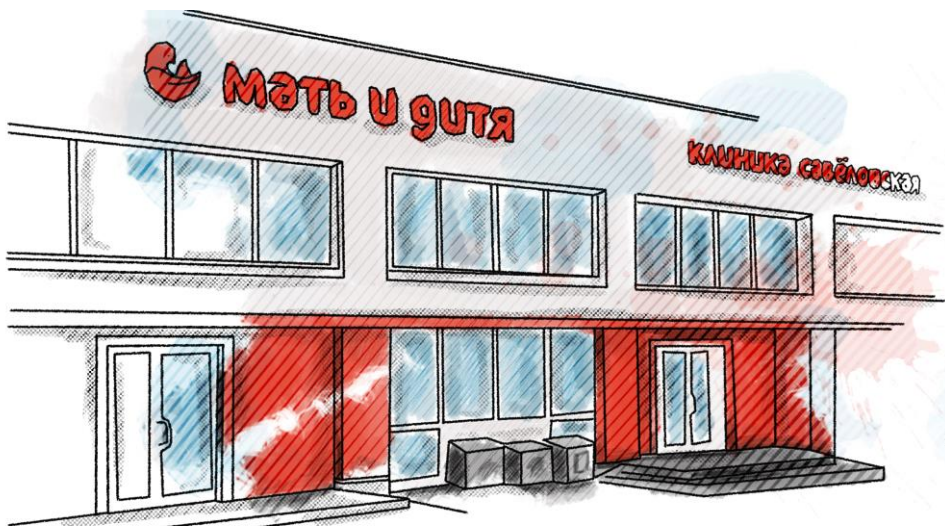
Operating indicators

1H2023 1H2024 2Q2023 2Q2024





Out-patient clinics in Moscow and Moscow region



High-end medical services for checks and treatments on the base of multidisciplinary clinics and women's and children's health clinics



580 m²

Clinic average size

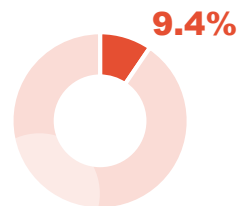


11 clinics

in Moscow and Moscow region

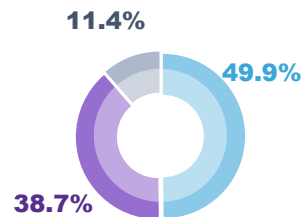
1H2024

Share of total Group revenue

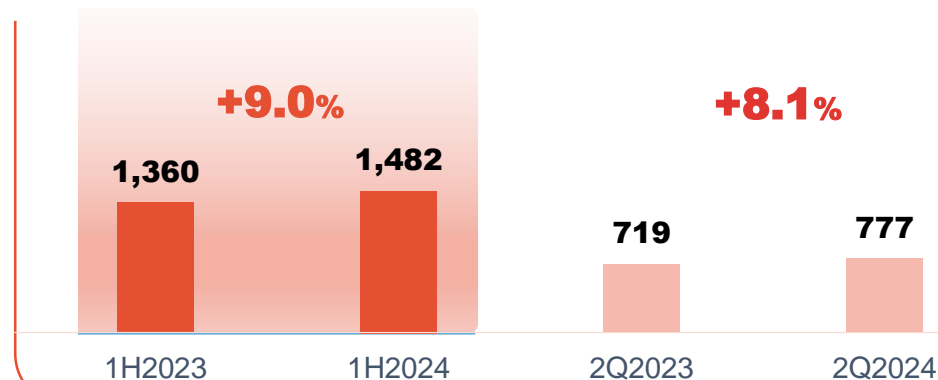


Revenue structure

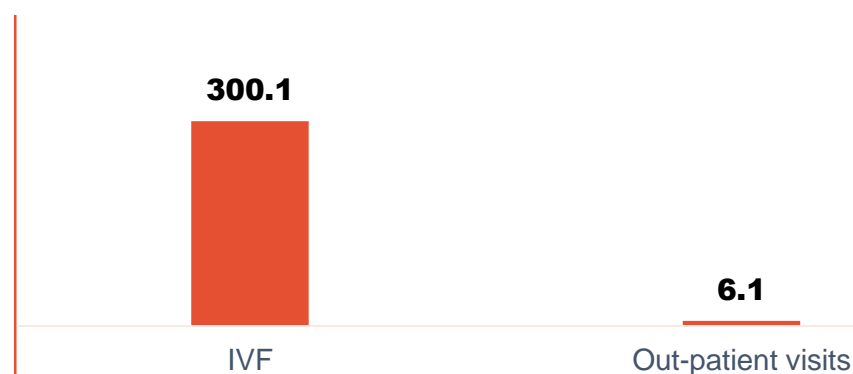
- Out-patient visits
- IVF
- Other revenue



Revenue dynamics, RUB mn



Average ticket, RUB ths





Clinics in Moscow and Moscow region.

Key operational results

Key operating drivers of revenue dynamics

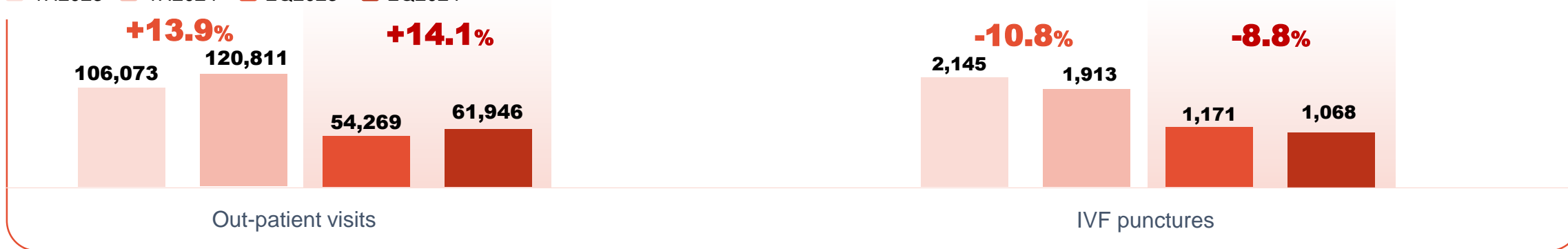
- ✓ Growing number of out-patient treatments due to increased utilization of current capacities and, among other things, the opening of new clinics in Mytishchi and ZILART residential complex in 2023 and 2024
- ✓ Decline in total punctures driven by a delay in the allocation of MHI quotas

Average ticket dynamics

- ✓ Out-patient visits: +4.5%
- ✓ IVF: +8.7%
 - ✓ Growing number of commercial punctures

Operating indicators

1H2023 1H2024 2Q2023 2Q2024





Hospitals in regions



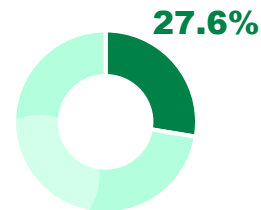
Wide range of first class medical services in regions

6 hospitals in: Ufa, Samara, Novosibirsk, St Petersburg and Tyumen

33,000 m² MD Ufa	10,260 m² MD Novosibirsk	9,000 m² MD Lakhta
15,000 m² MD Samara	15,000 m² MD Tyumen-1	4,750 m² MD Tyumen-2

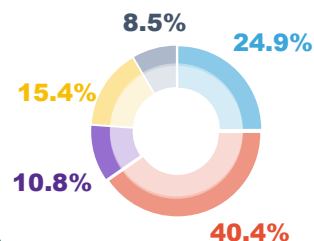
1H2024

Share of total Group revenue

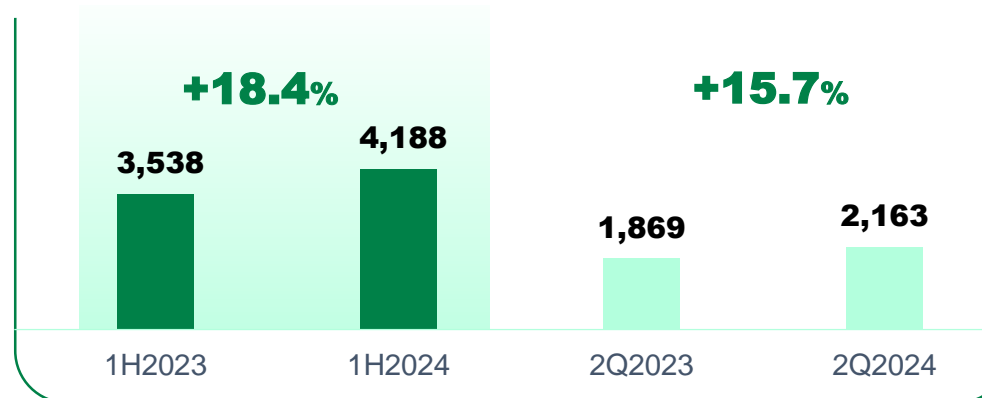


Revenue structure

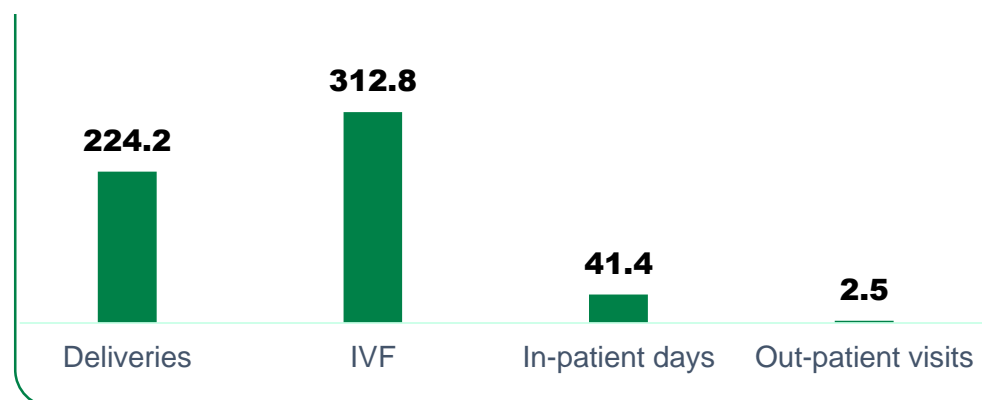
- Out-patient visits
- In-patient days
- IVF
- Deliveries
- Other revenue



Revenue dynamics, RUB mn



Average ticket, RUB ths





Hospitals in regions. Key operational results

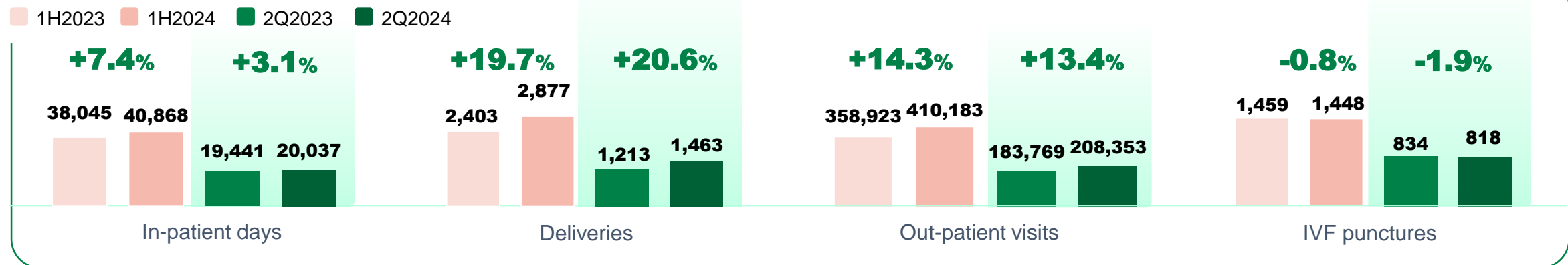
Key operating drivers of revenue dynamics

- ✓ Increase in in-patient days:
 - ✓ Traumatology, general surgery, gynaecology, paediatrics
- ✓ Increase in out-patient visits:
 - ✓ Gynaecology and pediatrics
- ✓ Growth in number of deliveries mainly in Ufa hospital
- ✓ Decrease in MHI IVF punctures

Average ticket dynamics

- ✓ In-patient days: +7.3%
 - ✓ New innovative diagnostic and treatment techniques
 - ✓ Sophisticated joint replacement surgeries
- ✓ Out-patient visits: +8.3%
 - ✓ Significant volume of diagnostics services rendered to oncology patients
- ✓ Deliveries: +13.4%:
 - ✓ Demand for mid and high price contracts
- ✓ IVF: +12.1%:
 - ✓ Larger share of commercial punctures

Operating indicators





Out-patient clinics in regions



High-end medical services for checks and treatments on the base of multidisciplinary clinics and women's and children's health clinics



794 M²
Clinic average size



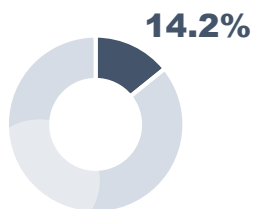
36
clinics



31
Cities and towns

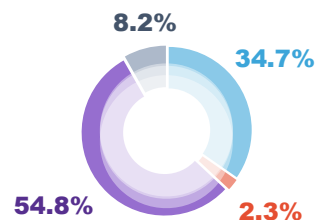
1H2024

Share of total Group revenue

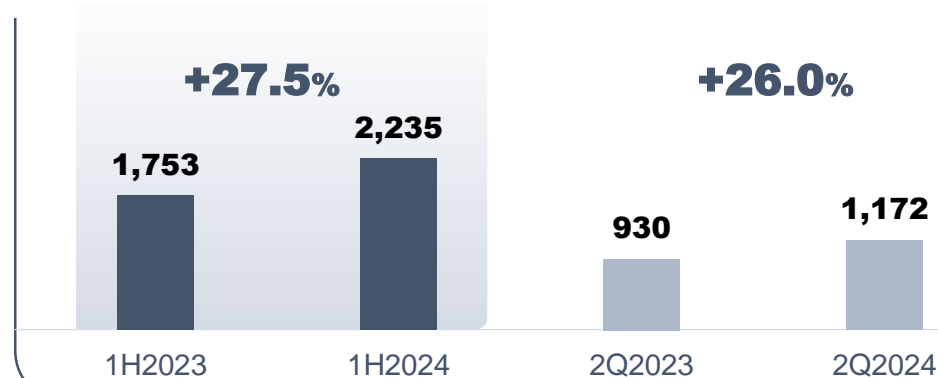


Revenue structure

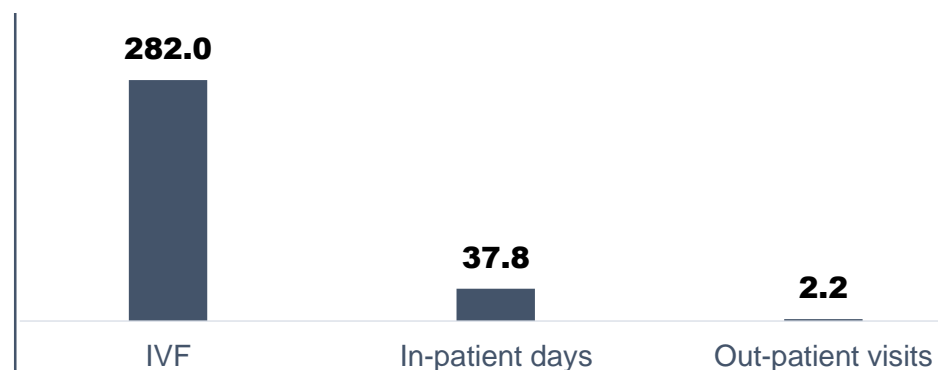
- Out-patient visits
- In-patient days
- IVF
- Other revenue



Revenue dynamics, RUB mn



Average ticket, RUB ths





Clinics in regions. Key operational results

Key operating drivers of revenue dynamis

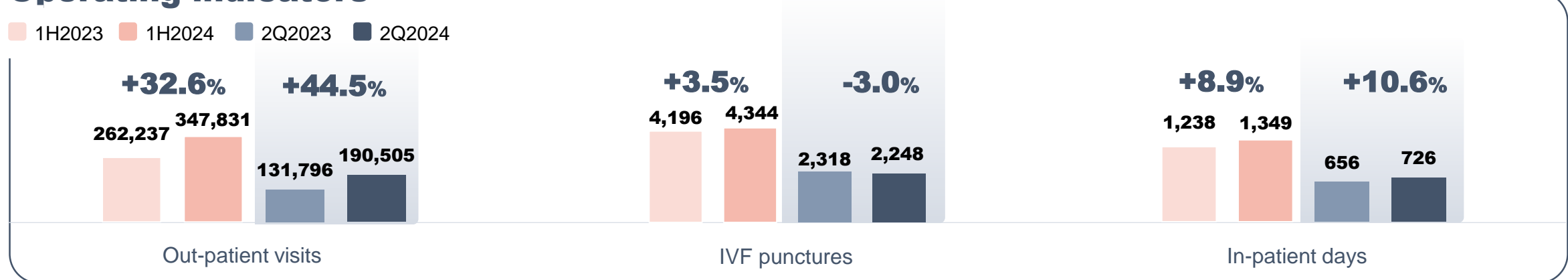
- ✓ Increase in out-patient visits:
 - ✓ Diagnostics, rehabilitation, obstetrics and gynaecology
- ✓ Growth in commercial IVF punctures and frozen embryo transfers

Average ticket dynamics

- ✓ Out-patient visits: +13.2%:
 - ✓ Bigger share of prenatal care contracts in out-patient visits
- ✓ IVF: +11.2%
 - ✓ Bigger share of commercial punctures

Operating indicators

1H2023 1H2024 2Q2023 2Q2024

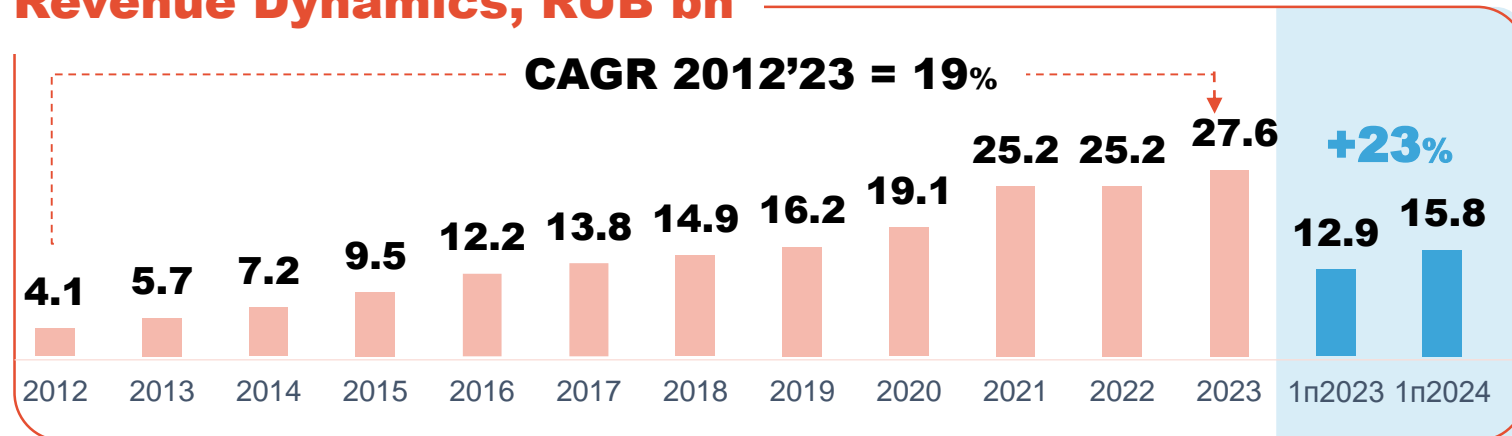


Financial Results

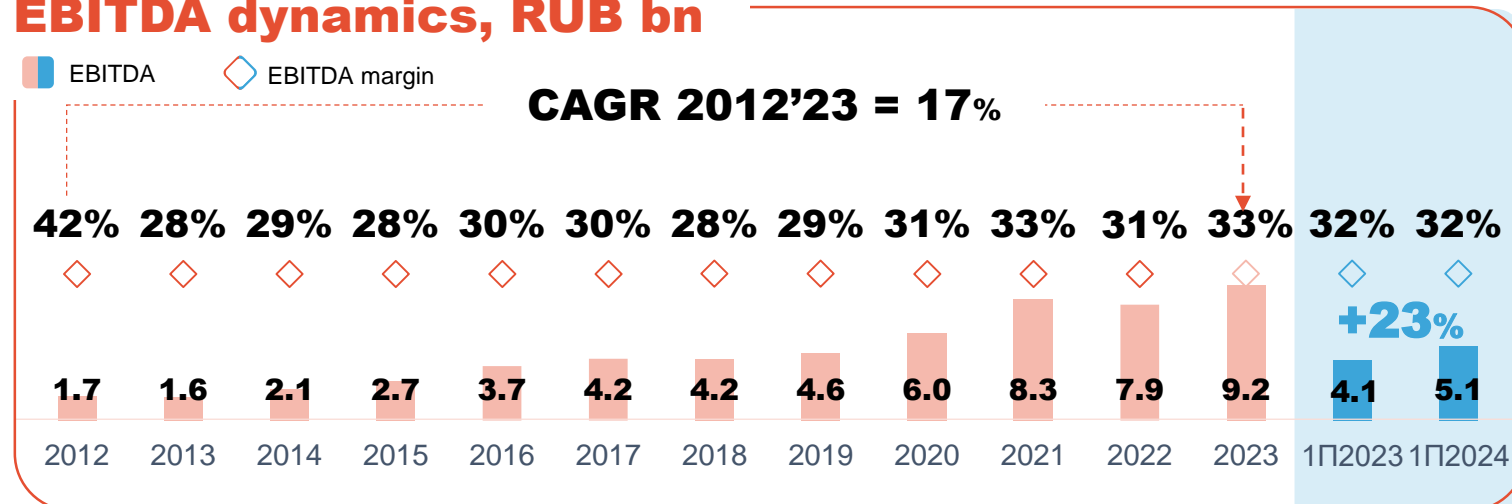


Business Growth Dynamics

Revenue Dynamics, RUB bn



EBITDA dynamics, RUB bn



Key facts



Revenue growth in 1H 2024 is primarily driven by the strong performance of the Group's hospitals in in-patient and out-patient services, as well as strong demand for deliveries

The Company maintains a high EBITDA margin of 32%



Profit and losses statement, RUB mn

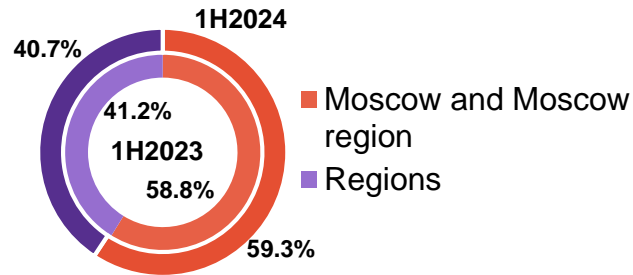
	1H2023	1H2024	Change
Revenue	12,853	15,760	22.6%
Cost of sales	(7,887)	(9,461)	20.0%
Gross profit	4,966	6,299	26.8%
Gross margin	38.6%	40.0%	1.4pp
SG&A	(1,714)	(2,162)	26.2%
Other income / (loss), net	19	(17)	n/a
EBIT	3,272	4,120	25.9%
Net finance expenses	90	775	n/a
FX loss/gain	11	(0.2)	n/a
Taxes	(3)	(9)	157.7%
Net profit	3,368	4,886	45.1%
Net profit margin	26.2%	31.0%	4.8 pp

EBITDA	4,099	5,061	23.5%
EBITDA margin	31.9%	32.1%	0.2 pp

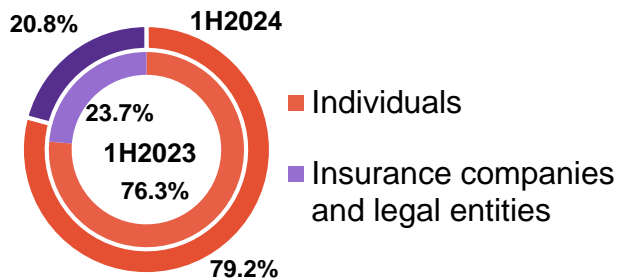


Successful service diversification strategy

by geography

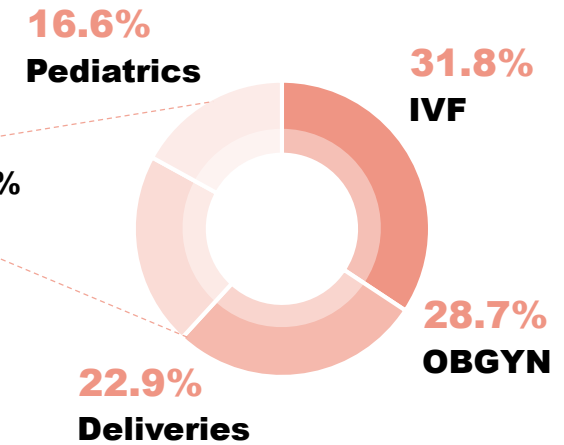
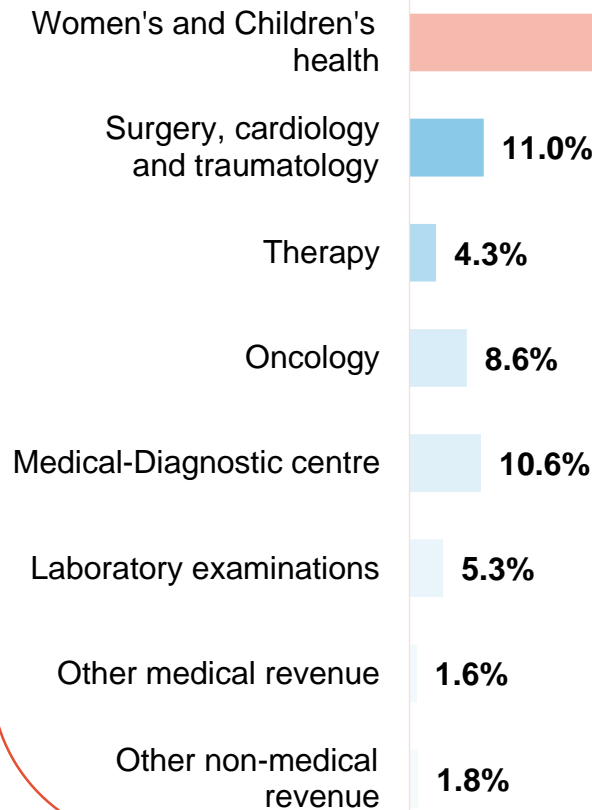


by payers



Revenue structure

by types of services



Unique competences in women's and children's healthcare

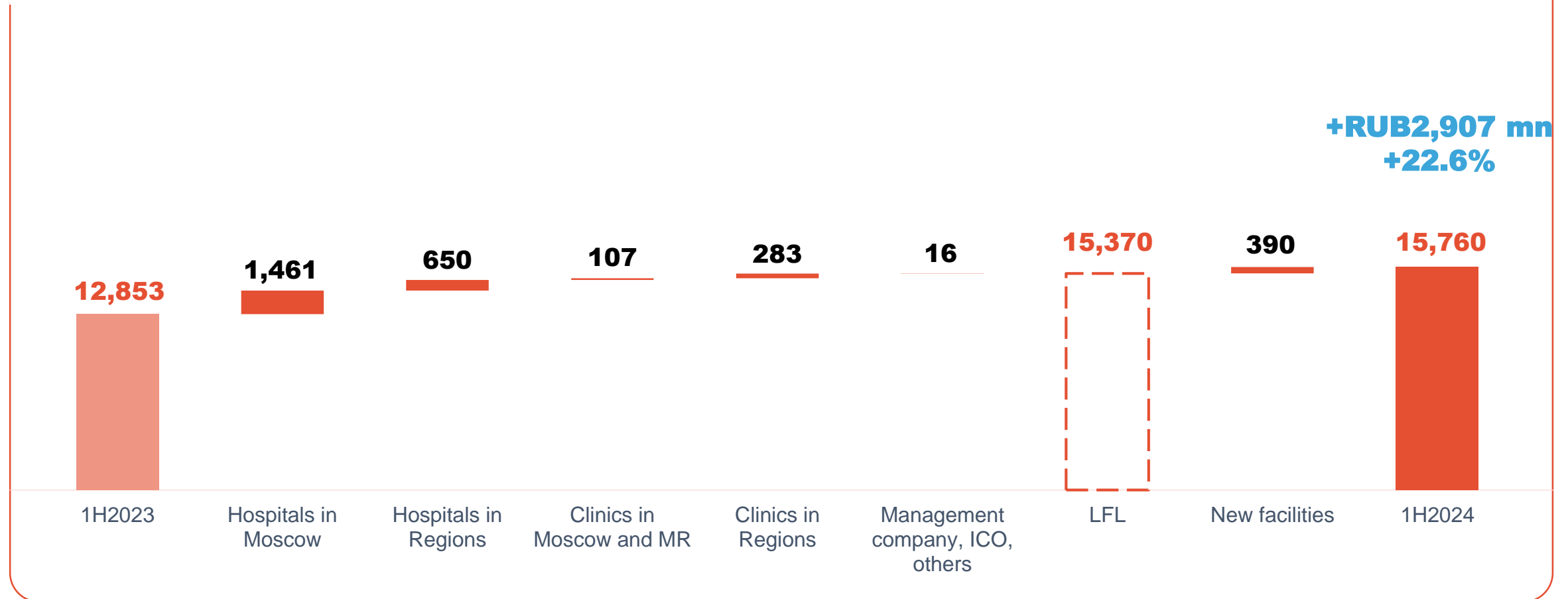


The largest network of medical institutions in the country for IVF procedures using EmbryoScope



Revenue decomposition

Bridge analysis¹, RUB mn

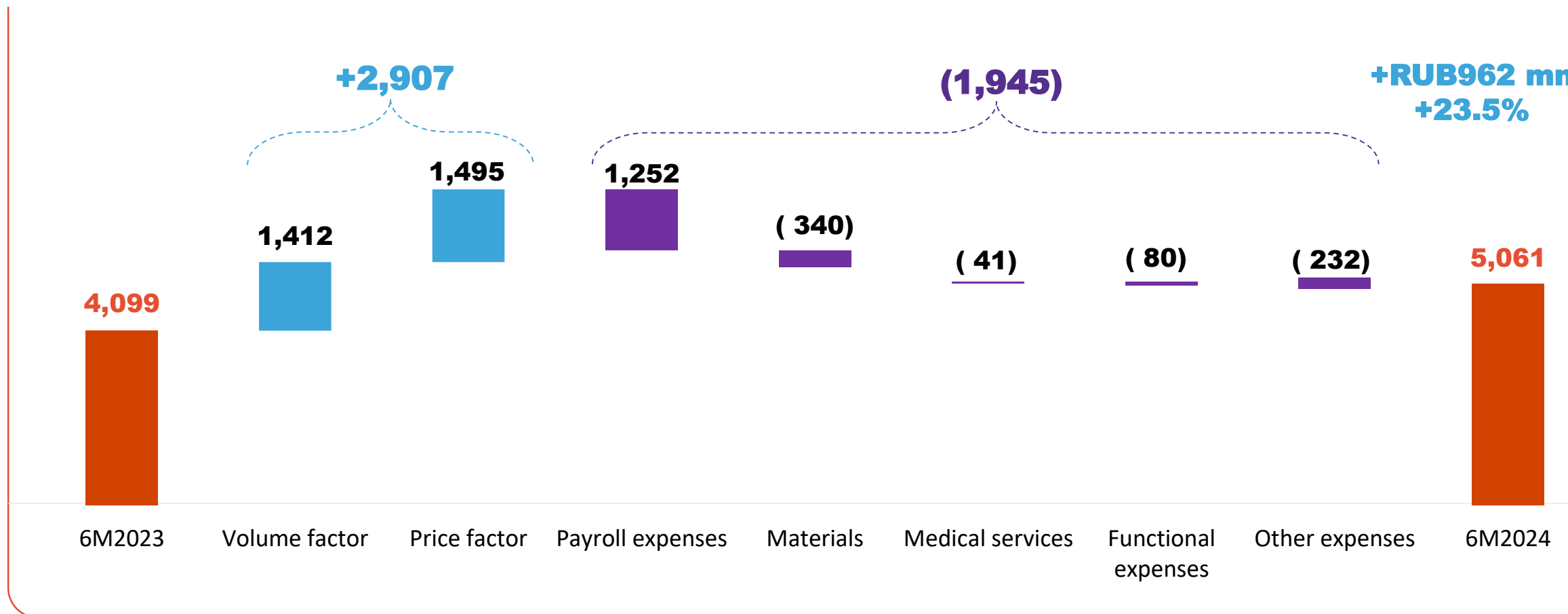


¹Changes in Revenue by assets / segments are presented taking into account intra-group transactions.



EBITDA decomposition

Bridge analysis¹, RUB mn



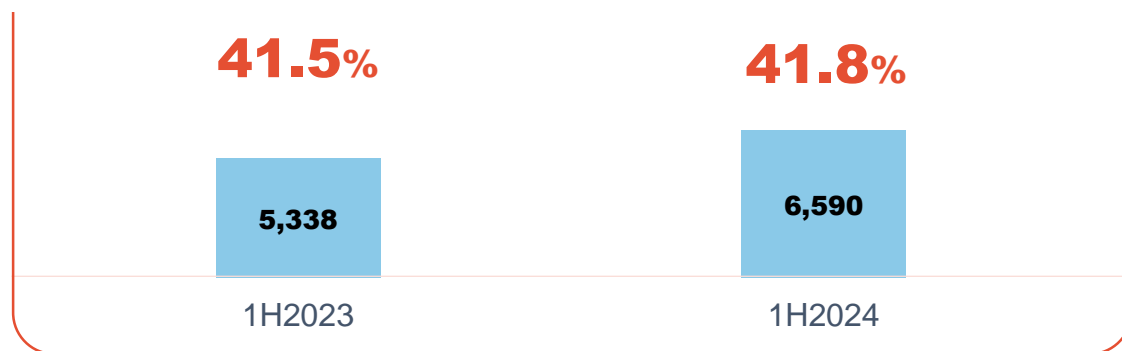
¹Changes in EBITDA by assets / segments are presented taking into account intra-group transactions.



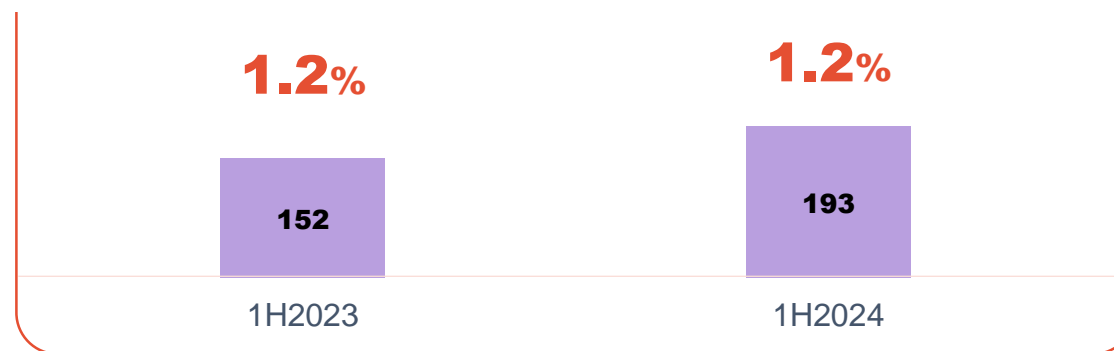
Key expenses, RUB mn

X% as of total Revenue

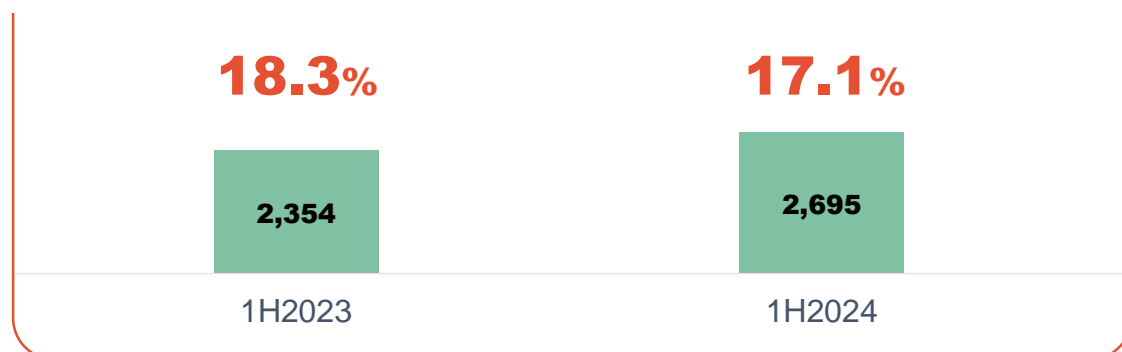
Payroll and Social expenses



Medical services expenses



Material expenses



Functional expenses¹

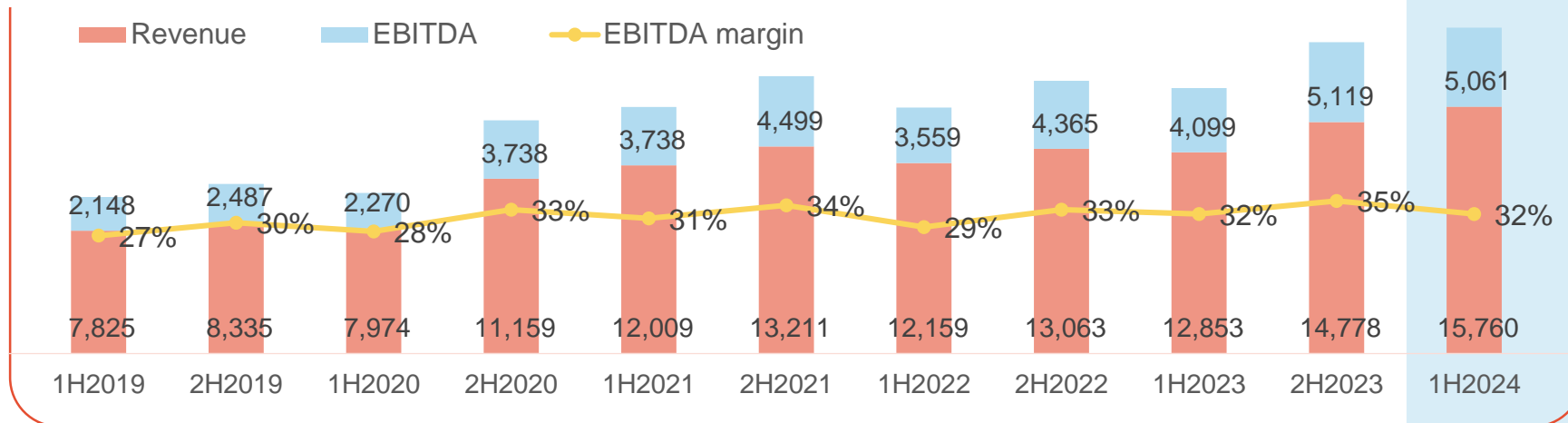


¹Functional expenses include marketing, IT, client service costs, staff training and communication services.

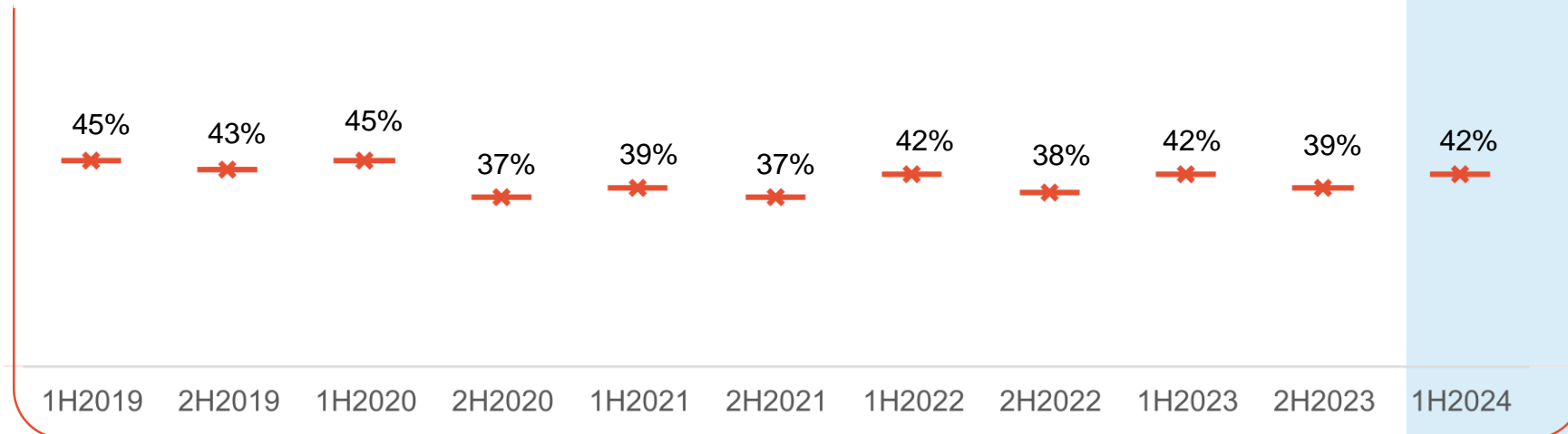


Revenue & EBITDA dynamics by half-year

Revenue & EBITDA, RUB bn



Share of Personnel expenses in Revenue



Ключевые факты

Traditionally, the second half of the year accounts for a higher volume of Revenue and EBITDA

Profitability is higher in the second half of the year, primarily due to revenue growth and lower effective social contribution rate



Balance sheet¹, RUB mn

Assets	2023	1H2024
Total non-current assets	29,347	29 798
Fixed assets	26,920	27 382
Intangible assets	2,179	2 155
Other non-current assets	247	260
Total current assets	11,989	16 617
Cash and cash equivalents	9,894	14 608
Inventories	1,086	920
Trade, other receivables and deferred expenses	1,010	1 088
Total assets	41,337	46 415

Equity and liabilities	2023	1H2024
Total long-term liabilities	1,709	1 929
Long-term lease liabilities	736	1 100
Contract liabilities	381	344
Trade and other payables	592	485
Total current liabilities	5,074	15 759
Short-term lease liabilities	141	180
Contract liabilities	1,953	2 170
Current trade and other payables	2,980	13 410
Total Equity	34,554	28 726
Total Equity and liabilities	41,337	46 415

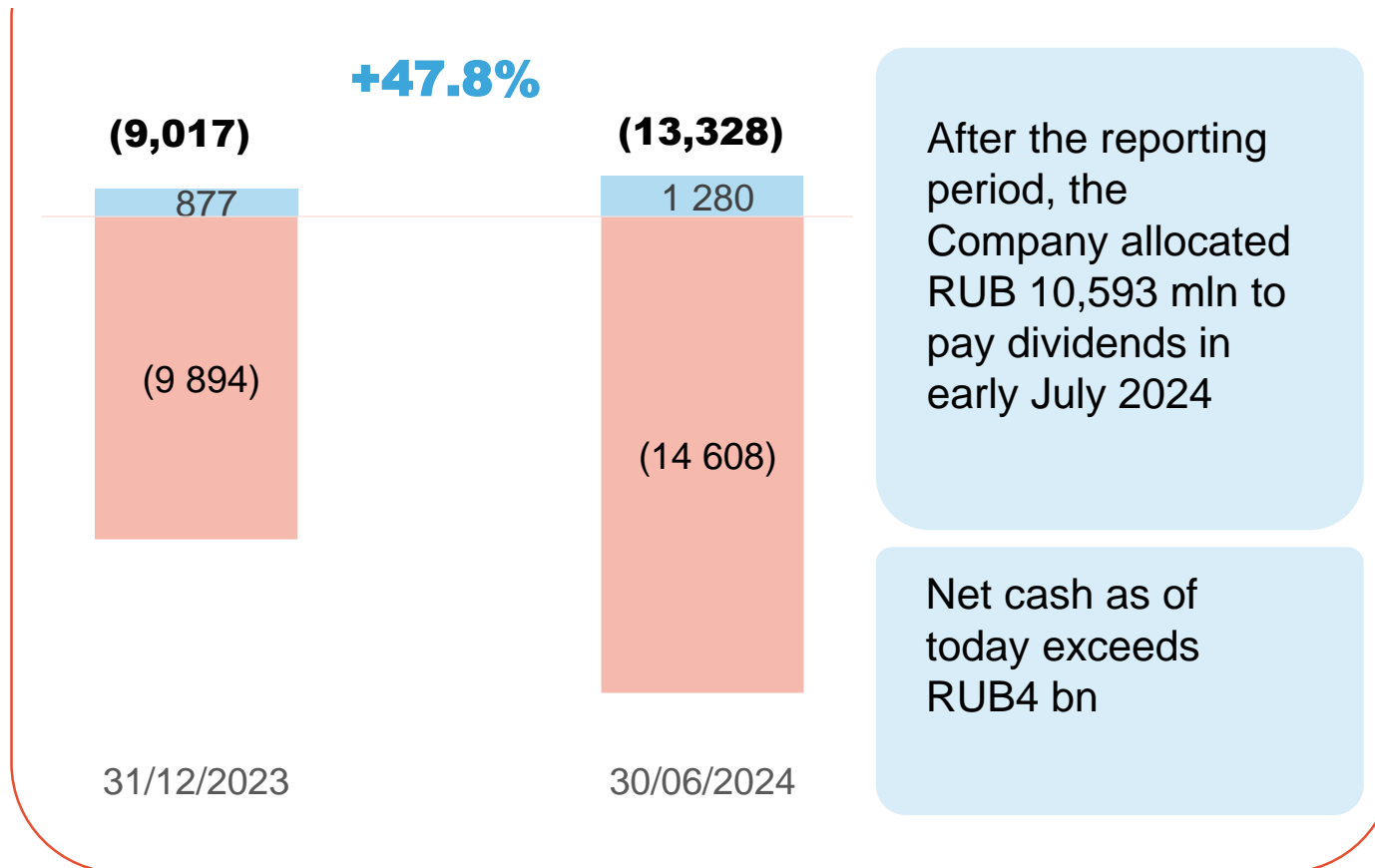
¹Minor variations in calculation of totals and subtotals are due to rounding of decimals.



Strong financial position

Net cash position, RUB mn

■ Cash and short-term bank deposits
 ■ Debt¹
(XX) (Net cash position)



Key facts



At the meeting held on 28 August 2024, the Company's Board of Directors approved dividends for 6M 2024 in the amount of RUB 1.7 billion, or RUB 22 per ordinary share in addition to the interim dividends already paid for 3M 2024

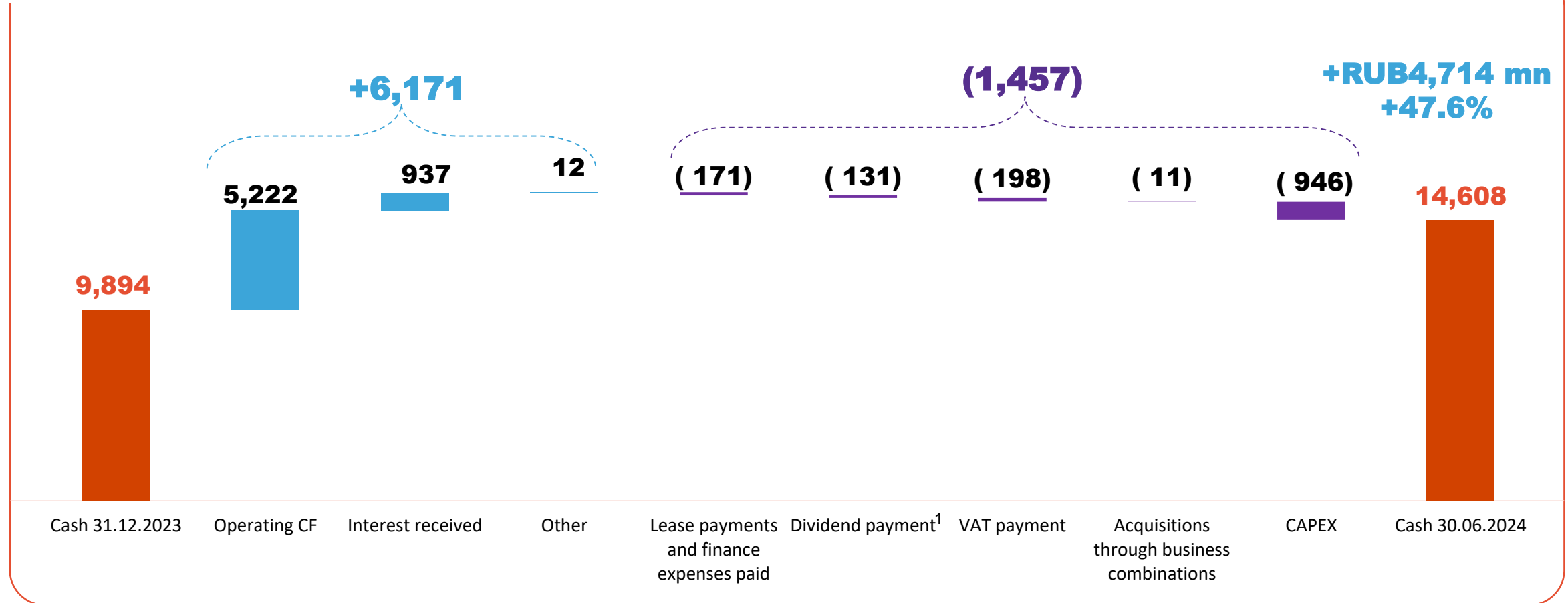
It represents a cumulative payout of 61% of the Group's IFRS consolidated net profit for 6M 2024.

¹The Group's debt is represented entirely by lease liabilities



Free cash flow

Bridge analysis, RUB mn

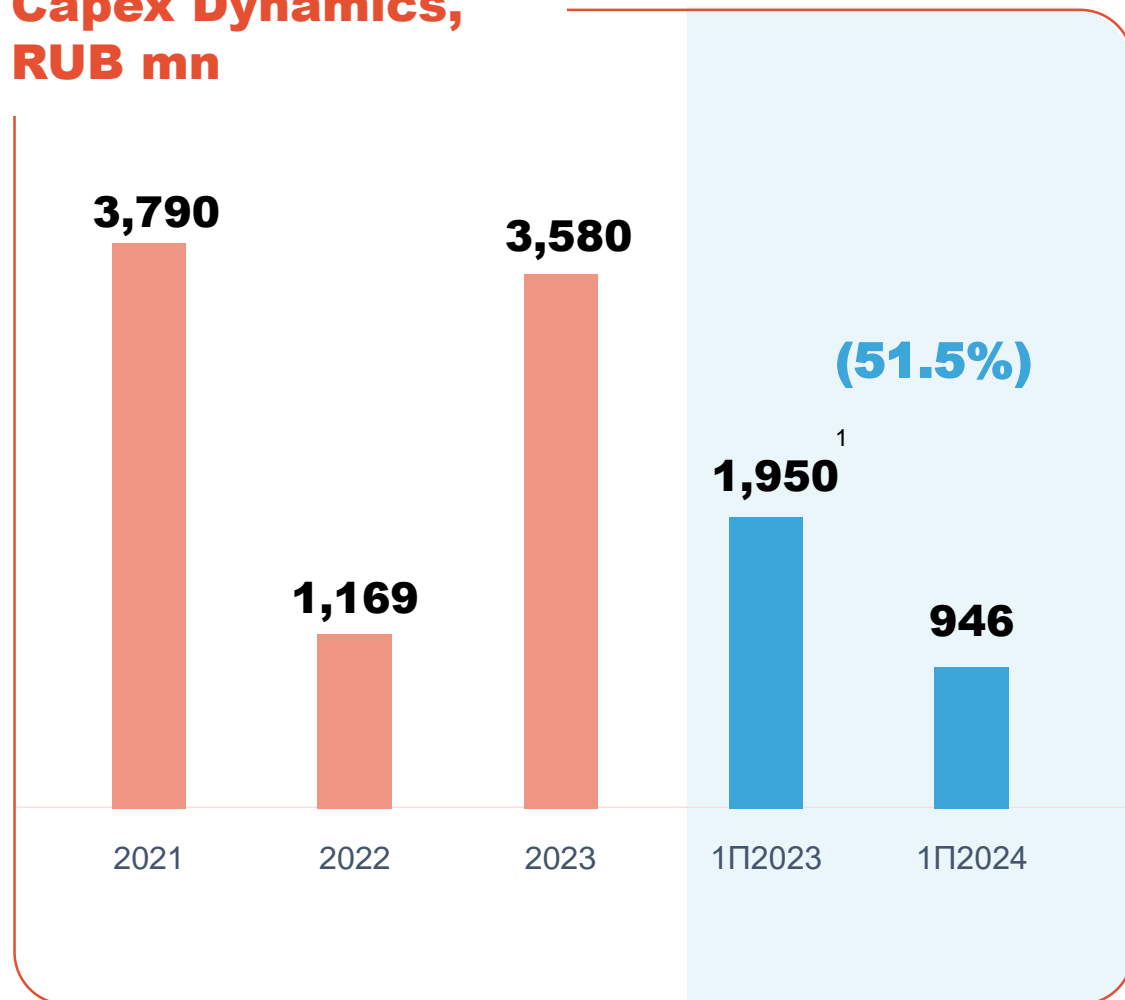


¹Non-controlling interest

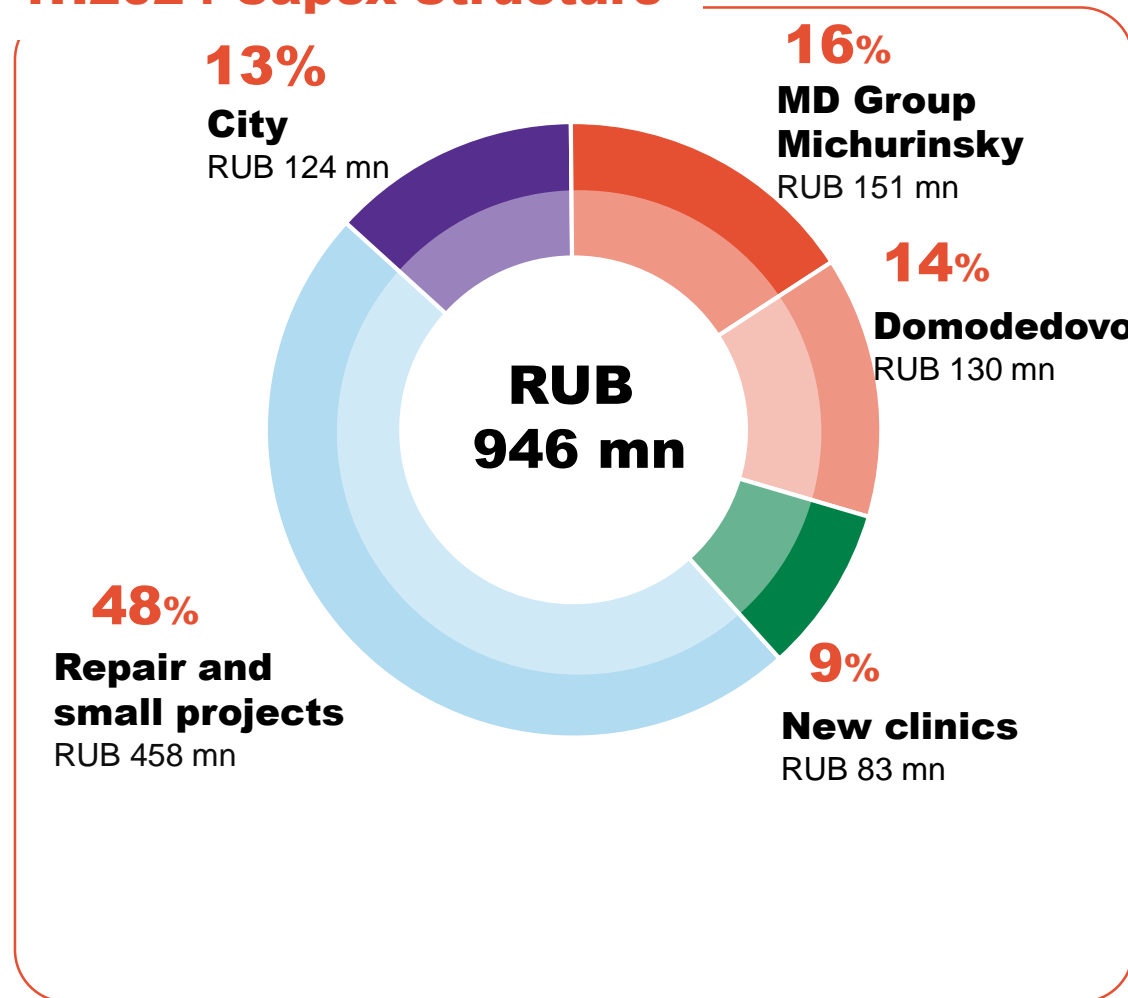


Capex highlights

Capex Dynamics, RUB mn



1H2024 Capex Structure



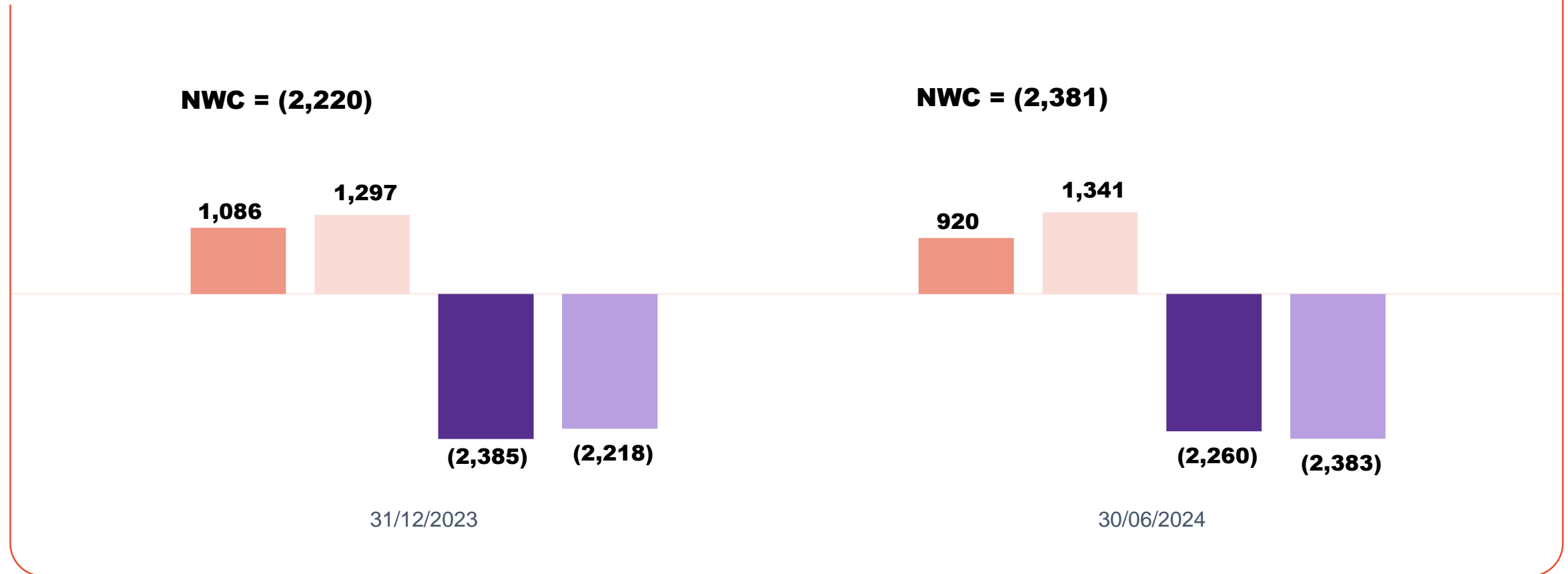
¹ In 1H2023 MD Group Michurinsky hospital was acquired. The amount paid under the deal in 1H 2023 was RUB 1,608 million



Net working capital Highlights

Bridge Analysis, RUB mn

Inventories Accounts receivables Accounts payable Contract liabilities





Investment Projects



New projects overview – Hospitals

	PLANNING AND DESIGN STAGE	
		
	Lapino-3	Domodedovo
 Region	Moscow and Moscow region	Moscow and Moscow region
 Profile	Nuclear medicine centre	Multifunctional hospital
 Key metrics	4,700m²	15,600 m²
 CAPEX, RUB mn	2,800	6,000
 Expected launch	2026	2026



New projects overview – Clinics in Moscow



Profile



Size



CAPEX, RUB mn



Expected launch

PLANNING AND DESIGN - MOSCOW

Moscow City
Business Center

Multidisciplinary

Solntsevo

Women's Health

Prospekt Mira

Women's Health

Orekhovo-Borisovo

Women's Health

1,460sq.m

175sq.m

210sq.m

201sq.m

386

35

39

41

3Q2024

3Q2024

4Q2024

4Q2024

PLANNING AND DESIGN – MOSCOW REGION

Krasnogorsk

Women's Health

Domodedovo

Women's Health

Mytishi
Expansion

Women's Health

Odintsovo
Expansion

Multidisciplinary

242sq.m

175sq.m

128sq.m

1,094sq.m

44

35

24

207

4Q2024

4Q2024

4Q2024

4Q2024



Profile



Size



CAPEX, RUB mn



Expected launch



New projects overview – Clinics in regions

PLANNING AND DESIGN



Profile



Size



CAPEX, RUB mn



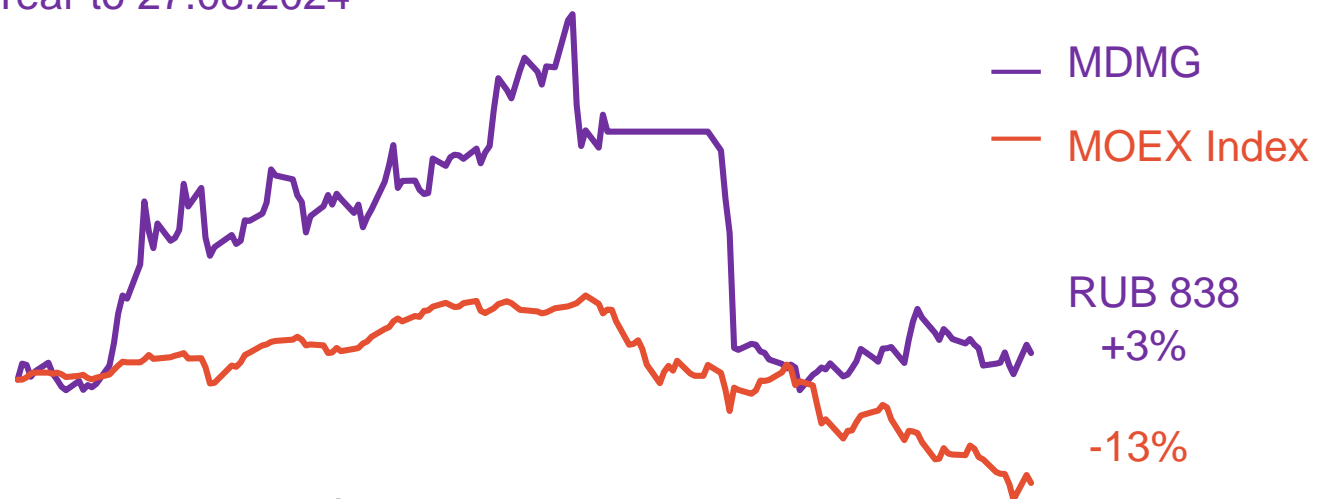
Expected launch

	Chelyabinsk	Khabarovsk	Kaliningrad	Surgut	Ufa	Samara Expansion
Profile	IVF	IVF	IVF	IVF	Multidisciplinary	Pediatrics
Size	420 sq.m	559 sq.m	455 sq.m	550 sq.m	355 sq.m	850 sq.m
CAPEX, RUB mn	84	113	110	110	64	100
Expected launch	3Q2024	4Q2024	1Q2025	1Q2025	1Q2025	1Q2025



MDMG vs MOEX Index dynamics

Year to 27.08.2024



MDMG target price, RUB

	1,272
	1,197
	1,150
	1,140
	1,100
	1,100

Key facts

- ✓ 28 May 2024 – MD Medical Group IPJSC is registered in the Special Administrative Region (“SAR”) on Oktyabrsky Island in Russia's Kaliningrad Region
- ✓ Beginning of July - MD MEDICAL GROUP INVESTMENTS PLC has been struck off the Cyprus register of companies because it is continuing under the legal regime of another country of jurisdiction.
- ✓ 17 June 2024 - Start of trading in shares of MD Medical Group IPJSC upon completion of conversion of GDRs into ordinary shares
- ✓ **Total free-float – 32%**
- ✓ **Actual free-float after conversion of GDRs into shares – 29%**

Contacts



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