

# MD MEDICAL GROUP



Investor Presentation

The Russia Forum 2013  
Moscow



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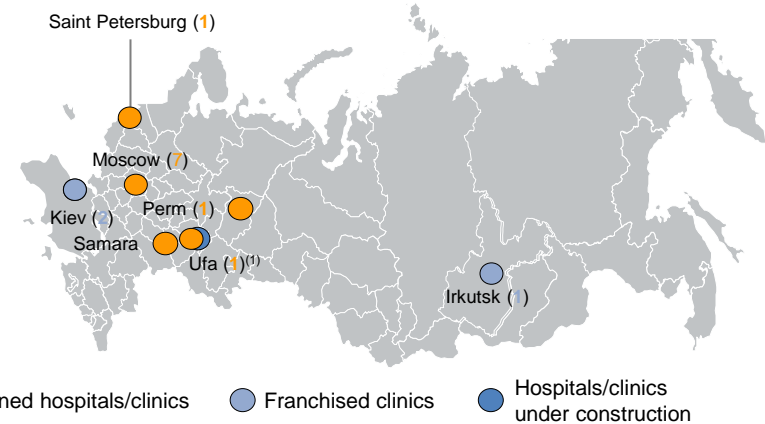


# MD Medical Group at a glance

## MD Medical Group (“MDMG”) overview

- Russia’s leading private healthcare provider in women’s health and paediatrics
- Wide range of medical services including obstetrics and gynaecology, fertility and IVF treatment, paediatrics and other services (family medical services, dental care, stem cell storage, laboratory testing and radiology diagnostics)
- Network of modern and high-quality healthcare facilities in Moscow and Russian regions
- Equipment provided by leading international and domestic suppliers
- Highly qualified medical personnel supervised by recognised medical experts

## Extensive network across Russian regions

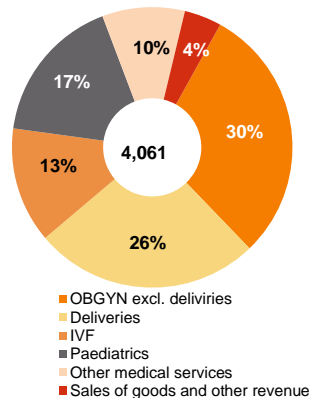


## Overview of services provided

### Service range

Obstetrics and gynaecology	Paediatrics
<ul style="list-style-type: none"> <li>•Pregnancy management</li> <li>•Delivery services</li> <li>•Gynaecology</li> </ul>	<ul style="list-style-type: none"> <li>•Treatment of paediatric diseases</li> <li>•Immunization shots</li> <li>•Home visits</li> </ul>
Fertility and IVF treatment	Other services
<ul style="list-style-type: none"> <li>•Surgical management of fertility related problems</li> <li>•Reproductive technologies</li> </ul>	<ul style="list-style-type: none"> <li>•Laboratory services</li> <li>•Stem cell storage</li> <li>•Dental care</li> <li>•Radiology services</li> <li>•Family Medical services</li> </ul>

### Revenue breakdown, 2012

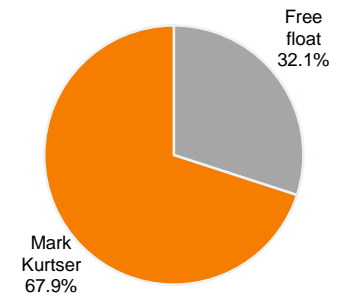


## Key financials and shareholder structure

### Key financial metrics (RUB mln)

	2009	2010	2011	2012
Revenue	1,790	2,044	2,908	4,061
growth, %		14%	42%	40%
EBITDA <sup>3</sup>	955	1,089	1,292	1,694
growth, %		14%	19%	31%
Net Income	564	735	924	1,538
growth, %		30%	26%	66%
Net Debt	572	(112)	1,059	(2,054)
Net Debt / EBITDA	0.6x	(0.1)x	0.8x	(1.2)

### Shareholder structure post IPO




Note: Company has GDRs listed on the London Stock Exchange (Ticker: MDMG LI)

Note: <sup>1</sup> MDMG plans to open a hospital in Ufa in 2015; <sup>2</sup> calculated as operating profit before depreciation and amortization



## Unique service proposition

- Unlike commercial departments of public clinics or other private healthcare providers MDMG's maternity hospitals offer full-cycle services
- The company's pricing for a starting package for delivery is comparable to commercial packages in the best public hospitals
- Other private healthcare providers in Moscow - Medsi, EMC, OAO Medicina, American Medical Center - do not offer delivery services; EMC refers its pregnant patients to MDMG clinics for delivery

		Commercial departments of public clinics
<b>Full-cycle services offering</b>	+	-
<b>Modern facilities &amp; equipment</b>	+	+ -
<b>Comfortable accommodation</b>	+	+ -
<b>Dedicated &amp; professional staff</b>	+	+ -
<b>No grey schemes</b>	+	-

		Central Clinic Hospital	National Institution for Obstetrics, Gynecology and Perinatology of Russia	Centre of Family Planning and Reproduction	Maternity Hospital # 4	OAO Medicina
Base price of delivery, RUB	160,000 (average of 315,000)	170,000	113,000	125,000	123,410	--
Pre-natal management, RUB	80,000 (clinics) 150,000 (PMC)	na	62,000	98,500	83,000	114,700
Number of deliveries pa <sup>(1)</sup>	3,353	c. 1,200	na	c. 7,500	8,567	no delivery service

<sup>1</sup>: Moscow City Department of Health estimates that some 20% of customers pay for delivery in public hospitals  
Source: Clinics' information



## Key 2012 events update

### Strong operating results

- Strong growth across all operational indicators as a result of successful integration of acquired outpatient clinics, continuous demand growth for IVF, OBGYN and pediatric services
- Record high deliveries at PMC in 2012, representing 13% growth y-o-y
- Expansion of service range provided by the Group

### Successful and timely launch of new facilities

- The Company's second 42,000 sq.m. hospital, Lapino, opened on schedule on 24 November 2012
- Lapino Hospital is the only well equipped medical facility in the western suburbs of Moscow: strong market potential for polyclinic, trauma, and rehabilitation services
- Regional expansion into Perm with opening of Mother & Child outpatient clinic

### Corporate development and corporate governance

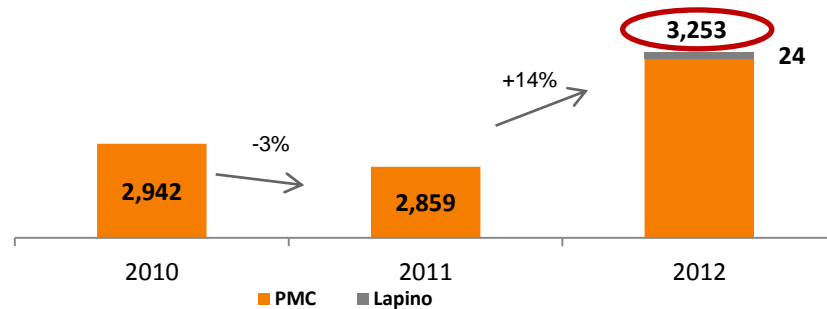
- Completed a successful IPO of Global Depository Receipts on the London Stock Exchange, raising \$150 million to fund future growth
- Simon Rowlands and Kirill Dmitriev joined the BoD as non-executive directors, bringing a wealth of sector-specific experience, as well as extensive local market knowledge
- Board of Directors proposed a dividend for 2012 of 0.13USD per share. Record date, payment date as well as AGM date will be set at the upcoming BoD meeting on 23 April 2013



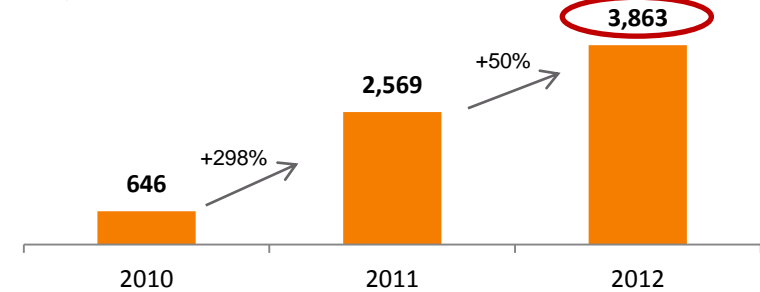


## 2012 operating results

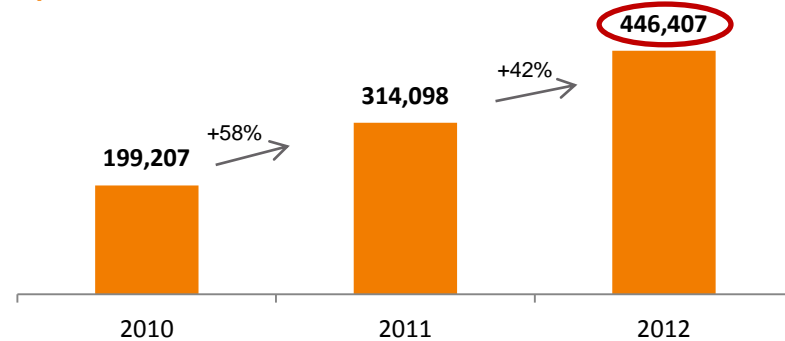
### Deliveries



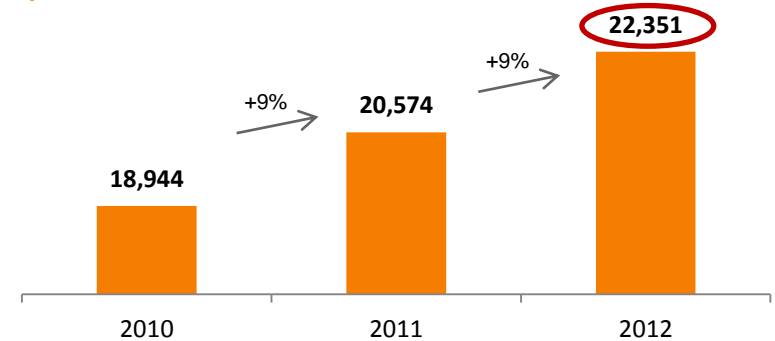
### IVF cycles



### Out-patient visits



### In-patient treatments



#### Strong growth across all key performance indicators as a result of:

- **Footprint expansion:** Continuous expansion through acquisition and launch of new clinics: Moscow, Perm, Ufa, Saint Petersburg
- **Service range expansion:** Move from core women's health services to "full-cycle" women's health and paediatrics model. Updated treatment methods (including ART, foetal surgery, MRI, endovascular surgery)
- **Leadership in innovative technologies in women's health and pediatrics:** first company to offer non-invasive prenatal testing
- **Comprehensive integration of acquired outpatient clinics:** Continued growth in operational efficiency by applying group standards



## Financial Highlights

RUB mln*	FY2012	FY2011	Change
<b>Revenue</b>	<b>4,061</b>	<b>2,908</b>	<b>40%</b>
Cost of sales	(2,013)	(1,464)	38%
Gross profit	2,048	1,444	42%
Administrative expenses	(484)	(246)	97%
Operating profit	1,560	1,193	31%
<b>EBITDA*</b>	<b>1,694</b>	<b>1,292</b>	<b>31%</b>
EBITDA margin	42%	44%	-2 p.p.
<b>Net profit for the period</b>	<b>1,538</b>	<b>924</b>	<b>66%</b>
Net profit margin	38%	32%	6 p.p.
<b>Earnings per share**</b>	<b>21.46</b>	<b>13.76</b>	<b>56%</b>
Dividends per share***	3.95	-	-
<b>Dividends per share (USD)***</b>	<b>0.13</b>	-	-

### Results primarily driven by:

#### Revenue + 40%

- Solid operating performance
- Annual price indexation across all services

#### EBITDA + 31%

- Slight decrease of margin compared to 2011 due to integration of acquired clinics

#### Net profit +66%

- 0% corporate profit tax rate applicable to most MDMG companies starting in 2012

\* - EBITDA calculated as operating profit before depreciation and amortization

\*\* - Basic and fully diluted earnings per share calculated as profit for the year attributable to owners of the company divided by weighted average number of ordinary shares in issue during the year

\*\*\* - Proposed by Board of Directors, to be approved at AGM

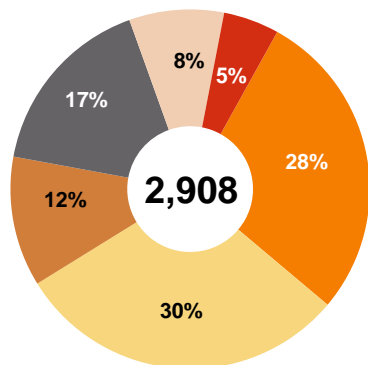


# Revenue analysis (1/3)

(RUB mln)	2012	2011	change, %
Obstetrics and Gynaecology (excl. deliveries)	1,208	816	48%
Deliveries	1,057	874	21%
IVF	542	341	59%
Paediatrics	693	483	44%
Other medical services	387	248	56%
Sales of goods and other revenue	175	146	20%
<b>Total Revenue</b>	<b>4,061</b>	<b>2,908</b>	<b>40%</b>

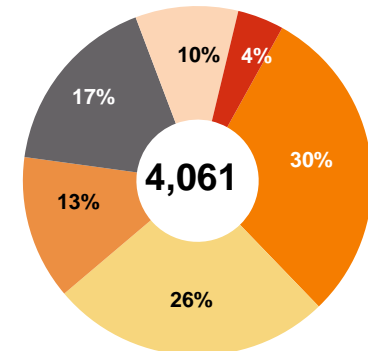
- **Record high number of deliveries** in 2012 on the back of growth rate outpacing that in Moscow
- **Solid growth of IVF segment:** a 50% increase in number of IVF cycles due to demand growth and launch of new clinics
- **Continuing increase of outpatient visits** as a result of expansion of the range of services provided by the Group and integration of new clinics
- **Other medical services grew by 56%**, mostly driven by expansion of service offering (including diagnostic centre at PMC)
- **Annual price indexation** by 6-7% in line with CPI

Total Revenue 2011 (mln RUB)

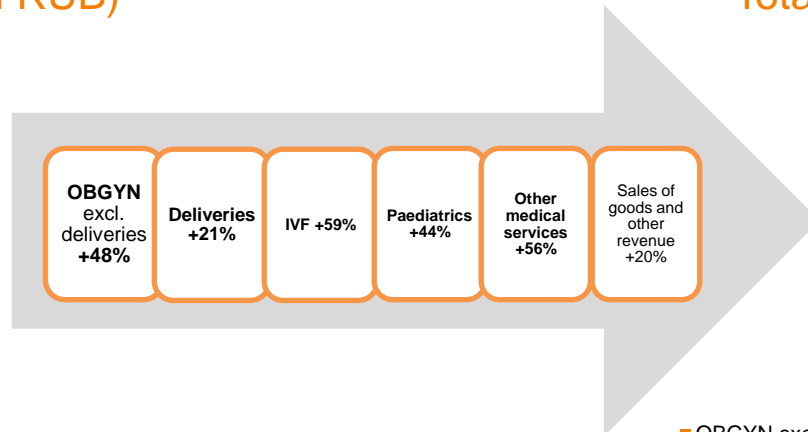


- OBGYN excl. deliveries
- Deliveries
- IVF
- Paediatrics
- Other medical services
- Sales of goods and other revenue

Total Revenue 2012 (mln RUB)



- OBGYN excl. deliveries
- Deliveries
- IVF
- Paediatrics
- Other medical services
- Sales of goods and other revenue







## Revenue analysis: OBGYN and deliveries (2/3)

		2012	2011	change, %
<b>Obstetrics and Gynaecology (except deliveries)</b>	<b>RUB mln</b>	<b>1,208</b>	<b>816</b>	<b>48%</b>
	RUB mln	417	309	35%
Inpatient treatments (except deliveries)	Patient-days	14,309	12,354	16%
	RUB ths. per patient-day	29.1	25.1	16%
	% of total*	35%	38%	-3p.p
Outpatient treatments	RUB mln	791	507	56%
	Admissions	239,367	164,196	46%
	RUB ths. per admission	3.3	3.1	7%
	% of total <sup>1</sup>	65%	62%	3 p.p
<b>Deliveries</b>	<b>RUB mln</b>	<b>1,057</b>	<b>874</b>	<b>21%</b>
	Deliveries	3,253	2,859	14%
	RUB ths. per delivery	325	306	6%

- The 35% growth in revenue from inpatient treatments (excluding deliveries) was driven by an increase in the number of inpatient treatments, price indexation as well as by changes in the composition of services towards more expensive services
- The outpatient treatments subgroup was the fastest growing group of services in 2012, primarily driven by the integration of outpatient clinics acquired earlier
- The number of deliveries increased by 14% y-o-y due to growth of newborns in Moscow on the back of favorable demographic environment, improved efficiency of patient-day utilization and increasing referrals from own network of clinics



## Revenue analysis: IVF and paediatrics (3/3)

		2012	2011	change, %
<b>IVF</b>	<b>RUB mln</b>	<b>542</b>	<b>341</b>	<b>59%</b>
	Cycles	3,863	2,569	50%
	RUB ths. per cycle	140.3	132.6	6%
<b>Paediatrics</b>	<b>RUB mln</b>	<b>693</b>	<b>483</b>	<b>44%</b>
	RUB mln	137	101	35%
	Patient-days	8,042	8,220	-2%
Inpatient treatments	RUB ths. per patient-day	17.0	12.3	38%
	% of total*	20%	21%	-1 p.p.
	RUB mln	557	382	46%
	Admissions	166,405	111,133	50%
Outpatient treatments	RUB ths. per admission	3.3	3.4	-2%
	% of total*	80%	79%	1 p.p.
<b>Other medical services</b>	<b>RUB mln</b>	<b>387</b>	<b>248</b>	<b>56%</b>
	Admissions	40,635	38,769	5%

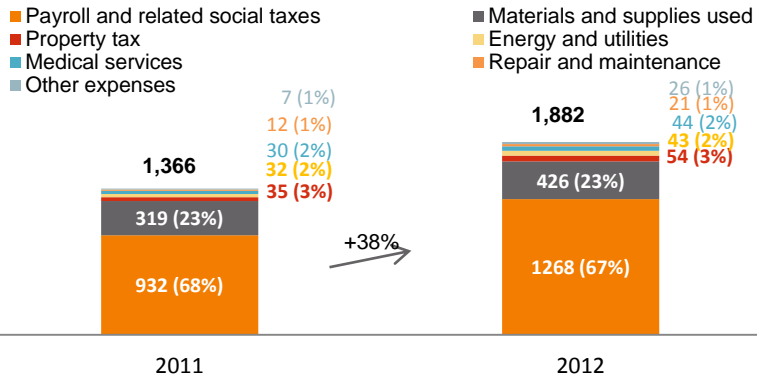
- Increase in average price per IVF cycle in 2012 was driven by annual price indexation implemented in line with the Group's pricing policy
- Revenue from paediatric outpatient treatments grew substantially by 46% driven by the acquisition of outpatient clinics, as well as by organic growth at PMC
- Revenue growth in inpatient paediatric treatments was mainly driven by increase of average check due to changes in the composition of services towards more expensive services
- Revenue from other medical services includes dental care and medical diagnostic services, stem cell storage bank, laboratory examinations

\* - Share in Paediatrics (value terms)

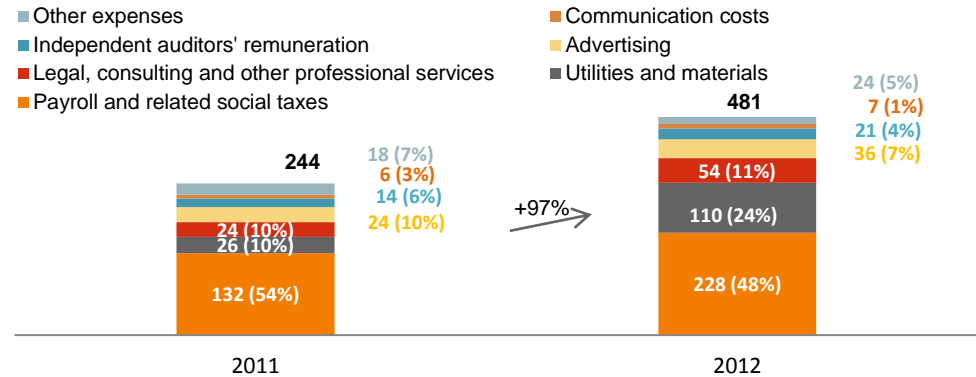


# COGS, SG&A and EBITDA analysis

## Cost of sales (excl. D&A)

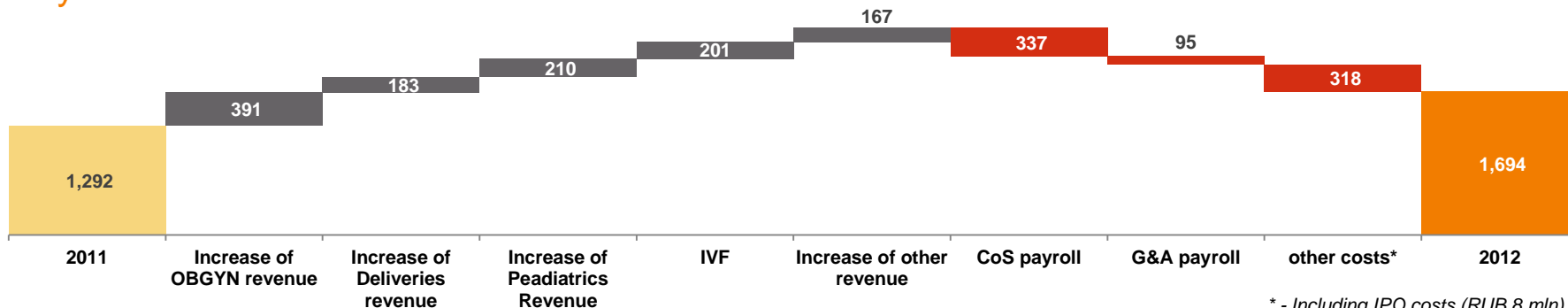


## Administrative expenses (excl. D&A)



- Payroll (incl. related social taxes) and materials and supplies used account for the majority of MDMG's COGS (excl. D&A): 67% and 23% in 2012 respectively. Absolute growth in these two key cost items by 35% was driven by the acquisition of outpatient clinics as well as by organic expansion at PMC. In absolute terms, direct costs (excl. D&A) grew by 38% in 2012 (vs. Revenue growth of 40%)
- 36% growth in payroll was primarily driven by an 11% increase in the number of the Group's medical personnel, as well as due to growth of variable wages in line with revenue growth
- SG&A expenses excl. D&A increased by RUB 237 million – or by 97% - in 2012 on the back of the acquisition of outpatient clinics. A significant part of this growth (RUB 180 million) came from an increase in payroll, as well as in utilities and materials

## Key EBITDA drivers 2012 vs. 2011



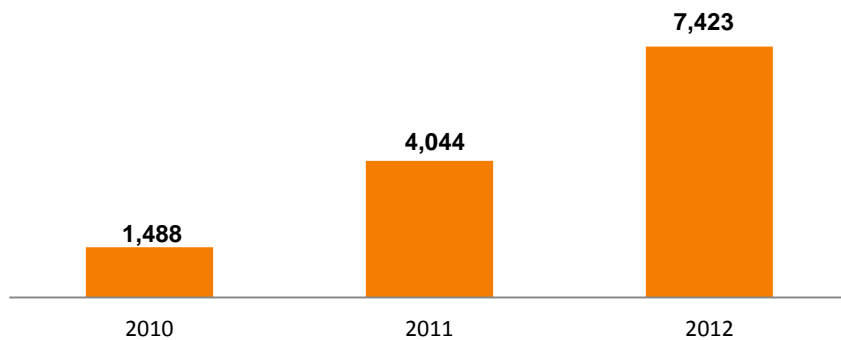
\* - Including IPO costs (RUB 8 mln)



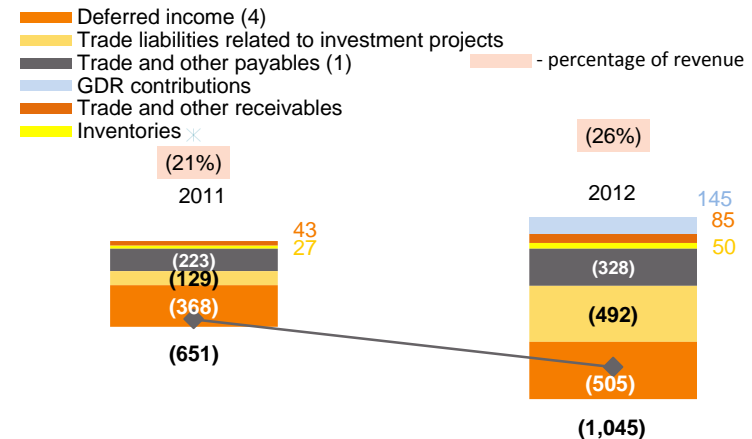
# Balance sheet overview

- Continued solid growth of PP&E assets due to new CAPEX spend
- Approximately 90% of revenue comes from direct paying customers; most of them are serviced on a pre-payment basis
- As a result, MDMG primarily operates with a negative working capital providing additional source of financing for MDMG
- Long-term debt amounted to more than 90% of total financial liabilities, 100% - RUB denominated

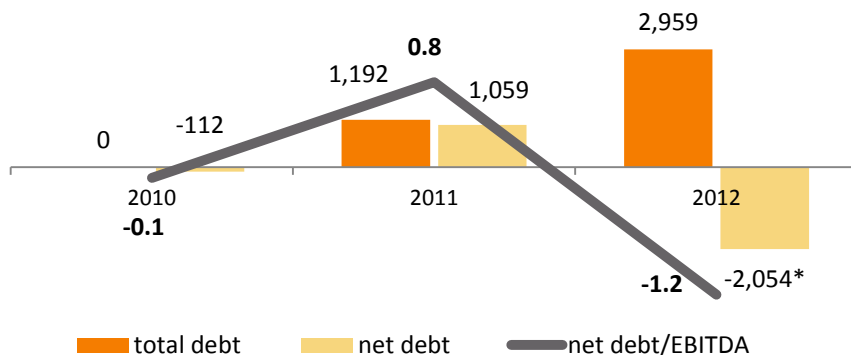
## PP&E



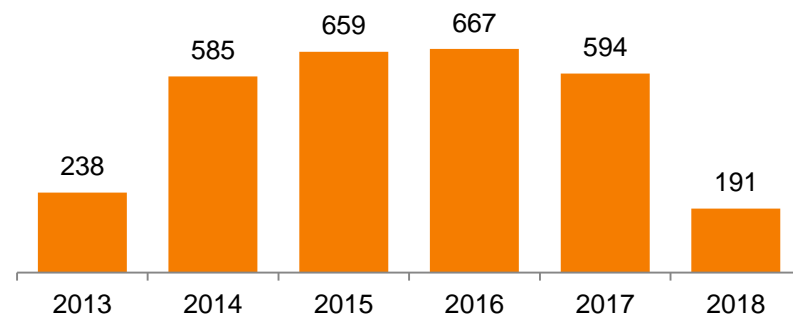
## Working Capital (RUB mln)



## Total and Net Debt Dynamics, RUB mln\*



## Debt repayment schedule

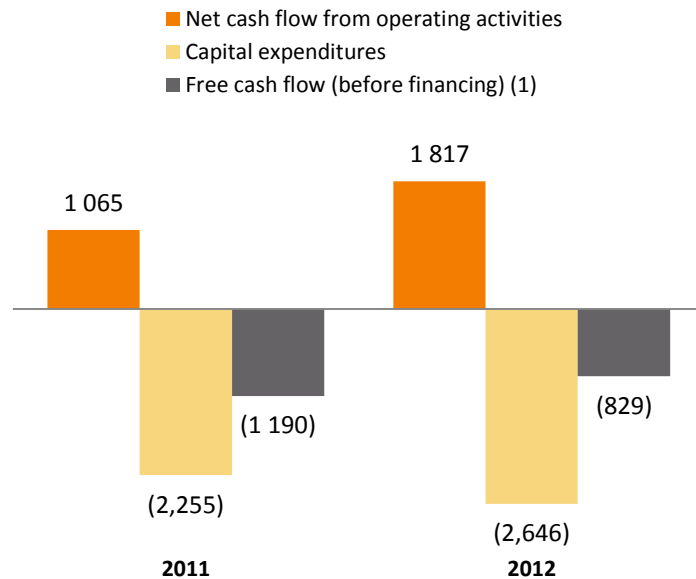


\* Including bank deposits with maturity in May 2013, classified as short-term investments

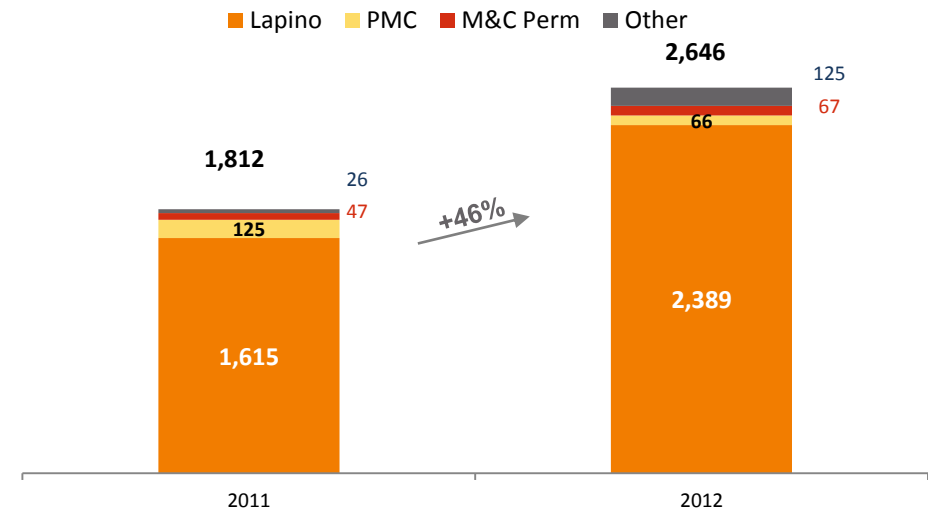


# Cashflow metrics and Capex

## Cash flow metrics (RUB mln)



## 2012 Capex breakdown (RUB mln)



- High cash flow generation and low debt level provide for ample capacity to fund future growth
- Continued investments in Lapino Hospital, “Mother and Child Perm” and “Clinic of Health” (refurbishment of additional premises)

- Total CAPEX increased by 46% and amounted to RUB 2,646 mln in 2012
- The dominant share of CAPEX went on the construction of Lapino Hospital



# Lapino Hospital opened on schedule



- The new state-of-the-art, 182-bed medical centre was opened on schedule on 26 November 2012
- Lapino hospital is located in an affluent Moscow suburban area and, in addition to maternity care and paediatrics, will focus on diagnostics, trauma, therapy and rehabilitation.
- PMC is located sufficiently far away from Lapino Hospital to limit potential patient base cannibalization
- 245 deliveries were registered at Lapino In q12013

	Lapino Hospital	Perinatal Medical Center
Size	42.0k sqm	27.6k sqm
Main departments	<ul style="list-style-type: none"> <li>✓ Maternity care</li> <li>✓ Paediatrics</li> <li>✓ Diagnostics</li> <li>✓ <b>Trauma</b></li> <li>✓ <b>Surgery</b></li> <li>✓ <b>Rehabilitation</b></li> </ul>	<ul style="list-style-type: none"> <li>✓ Maternity care</li> <li>✓ Paediatrics</li> <li>✓ Reproductive health &amp; IVF</li> <li>✓ Diagnostics</li> </ul>
Capacity	182-beds 3,000 deliveries 600k outpatient visits 94 offices	250-beds 3,500 deliveries 300k outpatient visits 43 offices
Number of medical personal	Actual : 368 Target : 600	534



## Mid-term and long-term expansion strategy



### Action steps

- Continuous search for new locations in Moscow/Saint-Petersburg and other attractive regions
- Marketing campaigns in the regions of interest to create demand before entering new markets
- Leverage on successful experience in Moscow and Ufa
- Active cooperation with regional authorities



## Pipeline of existing projects: Ufa, Bashkortostan

### Disciplined execution

- Construction started on schedule. Ground breaking ceremony was held on 11 March 2013
- Project design and construction permits completed
- Opening scheduled for late 2014 / beginning of 2015

### Favourable market environment

- Total regional population of 4.1 million people of which 1.1 million live in capital city Ufa
- Among top-10 Russian regions in terms of gross regional product
- Around 57,000 deliveries per annum
- Birth rate of 13.7 is higher than country average of 13.3

### Well established existing outpatient clinic

- MDMG has an experienced and highly motivated team in Ufa
- The existing outpatient clinic is very successful
- The local authorities are supportive of the Company's plans in the region



### Key figures

- **Deliveries** – 3,000 units
- **Gynecology** – 18,250 patient days
- **IVF** – 1100 IVF cycles
- **Pediatrics** – 13,500 patient days
- **Outpatient services capacity** - c245k admissions
- **Total CAPEX** - 3.5 bln

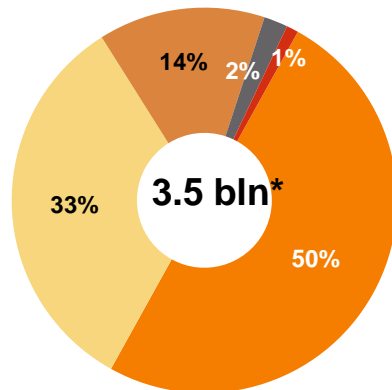




# Pipeline of existing projects: Yekaterinburg and N.Novgorod

- Yekaterinburg and Nizhny Novgorod are Russia's largest industrially developed agglomerations lacking high quality medical services including maternity care and paediatrics
- The Company has strong support from local authorities in executing these socially important projects
- All construction permits will be received by year end

## Typical CAPEX breakdown for hospital



■ Construction ■ Fit-out ■ Equipment ■ Technical documentation ■ Other

\*- Preliminary estimates

## Overview and rational

	Yekaterinburg	Nizhny Novgorod
<b>Region's population</b>	4.3 mln.	3.3 mln.
<b>Share of urban population</b>	36%	48%
<b>Share in Russia's gross regional product</b>	2.8%	1.7%
<b>Deliveries per annum</b>	58,000	35,000

## Major CAPEX projects in execution

	Yekaterinburg	Nizhny Novgorod
<b>Capacity</b>	<b>Deliveries:</b> 3 000 units <b>Surgery:</b> 18 000 patient days <b>Pediatrics:</b> 14 000 patient days <b>IVF:</b> 1 000 cycles <b>Admissions:</b> circa 250 thousand <b>Size:</b> 32 000 square meters	
<b>Expected start of construction*</b>	q1 2014	q2 2014
<b>Expected start of operation*</b>	q1 2016	q2 2016

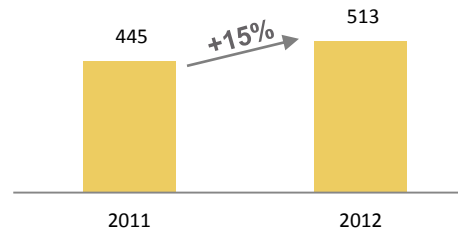


# Acquisition of IDK clinics

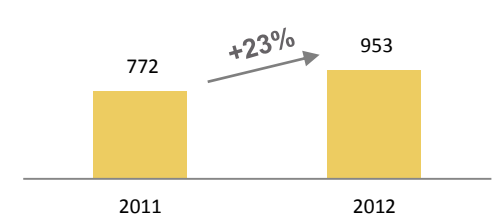
## Overview and rationale

- IDK is Samara based chain of clinics, focused on IVF, out-patient obstetrics and gynaecology and paediatrics and is an ideal fit for MDMG’s expanding network across Russia
- Acquisition of IDK will enhance MDMG’s market position in terms of number of IVF and other out-patient treatments:
  - Number of IVF treatments in IDK in 2012 was 953, which represents 25% of MDMG’s 3,863 cycles
  - Total number of out-patient treatments in IDK in 2012 was 152,900 representing 34% of total outpatient treatments for MDMG
- The acquisition is consistent with MDMG’s strategy of regional expansion and development of a high quality network of out-patient clinics (along with construction of large hospitals) focusing on IVF, obstetrics and gynecology and paediatrics
- IDK operates a similar model to existing Mother and Child clinics and will be integrated into the Mother and Child network

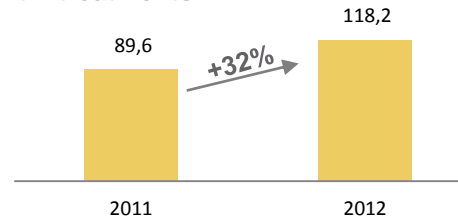
Revenue, mln RUB



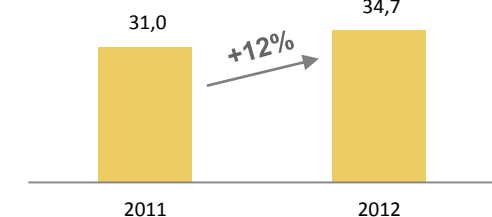
IVF, cycles



Other out-patient services, th. treatments



Out-patient paediatrics, th. treatments



## Key terms of the transaction

### Closing

The transaction is expected to be completed in the first half of 2013 after receipt of regulatory approvals

### Consideration

USD 16.1 mln to be paid in cash

### Financing

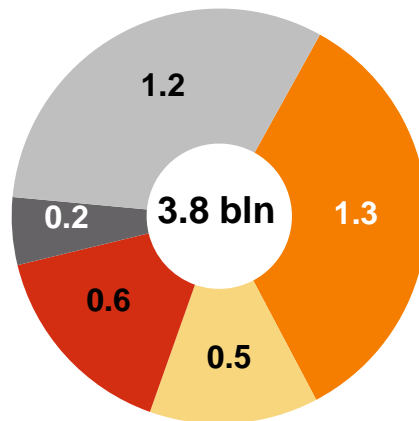
Own funds



# Debt level and Capital Expenditure plans

- 2012 Capex amounted to RUB 2.6 bln, including RUB 2.4 bln spent on construction of Lapino Hospital
- As of YE2012 the company's total debt amounted to approximately RUB 3.0 bln, while total cash position was at approximately RUB 5.0 bln
- Capex plan for 2013 amounts to approximately RUB 3.8bln

## 2013 CapEx plans breakdown (RUB bn)



- Construction in Ufa
- Construction and equipment in Lapino
- IDK, including modernization Capex
- Maintenance and refurbishment
- Regional expansion

## Typical MDMG development project

Facility type	CapEx	Timing	Example
<b>Hospital</b>	US\$100-150mln	c. 3 years	– Lapino – Ufa
<b>Outpatient clinic</b>	US\$3-4mln	c. 1 year	– St. Petersburg – Perm

## Major CAPEX projects in execution

Project	CAPEX	Timeframe
<b>Ufa Hospital</b>	RUB3,500mln	H2 2012 - 2014
<b>Payment for Lapino equipment</b>	RUB500mln	2013-2014
<b>Mother and Child Clinic of Health refurbishment and new equipment</b>	RUB68mln	H1 2013
<b>Maintenance Capex</b>	RUB135mln	2013



## 2013 outlook and key priorities

### Disciplined execution of new projects

- Construction at Ufa on schedule
- Complete refurbishment of additional premises at Clinic of Health in Moscow in April
- Obtaining construction permits at Yekaterinburg and Nizhniy Novgorod by the end of the year

### Operational efficiency improvement

- Integration of acquired chain of clinics in Samara, introducing Group's corporate standards
- New services to increase capacity utilization at Lapino and PMC: rehabilitation, "natural birthing environment", new technologies (intercellular DNA recognition, genetic spectrum)

### Strongly placed for further growth

- Outstanding results for 2012 along with solid financial position provide excellent springboard for further growth
- MDMG is considering greenfield project in Yaroslavl, representing an out-patient, IFV and gynecology clinic
- MDMG will seek for efficient clinics, specializing on women's and children's healthcare services in economically developed regions of Russia





## Our competitive strengths

1

Highly attractive Russian private healthcare services market

2

Leading position in high-quality women's health and paediatrics

6

Track record of strong operational and financial performance



3

Highest-quality clinical care with a full-cycle service offering

5

Highly qualified medical professionals led by renowned clinicians

4

Growing network of healthcare facilities in attractive regions of Russia



## Contacts

### **Maxim Novikov**

Head of Investor Relations

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# Appendix





## MDMG's profit and loss statement

(RUB mln)	2012	2011	2010
<b>Revenue</b>	<b>4,061</b>	<b>2,908</b>	<b>2,044</b>
Cost of sales	(2,013)	(1,464)	(956)
<b>Gross Profit</b>	<b>2,048</b>	<b>1,444</b>	<b>1,088</b>
<i>% of revenue</i>	50%	50%	53%
Other income	0.8	1	6
Administrative expenses	(484)	(246)	(135)
Other expenses	(4)	(6)	(2)
<b>EBITDA</b>	<b>1,694</b>	<b>1,292</b>	<b>1,089</b>
<i>% of revenue</i>	42%	44%	53%
Operating profit	1,560	1,193	957
Profit before tax	1,519	1,195	921
Tax	19	(271)	(187)
<b>Profit for the period</b>	<b>1,538</b>	<b>924</b>	<b>735</b>
<i>% of revenue</i>	38%	32%	36%





## MDMG's balance sheet

(RUB mln)	2012	2011	2010
Cash and cash equivalents	2,583	133	112
Short-term investments	2,430	-	-
Current trade, other receivables and deferred expenses	229	43	23
Inventories	50	27	14
Current tax asset	17	29	2
Property, plant and equipment	7,423	4,044	1,488
Loans receivable	-	-	269
CAPEX prepayments	150	462	-
Other non-current assets	31	31	40
<b>TOTAL ASSETS</b>	<b>12,914</b>	<b>4,769</b>	<b>1,947</b>
Current trade and other payables	756	352	91
Short-term portion of long-term loans and obligations under finance leases	263	132	-
Other current liabilities	450	338	236
Long term loans and borrowings	2,695	1,060	-
Other non-current liabilities	127	80	374
Equity	<b>8,623</b>	<b>2,807</b>	<b>1,246</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,914</b>	<b>4,769</b>	<b>1,947</b>
Net Debt*	<b>(2,054)</b>	<b>1,059</b>	<b>(112)</b>

\* Including banking deposits with maturity in May 2013, classified as short-term investments



# MDMG's cash flow statement

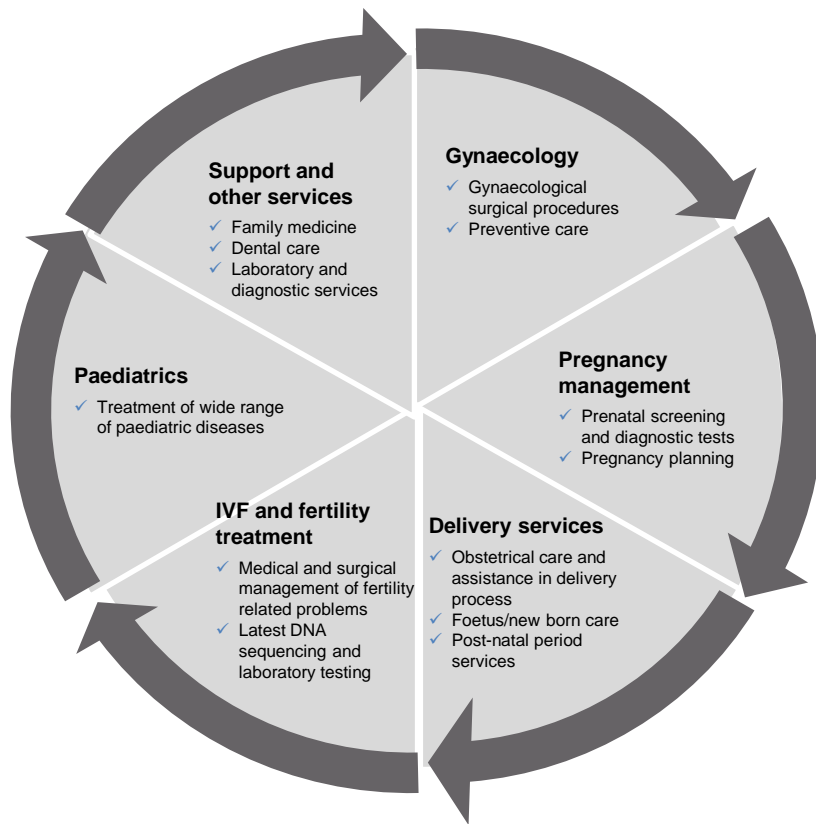
(RUB mln)	2012	2011	2010
<b>Cash flow from operating activities</b>			
Profit for the period	1,538	924	735
Adjustments for:			
D&A	134	99	132
Excess of Group's interest in the net fair value of the subsidiaries' assets	0	(46)	0
Income tax expense	(19)	271	187
Other adjustments	3	17	23
<b>Cash flow from operations before working capital changes</b>	<b>1,656</b>	<b>1,265</b>	<b>1,077</b>
Increase in inventories	(23)	(4)	(0)
Increase in trade and other receivables	(41)	(135)	(4)
Increase in trade and other payables	100	54	19
Increase in deferred income	136	139	40
<b>Cash flow from operations</b>	<b>1,828</b>	<b>1,319</b>	<b>1,131</b>
Tax paid	(11)	(254)	(193)
<b>Net cash flow from operating activities</b>	<b>1,817</b>	<b>1,065</b>	<b>938</b>
<b>Cash flow from investing activities</b>			
Payment for acquisition of PP&E	(2,646)	(1,812)	(32)
Short-term investments	(2,509)	0	0
Payment for acquisition of investments in subsidiaries	0	(443)	0
Payment for acquisition of investments in subsidiaries under common control	(9)	(331)	(336)
Other proceeds and payments	10	1	(265)
<b>Net cash flow used in investing activities</b>	<b>(5,155)</b>	<b>(2,585)</b>	<b>(633)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of share capital and share premium	4,374	552	269
Repayment of borrowings	(60)	0	(576)
Repayments of obligations under finance leases	(107)	(71)	0
Proceeds from borrowings	1,903	1,085	0
Interest paid	(179)	(0)	(23)
Dividends paid to the owners of the Company	(154)	(1)	0
Dividends paid to non-controlling interests	(11)	(22)	0
Other proceeds	0	0	132
<b>Net cash flow from financing activities</b>	<b>5,768</b>	<b>1,542</b>	<b>(198)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,429</b>	<b>22</b>	<b>108</b>
Cash and cash equivalents at the beginning of the period	133	112	4
Effect due to exchange rate changes	20	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>2,583</b>	<b>133</b>	<b>112</b>



# Highest-quality clinical care with a full-cycle service

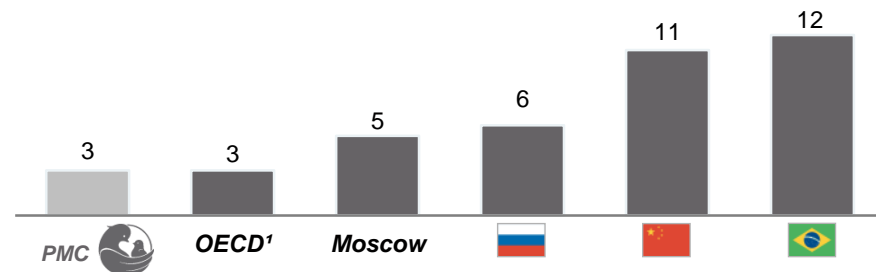
MDMG is the only private market player providing “full-cycle” service offering...

... with a special emphasis on high-quality clinical care...



...resulting in clinical outcomes comparable to developed markets

Neonatal mortality, per 1,000 live births (2010)



Source: Frost & Sullivan report  
Note: <sup>1</sup> Member countries of Organisation for Economic Co-operation and Development



# Corporate Governance

## Corporate Structure

General Meeting of Shareholders

Board of Directors (9 Directors)

Remuneration  
Committee

Nomination  
Committee

Audit  
Committee

- **Simon Rowlands (INED)**. Non-Executive Director with Spire Healthcare, a partner at Cinven Partners, working within both the Healthcare and Industrials sectors. Previously was a Director at Générale de Santé from 2001 – 2003. Holds an MBA in Business from the Cranfield School of Management, a BSc in Engineering and is a chartered engineer
- **Kirill Dmitriev**. CEO of the Russian Direct Investment Fund. Previously was a President of Icon Private Equity, Co-managing partner and CEO of Delta Private Equity Partners, investment banker at Goldman Sachs and a consultant at McKinsey & Co

## Key Board Members



**Mark Kurtser**  
*Chairman of the  
Board of Directors,  
Chairman of Nomination Committee*



**Elena Mladova**  
*Member of Board of Directors  
CEO, Chairman of Remuneration Committee*



**Simon Rowlands**  
*Chairman of Audit Committee,  
INED since 2012*



**Kirill Dmitriev**  
*Member of Board of Directors*