

MD MEDICAL GROUP REPORTS 17% INCREASE IN REVENUE FOR Q1 2025

28 April 2025 – MD Medical Group IPJSC ("MD Medical", "Group" or the "Company"; MOEX: MDMG), a leading Russian private healthcare provider, announces its operating and unaudited financial results for Q1 2025.

Key financial highlights for Q1 2025:

- **Total revenue** increased by **16.9%** to **RUB 8,956 million**.
- Revenue of the Group's **hospitals in Moscow** rose by **14.9%** y-o-y to **RUB 4,430 million** due to strong demand for out-patient diagnostics, obstetrics, gynaecology, physiotherapy and rehabilitation services, revenue growth from deliveries, as well as higher revenue from in-patient treatments mainly stemming from robust performance in the surgery segment.
- Revenue of the Group's **regional hospitals** grew by **18.0%** y-o-y to **RUB 2,390 million** driven primarily by revenue from in-patient oncology, plastic surgery, gynaecology and traumatology treatments.
- Revenue from out-patient **clinics in Moscow and the Moscow Region** rose by **25.1%** y-o-y to **RUB 882 million** on the back of growing demand for the services provided by different categories of healthcare professionals, including at new clinics opened in 2024.
- Revenue from out-patient **clinics in other regions** rose by **15.2%** y-o-y to **RUB 1,225 million** driven by stronger demand for out-patient treatments, including at new clinics opened in 2024.
- As at the end of Q1 2025, the Group's **cash position** stood at **RUB 8,260 million**, with no debt financing raised by the Company.
- In Q1 2025, total **Capex** was **RUB 616 million**.

Key operational highlights for Q1 2025:

- Total **out-patient treatments** increased by **10.9%** y-o-y to **628,876**, with the **average ticket** up **13.4%** to **RUB 6.8 thousand** in Moscow and up **9.4%** y-o-y to **RUB 2.7 thousand** in other regions.
- Total **IVF punctures** went up by **8.3%** y-o-y to **4,799**, with the **average ticket** up **10.5%** to **RUB 335.5 thousand** in Moscow and up **7.0%** y-o-y to **RUB 305.4 thousand** in other regions.
- Total **deliveries** increased by **7.3%** y-o-y to **2,796**, with the **average ticket** up **12.7%** y-o-y to **RUB 620.3 thousand** in Moscow and up **9.2%** y-o-y to **RUB 240.1 thousand** in other regions.
- Total **in-patient treatments** decreased by **5.7%** y-o-y to **36,463** despite a **6.5%** uptick in **surgeries**, with the **average in-patient care ticket** up **19.5%** y-o-y to **RUB 122.0 thousand** in Moscow and up **19.1%** y-o-y to **RUB 47.9 thousand** in other regions.

Key events during Q1 2025 and after the reporting period:

- **Launch of robotic surgery in two of the Group's hospitals.** In April 2025, the Group's Lapino and Avicenna hospitals began working with the da Vinci robotic system. This advanced technology enables doctors to complete surgical treatments with minimal damage to surrounding tissues, thus significantly reducing the patients' recovery time.
- **Board of Directors recommends dividends for 2024.** At its meeting on 28 March 2025, the Board of Directors resolved to recommend that, in addition to dividends paid for the first three, six, and nine months of 2024, the General Meeting of Shareholders approve a dividend payment of RUB 1.7 billion, or RUB 22 per ordinary share of MD Medical Group (before dividend income tax) for the twelve months of 2024. Total dividends for 2024 are expected to exceed 60% of the Group's consolidated net profit for 2024 under IFRS.
- **Expansion of the clinic in Mytishchi.** On 28 March 2025 "Mother and Child Mytishchi" Women's Center began servicing patients at additional area. Expansion of the area will increase the patient flow and capacity of the Group's popular clinic from 24 thousand to 48 thousand visits per year. Investments in the clinic expansion amounted to RUB 18.5 mln.
- **Opening of an IVF center on the basis of the Syktyvkar clinic.** On 25 March 2025 the Group opened the IVF center on the basis of the Syktyvkar clinic acquired last June, where an important stage in the clinic's development was the addition of the Group's competencies in reproductive technologies. The capacity of the IVF center, which occupies 310 sq m of the clinic, is designed for 800 IVF cycles per year. The total investment in the renovation and equipment of the IVF center amounted to RUB 80 million.
- **The Company's shares are included in the Moscow Exchange Index.** Starting from 21 March 2025 MD Medical Group IPJSC ordinary shares are included in the Moscow Exchange Index and RTS Index calculation bases
- **Expansion of the clinic in Odintsovo.** On 26 February 2025 launched in 2016, the out-patient clinic in Odintsovo has now moved to a new, spacious three-storey building covering an area of 1,094 sq m. This expansion has increased the clinic's capacity from 30,000 to 120,000 visits per year. The total investment to cover its opening and equipment amounted to RUB 202.5 million.
- **New clinic in Khabarovsk launch – expansion to new region.** On 30 January 2025 the Group opened Mother & Child Khabarovsk clinic. Spanning 560 sq m, the facility will offer a wide range of specialised services for women in obstetrics, gynaecology, oncology, and reproductive medicine. The new clinic is designed to accommodate 30,000 visits and 800 IVF cycles per year. The clinic has received a total investment of RUB 113 million for its opening and outfitting.
- **New clinic in Krasnogorsk of Moscow region launch.** On 16 January 2025 the Group opened Mother & Child Krasnogorsk clinic with a total area of 242 sq m which offers a wide range of specialized services for women. The capacity of the clinic allows for 36,000 outpatient visits per year. Total investments in the project came in at RUB 44 million.

MD Medical CEO Mark Kurtser said:

“The Company’s Q1 results showed significant momentum. Given the exceptionally strong performance we delivered last year, maintaining and building on that success was no small feat, and I am genuinely proud that we stood up to this challenge.

Compared to Q1 2024, revenue from our medical facilities in the Moscow Region and other regions where we operate grew at double-digit rates. Revenue from out-patient treatments rose by 23%, confirming the strong demand for our out-patient services, a segment we have been actively developing over the past two years by investing in new clinic openings and acquisitions and by expanding the range of treatments available at hospitals. In Q1 2025, more and more patients turned to our diagnostic and treatment centres, as accurate and timely diagnostics are becoming increasingly important today. High occupancy rates in obstetrics and gynaecology were among the key drivers of a 19% increase in revenue from deliveries. Revenue growth in IVF came in at 18%.

In the reporting quarter, we saw a 10% increase in revenue from in-patient treatments driven by sophisticated surgeries in traumatology, gynaecology and cardiology; the launch of nephrology as a new specialty at the Lapino Clinical Hospital; and growing demand for chemotherapy treatments.

With a stable operating cash flow and no debt on the balance sheet, we are in a strong position to invest in expanding our capabilities this year. This includes purchasing cutting-edge surgical equipment, launching new lines of treatment in our hospitals, and expanding the network of our medical facilities. Similarly to previous periods, we plan to allocate no less than 60% of net profit to dividends distributed at least twice a year.”

Key Highlights for Q1 2025

Operating indicators	Q1 2025	Q1 2024	change, %
Moscow hospitals			
Out-patient visits	155,505	149,296	4.2%
In-patient days	15,405	17,203	(10.5%)
IVF cycles	1,023	861	18.8%
Deliveries	1,259	1,192	5.6%
Hospitals in Regions			
Out-patient visits	211,934	201,830	5.0%
In-patient days	20,342	20,831	(2.3%)
IVF cycles	746	630	18.4%
Deliveries	1,537	1,414	8.7%
Out-patient clinics in Moscow and Moscow region			
Out-patient visits	68,904	58,865	17.1%
IVF cycles	944	845	11.7%
Out-patient clinics in Regions			
Out-patient visits	192,533	157,326	22.4%
In-patient days	716	623	14.9%
IVF cycles	2,086	2,096	(0.5%)
Total out-patient visits	628,876	567,317	10.9%
Total in-patient days	36,463	38,657	(5.7%)
Total IVF cycles	4,799	4,432	8.3%
Total deliveries	2,796	2,606	7.3%

Revenue, RUB mln	Q1 2025	Q1 2024	change, %
Moscow hospitals			
Out-patient visits	1,051	878	19.7%
In-patient days	1,879	1,756	7.0%
IVF cycles	349	261	33.7%
Deliveries	781	656	19.1%
Other revenue	370	304	21.7%
Hospitals in Regions			
Out-patient visits	609	505	20.6%
In-patient days	972	839	15.9%
IVF cycles	250	200	25.0%
Deliveries	369	311	18.6%
Other revenue	190	170	11.8%
Out-patient clinics in Moscow and Moscow region			
Out-patient visits	471	367	28.3%
IVF cycles	311	257	21.0%
Other revenue	100	81	23.5%
Out-patient clinics in Regions			
Out-patient visits	473	373	26.8%
In-patient days	36	23	56.5%
IVF cycles	615	578	6.4%
Other revenue	101	89	13.5%
Managing company and other	29	15	93.3%
Hospitals in Moscow	4,430	3,855	14.9%
Hospitals in Regions	2,390	2,025	18.0%
Out-patient clinics in Moscow and Moscow region	882	705	25.1%
Out-patient clinics in Regions	1,225	1,063	15.2%
Total Revenue	8,956	7,663	16.9%

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ГРУППА КОМПАНИЙ

Average ticket	Q1 2025	Q1 2024	change, %
Moscow hospitals			
Out-patient visits	6.8	5.9	14.9%
In-patient days	122.0	102.1	19.5%
IVF cycles	341.2	303.1	12.5%
Deliveries	620.3	550.3	12.7%
Hospitals in Regions			
Out-patient visits	2.9	2.5	14.8%
In-patient days	47.8	40.3	18.6%
IVF cycles	335.1	317.5	5.6%
Deliveries	240.1	219.9	9.2%
Out-patient clinics in Moscow and Moscow region			
Out patient visits	6.8	6.2	9.6%
IVF cycles	329.4	304.1	8.3%
Out-patient clinics in Regions			
Out patient visits	2.5	2.4	3.6%
In-patient days	50.3	36.9	36.2%
IVF cycles	294.8	275.8	6.9%

LFL performance for Q1 2025, % y-o-y

Q1 2025			
	Revenue	Actual capacity	Average ticket
Moscow hospitals			
Out-patient visits	19.7%	4.2%	14.9%
In-patient days	7.0%	(10.5%)	19.5%
IVF cycles	33.7%	18.8%	12.5%
Deliveries	19.1%	5.6%	12.7%
Other revenue	21.7%	-	-
Hospitals in Regions			
Out-patient visits	20.6%	5.0%	14.8%
In-patient days	15.9%	(2.3%)	18.6%
IVF cycles	25.0%	18.4%	5.6%
Deliveries	18.6%	8.7%	9.2%
Other revenue	11.8%	-	-
Out-patient clinics in Moscow and Moscow region			
Out patient visits	15.9%	3.9%	11.5%
IVF cycles	16.5%	7.7%	8.2%
Other revenue	10.9%	-	-
Out-patient clinics in Regions			
Out patient visits	17.4%	11.4%	5.4%
In-patient days	26.5%	14.9%	10.0%
IVF cycles	5.0%	(2.3%)	7.5%
Other revenue	6.5%	-	-
Managing company and other	93.3%	-	-
Total Revenue	15.3%		

Analysis of the Group's performance in Q1 2025 compared to Q1 2024.

Hospitals in Moscow

In Q1 2025, revenue from Moscow hospitals increased by 14.9% y-o-y, or RUB 575 million, to RUB 4,430 million. This growth was driven primarily by higher revenue from out-patient visits (up 19.7% y-o-y, or RUB 173 million), deliveries (up 19.1% y-o-y, or RUB 125 million), and in-patient care (up 7.0% y-o-y, or RUB 123 million).

The growth in revenue from out-patient treatments in Q1 2025 was due to an increase in the number of treatments (up 4.2% y-o-y) and average ticket (up 14.9% y-o-y). The highest demand was seen in diagnostics, obstetrics and gynaecology, and physiotherapy. The development of the new hospital in Michurinsky Avenue significantly contributed to the popularity of these services. The growth in the average ticket resulted from rising diagnostic tests, prenatal care contracts, and price indexation for out-patient services.

Revenue growth from in-patient care was driven by a 19.5% increase in the average ticket, supported by factors including a 7.6% rise in the number of surgeries, which offset a 10.5% drop in total in-patient days. Key contributors to revenue growth included surgeries in traumatology, gynaecology, and cardiology, as well as chemotherapy services and the new nephrology department at Lapino Clinical Hospital. The decline in in-patient days was linked to a milder epidemiological situation, changes in the commercial revenue mix, and a reduction in services provided under the MHI programme. An increase in commercial in-patient days, among other things, had a positive impact on average ticket.

The consistent growth in revenue from deliveries was driven by a 5.6% increase in the number of deliveries and a 12.7% rise in the average ticket. This was fuelled by demand for mid-range and premium contracts and the popularity of the home obstetrics centre at Lapino Clinical Hospital.

Significant revenue growth from IVF (up 33.7%) came from an 18.8% increase in IVF punctures and a 12.5% rise in the average ticket, supported by higher volumes of commercial services and the gradual ramp-up of the new hospital in Michurinsky Avenue.

Hospitals in regions

In Q1 2025, revenue from regional hospitals grew by 18.0% y-o-y, or RUB 365 million, to RUB 2,390 million, mainly due to rising revenue from in-patient care (up 15.9% y-o-y, or RUB 133 million) and out-patient visits (up 20.6% y-o-y, or RUB 104 million). Hospitals in Ufa, Tyumen, and Novosibirsk made the greatest contribution to this revenue growth.

Revenue growth from in-patient care was driven by an 18.6% increase in the average ticket, supported by a 2.8% rise in the number of surgeries, which offset a 2.3% reduction in in-patient days. The main areas for in-patient treatment at regional hospitals in Q1 2025 were chemotherapy, plastic surgery, gynaecology, and traumatology. The average ticket expansion was due to an increased number of chemotherapy sessions and general surgery operations (including plastic surgery and traumatology) with a higher price tag.

The growth in revenue from out-patient treatments in Q1 2025 was due to an increase in the number of treatments (up 5.0% y-o-y) and average ticket (up 14.8% y-o-y). Revenue growth is largely attributable to a higher volume of out-patient services in diagnostics, obstetrics and gynaecology, paediatrics provided in the hospitals of Samara, Novosibirsk, and Tyumen. The expansion of diagnostic and treatment centres ensues from continued growth in demand and the popularity of specialised doctors among the regional population, leading to rising numbers of diagnostic tests performed.

Continuously increasing revenue from deliveries by 18.6% and IVF by 25.0% was driven by an 8.7% rise

in the number of deliveries coupled with a 9.2% hike in the ticket growth, and an 18.4% rise in the number of IVF punctures complemented by a 5.6% uptick in the average ticket. Strong operational performance in IVF was supported by stable MHI funding, the growing popularity of the Group's regional hospitals, and the development of local IVF centres of excellence at these hospitals, which positively impacts commercial patient flow.

Out-patient clinics in Moscow and Moscow Region

In Q1 2025, revenue from clinics in Moscow and the Moscow Region rose by 25.1% y-o-y, or RUB 177 million, to RUB 882 million. Revenue growth during the reporting period was mainly driven by a 17.1% increase in out-patient visits, partly reflecting the performance of the new clinics opened in 2024. The 11.7% uptick in IVF punctures was primarily due to growth in commercial procedures and the contribution of the new Lapino City medical centre.

Out-patient clinics in regions

In Q1 2025, revenue from out-patient clinics in the regions grew by 15.2% y-o-y, or RUB 162 million, to RUB 1,225 million. Revenue growth during the reporting period was mainly driven by a 22.4% increase in out-patient visits, supported by the new clinics opened in 2024. The slight 0.5% decline in IVF punctures was mainly caused by lower MHI volumes resulting from a later allocation of quotas this year; however, the number of commercial IVF punctures increased, which was reflected in a 6.9% growth in the average ticket.

Financial position

As at 31 March 2025, the Group's cash increased by RUB 2,210 million vs year-end 2024, reaching RUB 8,260 million.

The Group carries no debt financing on its balance sheet. The Group's lease liabilities recognised as debt under IFRS 16 totalled RUB 1,351 million, down RUB 49 million vs year-end 2024.

Capex

In Q1 2025, total Capex increased by RUB 104 million y-o-y to RUB 616 million. Hospitals accounted for 75% of Capex in Q1 2025, with the remaining investments used in construction at new clinics and routine maintenance.

Notes:

1. This announcement contains inside information
2. Data is based on management accounts
3. Minor variations in calculation of totals, subtotals and/or percentage change are due to rounding of decimals

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About MD Medical Group

MD Medical Group is a leading provider in the highly attractive Russian private healthcare service market. Today, the Company manages 65 state-of-the-art healthcare facilities, including 11 multidisciplinary hospitals and 54 out-patient clinics in 31 regions of the Russian Federation. In 2024, MD Medical Group's revenue amounted to RUB 33.1 bln while EBITDA stood at RUB 10.7 bln. The Company's ordinary shares are traded on Moscow Exchange (MOEX: MDMG).

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.