

ACQUISITION OF AVICENNA MEDICAL CENTER IN NOVOSIBIRSK

20 August 2014, Moscow, Russia – MD Medical Group Investments Plc (“MD Medical Group”, “MDMG” or the “Company” – LSE: MDMG), Russia’s leading provider of private women’s and children’s healthcare, today announces the proposed acquisition of 100% of shares of Ivicend Holding Ltd, the owner of the Avicenna Medical Center (also “Avicenna”), from unrelated third parties (the “Acquisition”).

The Avicenna Medical Center located in Novosibirsk, a Russian region where MDMG does not currently have any presence, comprises three multi-disciplinary medical and diagnostic clinics with its own laboratory and a hospital with a maternity ward. Avicenna is the largest private healthcare company in Russia outside of Moscow and St Petersburg and opened its first clinic in 1996. Since that time, Avicenna has established a market-leading reputation in the region for the provision of the highest quality medical care.

Novosibirsk is the third largest city in the Russian Federation, and is the administrative center of the Novosibirsk region with a total population of 2.7 million. In the region there are approximately 38,000 deliveries per annum and the corresponding birth rate of 14.2 per thousand people is higher than the average rate in Russia, making it an attractive and obvious place for MDMG to expand its operations.

The acquisition is for a total cash consideration of USD 45.5 million and will be 20% funded with the Company’s own cash assets, the other 80% will be financed with a bank loan. 95 per cent of the amount will be paid to the sellers after completion of the Acquisition. The remaining 5 per cent will be held in escrow until a new hospital, currently under construction (6,096 sq m, 48 beds), will be put into operation and adjoined to Avicenna’s existing facility in 2016-2017, at which point it will be leased by the Company. Completion of the Acquisition is subject to regulatory approvals as well as other conditions. The Acquisition is scheduled to complete in the fourth quarter 2014.

As calculated in accordance with unaudited management accounts, Avicenna generated revenues of 707 million RUB in 2013, while for the first half of 2014 the company managed to achieve 399 million RUB. The Acquisition is expected to be earnings enhancing to MDMG in the current financial year.

Avicenna’s three clinics and hospital are staffed by a highly-qualified and respected team of doctors that use unique modern equipment to offer a broad range of in- and out-patient services including deliveries, in vitro fertilization (IVF), obstetrics and gynecology, pediatrics, cardiology, radiation and ultrasound diagnostic, dentistry and neurosurgery, plastic surgery and urology, traumatology and orthopedics. In 2007, Avicenna was certified and currently holds a valid certificate of quality system ISO

9001:2008. The current management team of Avicenna will join MDMG to assist the integration of the clinics and hospital into the MD Medical Group.

There have been positive indicators across all Avicenna operations year on year with out-patient treatments increasing 14 per cent to 226,124 in 2013, contributing 33 per cent of total revenue. In-patient treatments increased 19 per cent to 4,222, contributing 20 per cent of total revenue. The number of IVF cycles increased by 11 per cent to 989, continuing a year on year positive trend and contributing 22 per cent of Avicenna revenues. In 2013, a total of 360 deliveries contributed 6 per cent to revenues. MDMG anticipates leveraging its expertise and brand recognition to grow all key operating metrics.

The first six months of 2014 have also demonstrated improving operating results within the group of Avicenna clinics. The total number of deliveries was 187, the number of in-patient treatments was 2,338 and in addition to this there were 118,682 out-patient treatments and 490 IVF cycles completed.

Commenting on the acquisition, Chairman of MD Medical Group, Dr Mark Kurtser said:

"We are delighted to acquire the Avicenna Medical Center, a high-quality and growing business with a strong position in Novosibirsk, a new region for MD Medical Group in Russia.

"MD Medical Group remains committed to continue its expansion into the regions in addition to realising opportunities to diversify its offering via the acquisition of leading businesses, with robust growth potential, such as Avicenna."

Elena Mladova, Chief Executive Officer of MD Medical Group, added:

"This acquisition enables MD Medical to not only strengthen its regional offering of private healthcare for women and children but also to diversify our capabilities and offer new medical services led by highly-experienced practitioners. We look forward to integrating the Avicenna business into our growing portfolio."

For more information, please refer to the presentation "Acquisition of Avicenna Medical Center" available in the Investors' section of the Company's website <http://www.mcclinics.com/>

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About MD Medical Group

MD Medical Group operates in the highly attractive Russian private healthcare service market and has a leading position in high-quality women's health and paediatrics. The company manages 17 modern healthcare facilities, including 2 hospitals and 15 outpatient clinics in Moscow, St. Petersburg, Ufa, Perm, Samara and Samara region, Irkutsk and Yaroslavl. In addition, 3 franchised outpatient clinics operate in Kyiv, Ukraine.

The Company's main medical facilities are the Perinatal Medical Centre (PMC), a 250-bed medical centre, which opened its doors in 2006, and Lapino hospital, a 182-bed medical centre, which opened at the end of 2012. In 2013, there were 3,816 deliveries in PMC and Lapino. The number of outpatient treatments for 2013 in PMC and the Company's outpatient clinics totalled 627,247. In March 2013, the Company began construction of its third hospital in Ufa. In April 2013 MD Medical Group completed the acquisition of the IDK Medical Company ("IDK"), a network of women's and children's health clinics located in the Russian region of Samara. In May 2013, the Company acquired Mother&Child clinic in Irkutsk, which had previously operated through a franchise agreement with MD Medical Group. The same month the Company completed a large-scale modernisation project of its Mother & Child Health Clinic in Moscow. In December 2013, a new outpatient clinic was opened in Yaroslavl which became the first healthcare facility in the region to provide IVF services.

The Company's shares have been listed on the London Stock Exchange (LSE ticker "MDMG") in the form of Global Depositary Receipts (GDRs) since 12 October 2012.

Forward-Looking Statements:

This press release contains forward looking statements, which are based on the Company's current expectations and assumptions and may involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. The forward looking statements contained in this press release are based on past trends or activities and should not be taken that such trends or activities will continue in the future. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially, including, but not limited to: conditions in the market, market position of the Company, earnings, financial position, cash flows, return on capital and operating margins, anticipated investments and economic conditions; the Company's ability to obtain capital/additional finance; a reduction in demand by customers; an increase in competition; an unexpected decline in revenue or profitability; legislative, fiscal and regulatory developments, including, but not limited to, changes in environmental and health and safety

regulations; exchange rate fluctuations; retention of senior management; the maintenance of labour relations; fluctuations in the cost of input costs; and operating and financial restrictions as a result of financing arrangements.

No statement in this press release is intended to constitute a profit forecast, nor should any statements be interpreted to mean that earnings or earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for the Company. Each forward looking statement relates only as of the date of the particular statement.