

# MD MEDICAL GROUP OPENS CLINIC AND STARTS CONSTRUCTION OF HOSPITAL IN TYUMEN

**21 June 2017, Moscow** – MD Medical Group Investments Plc ("MD Medical Group", "MDMG" or the "Company" – LSE: MDMG), a leading Russian private healthcare provider, announces the opening of a new out-patient clinic in Tyumen, which will also provide IVF cycles under the Mandatory Health Insurance (MHI) programme, and the start of construction work on a new hospital in Tyumen.

The Group's first clinic in the Tyumen Region, with total area of approximately 350 sqm, has annual capacity of 1,500 out-patient visits, 500 IVF cycles, and 200 endoscopic procedures. It offers the Group's trademark services including OBGYN, prenatal care, infertility treatment, IVF (including under the MHI programme), ultrasound, endoscopic surgery, endocrinology, urology, laboratory diagnostics. MD Medical Group's investment into the opening of the new clinic amounted to ca. RUB 38 mln.

MDMG also held a groundbreaking ceremony for a new multi-disciplinary hospital in Tyumen with an area of 15,000 sqm as part of the implementation of a Memorandum of Understanding with the Tyumen Region government that the Company signed in 2016. The 164-bed hospital will offer high-tech medical services for up to 250,000 patients per year. This new hospital will provide the Group's core high-quality medical services in OBGYN, IVF and paediatrics, while also offering healthcare services for the whole family in urology, surgery, and other areas. Investment in the project is estimated at RUB 3.5 billion, and the Company plans to complete construction in Q1 2019.

The Tyumen region is one of Russia's most developed regions with a population of over 3.660 mln people. It benefits from one of the highest birth rates in the country (15.8 per 1,000 people). After Moscow, it is Russia's largest region in terms of gross regional product and one of the top 5 regions in terms of income per capita (as of 2015).

#### Mark Kurtser, CEO at MDMG, said:

"I have two pieces of good news to announce.

"Firstly, we opened a new clinic in Tyumen, offering our core services in OBGYN and reproductive technologies. I am pleased to mention that IVF cycles under the MHI programme will be available at the clinic.

"Secondly, we also started construction work on a new multi-disciplinary hospital in Tyumen in line with the plans we announced earlier to the market. By the time it opens in Q1 2019, we will have built up solid experience in the region, strong brand awareness among locals and a wide client base thanks to our clinic's operations.

"MDMG'S approach to entering a new region has proven its efficiency in practice, and we are pleased that a region like Tyumen, which is developing so dynamically and which is so promising in terms of birth rates, has become the next location of MDMG's presence in Russia."

## **About the Tyumen region**

The Tyumen region has the population of 3.660 million people, over 80% of which live in cities. Tyumen Approximately 745,000 people live in Tyumen – the region's largest city and administrative centre. The region benefits from high birth rates – around 60,000 children are born in the region annually. In 2016, there were 15.8 births per thousand inhabitants, which is among the top 10 results for Russia's regions.

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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 33 modern healthcare facilities, including 4 hospitals and 29 outpatient clinics in Moscow and Moscow region, St. Petersburg, Ufa, Perm, Samara and Samara region, Irkutsk, Novosibirsk, Irkutsk, Yaroslavl, Ryazan, Kostroma, Novokuznetsk, Krasnoyarsk, Omsk, Barnaul, Vladimir, and Tyumen.

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.