



Forward Looking Statements

This presentation may contain certain forward-looking statements concerning MLP Care's future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the MLP Care's actual performance.



Muharrem Usta
Chairman & CEO

Executive Summary

- ✓ Real growth of revenue and EBITDA exceeding inflation in the toughest quarter of the year due to seasonality and regional conflicts
 - Revenue up **14%** in Q3 2019, up **21%** in 9M 2019
 - **Adj. EBITDA**¹ without foreign exchange effect of other income/expenses from operating activities up **29%** both in Q3 2019 and in 9M 2019
- ✓ Net Debt to Adj. EBITDA ratio (including IFRS 16 effect in 9M 2019) came in at **2.6x**
- ✓ Free Cash Flow turned into positive and came in at **78 mTL** in 9M 2019 compared to **-15 mTL** in 9M 2018
- ✓ Improved economic sentiment will help us to deliver better results in Q4 2019

¹Adj. EBITDA with foreign exchange gains/(losses) of other income/(expenses) from operating activities recorded **411, 353, 110,** and **TL102 million** respectively in **9M 2019, 9M 2018, Q3 2019,** and **Q3 2018.**

Adj. EBITDA is based on Reported EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) adjusted for one-time (income) / expenses, net and non-cash GAAP provision expenses.

The Largest Private Healthcare Service Provider in Turkey



17 Cities

20,000+ Staff¹

2,200+ Doctors



+2

New Hospital
in 2018

31 Hospitals
in Total



+500

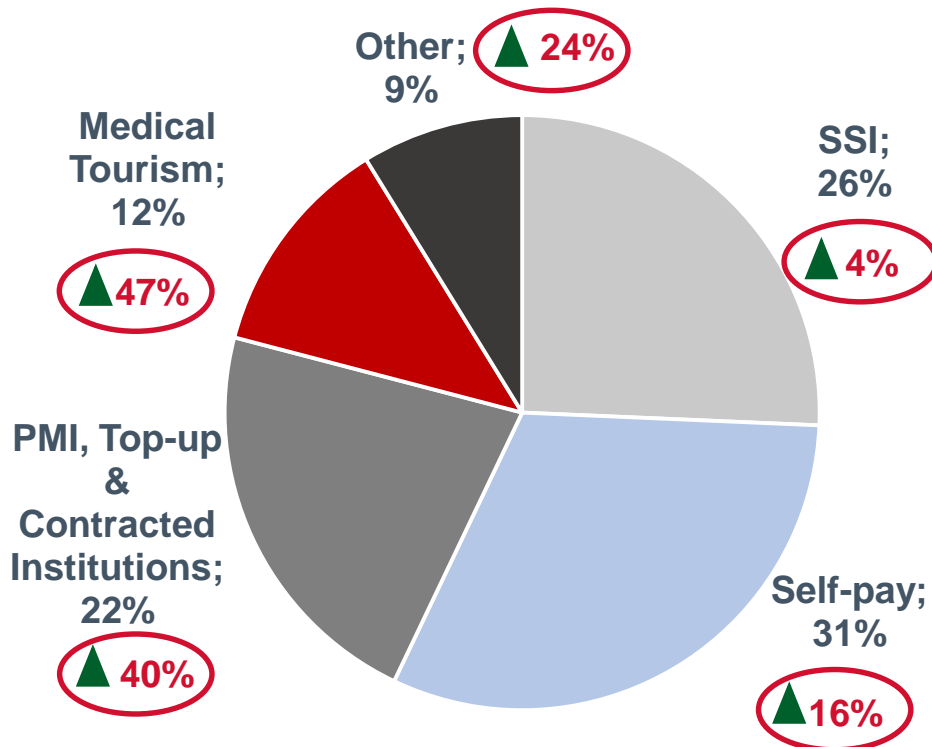
New Beds
in 2018

+6,000
Beds in Total

¹ Includes managed hospitals, full time and part-time staff

Double Digit Growth in Majority of Payor Types

Revenue Breakdown by Payor Type – 9M 2019

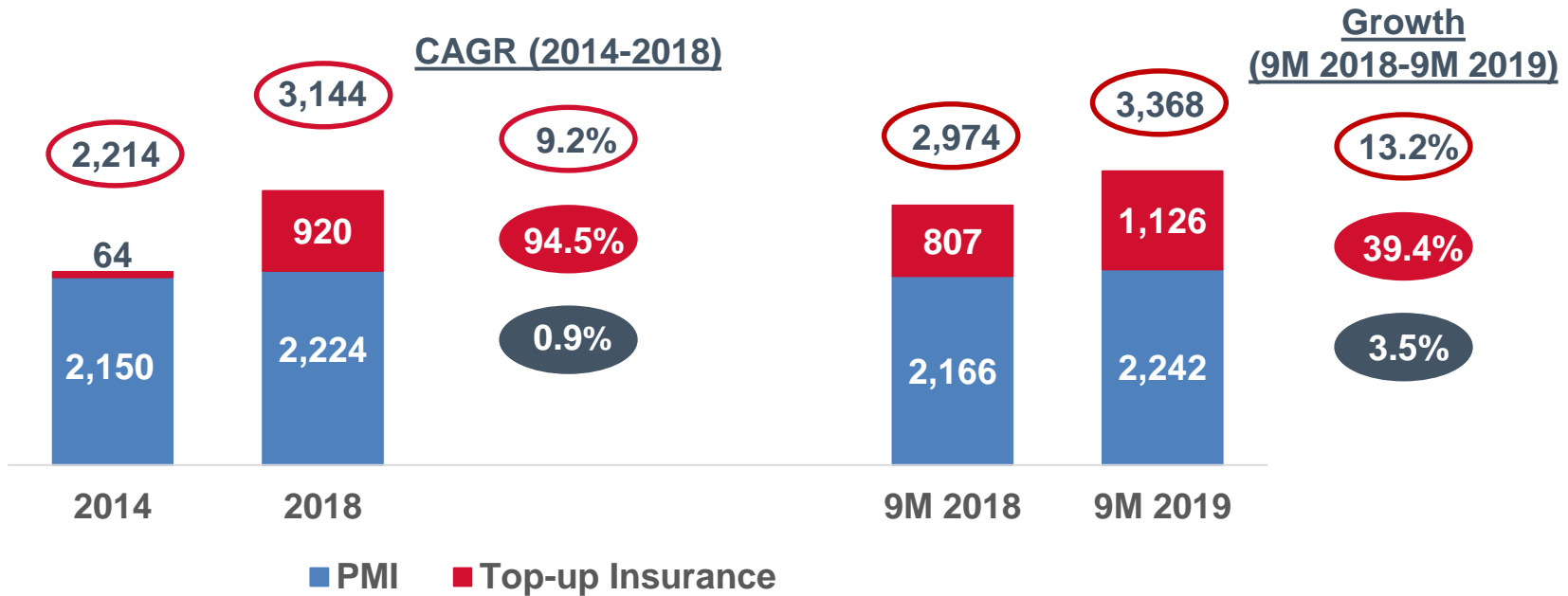


 Denotes revenue growth vs. the same period of the last year

- ✓ Revenue from PMI, Top-up & Contracted Institutions grew by 40% in Q3 2019
- ✓ Medical Tourism grew by 18% in Q3 2019
- ✓ SSI Insurance allows for a wide addressable market (c.98% of the total population)
- ✓ Share of self pay continues to increase in total (2014: 27%)

of People with Top-up Insurance Exceeds 1.1 million

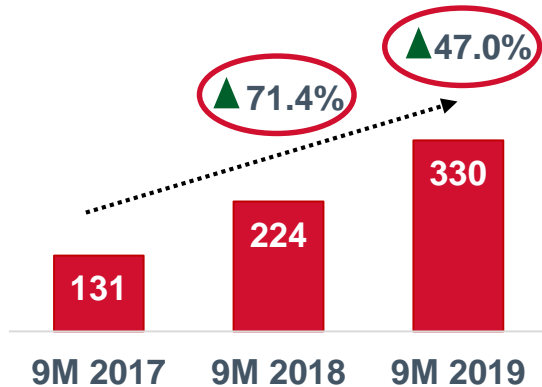
of People with Insurance (PMI and Top-up) in Turkey – 000s



✓ The number of people with Top-up insurance was up by **39%** in 9M 2019.

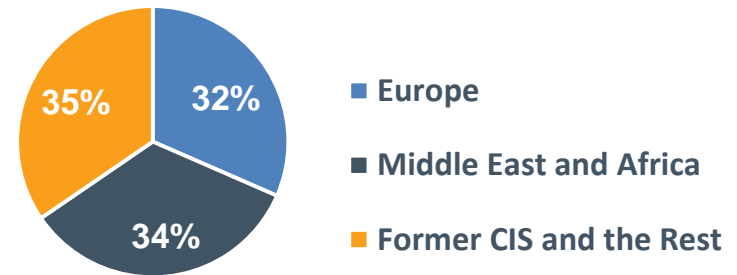
Medical Tourism Revenue Up 47% in 9M 2019

Medical Tourism Revenue (TLm)



Denotes revenue growth vs. the same period of the last year

✓ Diversified and Balanced Geography. Patients comes from:



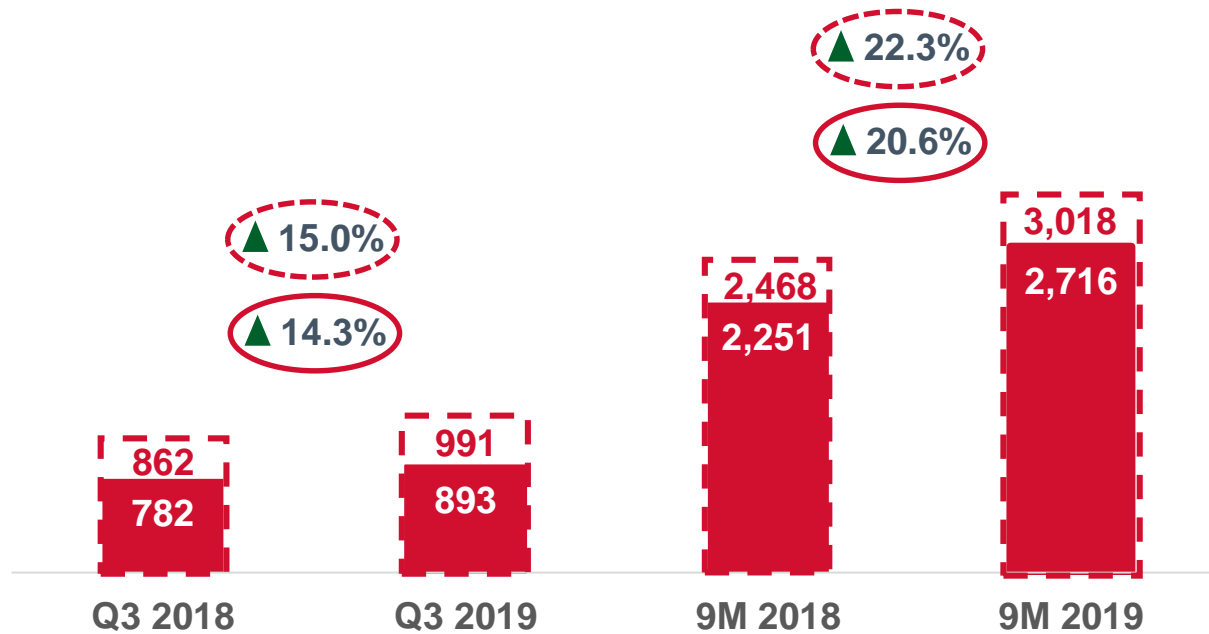
- ✓ Strong marketing through offices / affiliations in **15** countries with Medical Park and in **5** countries with Liv brands
- ✓ FX based pricing adding to EBITDA growth
- ✓ c. **64%** of total collected in cash



Burcu Öztürk
CFO

Revenue Up 21% in 9M 2019

Revenue (TLm)



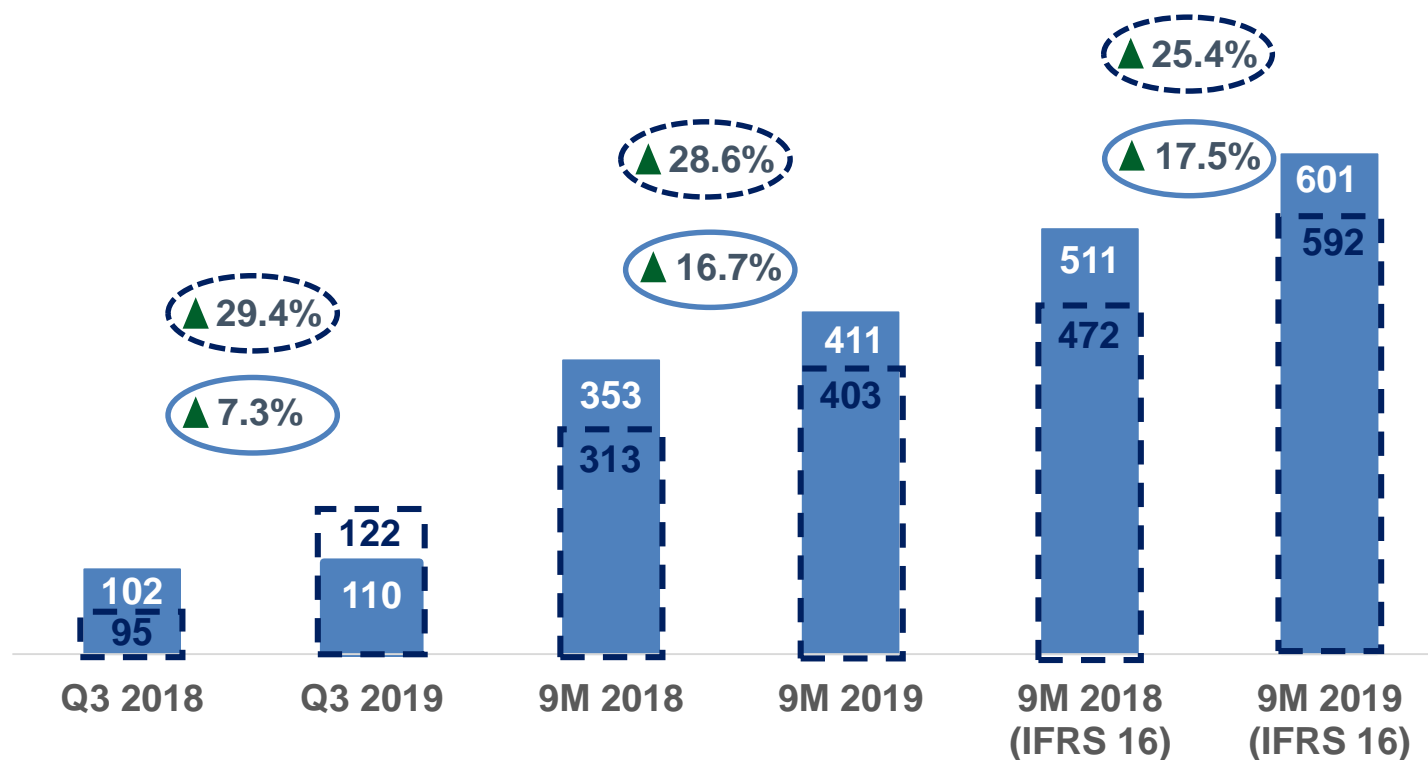
 Revenue Including Managed Hospitals: Revenues of Florya, ISU Gaziosmanpaşa and ISU Bahçeşehir were included

 Denotes growth of Revenue vs. the same period of the last year

 Denotes growth of Revenue Including Managed Hospitals vs. the same period of the last year

EBITDA Up 29% in 9M 2019


EBITDA (TLm) ¹



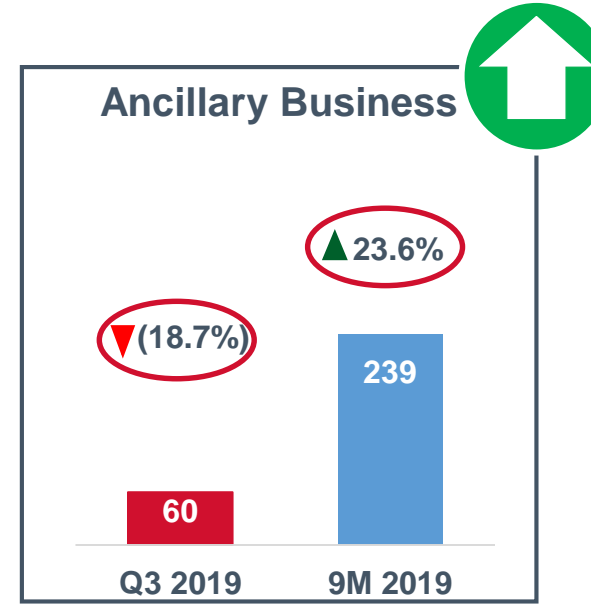
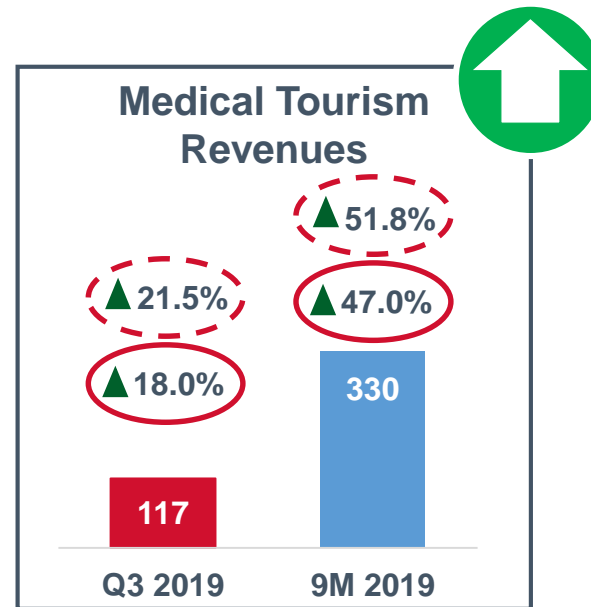
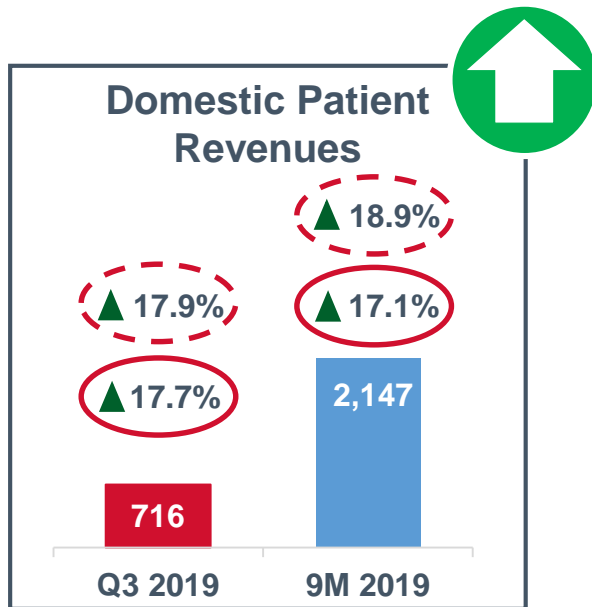
¹ Adj. EBITDA: EBITDA TFRS adjustments that have no cash impact on relevant period and one-off income/expense items

 Adj. EBITDA: Adj. EBITDA without foreign exchange effect of other income/expenses from operating activities

 Denotes growth of Adj. EBITDA vs. the same period of the last year

 Denotes growth of Adj. EBITDA without foreign exchange effect of other income/expenses from operating activities vs. the same period of the last year

Strong Revenue Growth in 9M 2019



Growth Continued in Q3 2019 and 9M 2019

- ✓ Inpatient revenues grew in
Q3 2019: **15.9%**
9M 2019: **16.1%**
- ✓ Outpatient revenues grew in
Q3 2019: **20.4%**
9M 2019: **18.6%**

Continued to Attract Foreign Patients in 9M 2019

- ✓ Share of revenue from Europe in total Medical Tourism: **32%**
- ✓ Middle East & Africa: **34%**
- ✓ Former CIS and the rest: **35%**

Strong Growth in Managed University Hospital Revenues

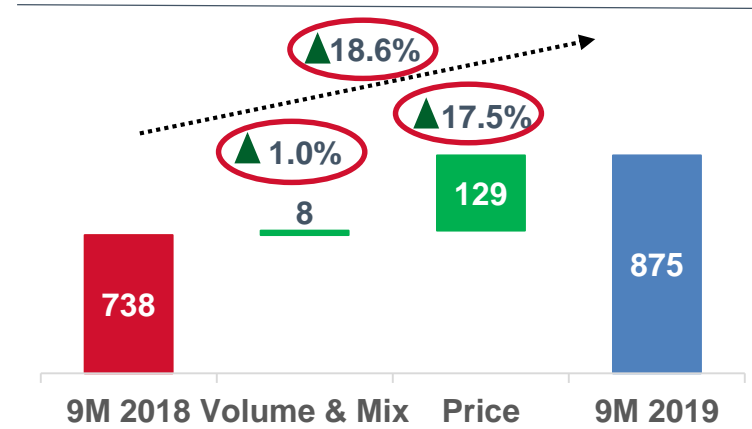
- ✓ Managed hospitals' revenues grew by 14.6mTL with a growth rate of 54.9% in 9M 2019
- ✓ Laboratory revenues grew by 1.8mTL with a growth rate of 1.2% in 9M 2019



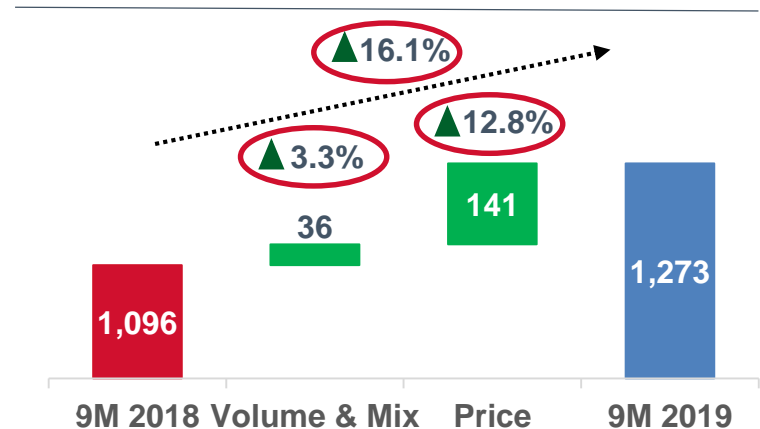
Strong Improvement in Both ARPV and ARPP in 9M 2019

- ✓ **Outpatient** and **Inpatient** revenues made up **41%** and **59%** of total Domestic Hospital Business Revenues in 9M 2019.

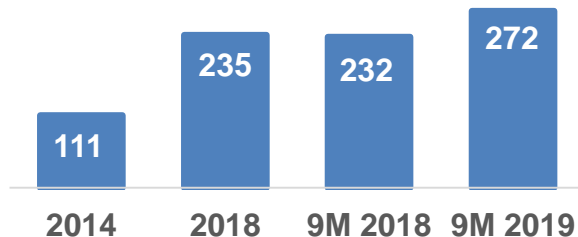
Outpatient Revenues (TLm)



Inpatient Revenues (TLm)

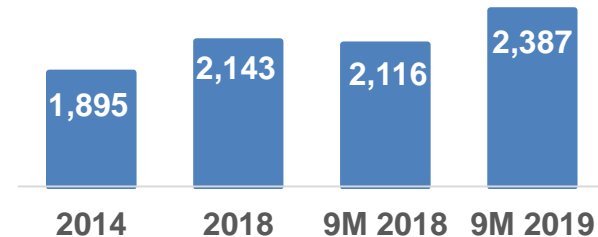


Average Revenue Per Visit (ARPV)



ARPV 4 year CAGR: ▲ 20.6%
9M 2019: ▲ 17.5%

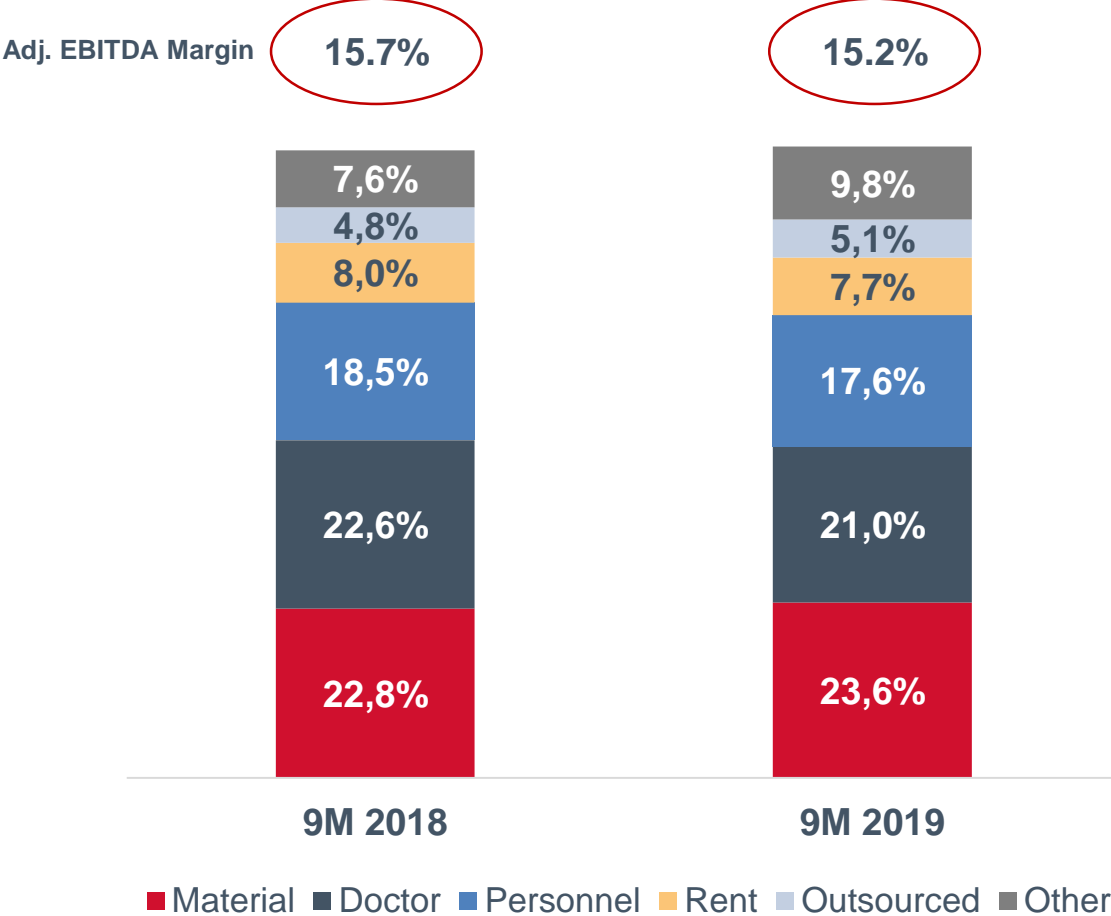
Average Revenue Per Protocol (ARPP)



ARPP 4 year CAGR: ▲ 3.1%
9M 2019: ▲ 12.8%

Smart Cost Management Results in Profitability Growth

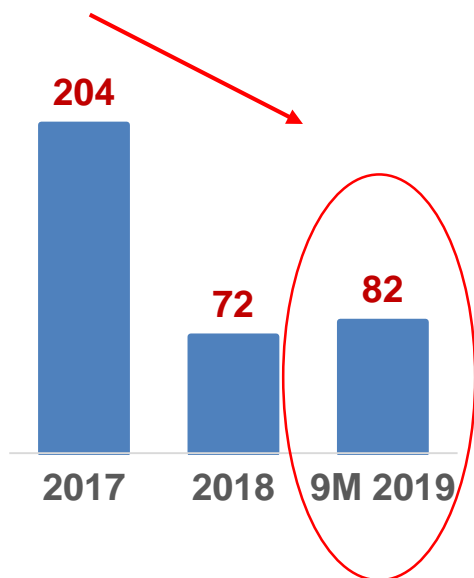
Cost of Service and G&A Expenses as a % of Revenues



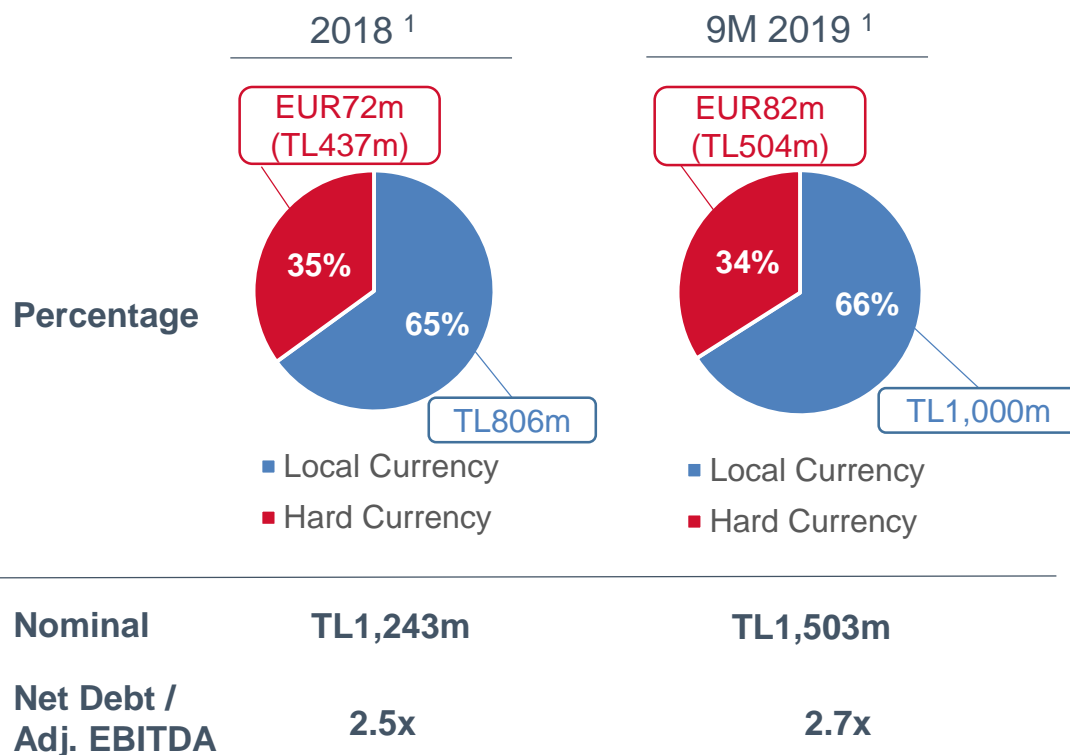
- ✓ **Material costs** as a % of revenue increased in 9M 2019 due to the inflation adjustment for drugs in February 2019, which accounts around 30% of the total material costs.
- ✓ **Doctor costs** as a % of revenue declined due to increase in hospital revenues and efficiency initiatives.
- ✓ **Personnel costs** as a % of revenue decreased due to efficiency initiatives.
- ✓ **Rent expenses** as a % of revenue declined due to conversion of the FX denominated hospital building lease agreements to Turkish Lira in 2018.

Continued to Deleverage Balance Sheet in 9M 2019

FX BASED NET DEBT (in EUR m)



NET DEBT



- ✓ 70% of 2019-2020 debt service (including bank loans and financial leases) is hedged
- ✓ **Net Debt to Adj. EBITDA ratio** including obligations under operational leases related to IFRS 16 was at **2.6x** and **2.7x** excluding IFRS

FX Position of Income Statement – Excluding IFRS 16

TLm	9M 2019 (TLm)	Hard Currency	Hard Currency as % of total revenues
Domestic Hospital Revenue	2,147	-	-
Foreign Medical Tourism	330	330	12%
Ancillary	239	-	-
Total revenues	2,716	330	12%
Material	(641)	(64)	(2%)
Doctor	(570)	-	-
Personnel	(479)	-	-
Rent	(210)	-	-
All other exp.	(405)	(55)	(2%)
Total costs	(2,304)	(119)	(4%)
EBITDA	411	211	8%
Amortisation	(161)	-	-
Extraordinary income / (expense), net	(43)	-	-
Finance expenses, net of interest income	(230)	(36)	(1%)
Non cash - FX gain / (loss), net	(36)	(36)	(1%)
Income / (expense), net before tax	(59)	139	5%
Taxation income / (expense), net	12	-	-
Net Profit / (loss), net	(47)	139	5%
Net Profit / (loss), net -w/o Non cash FX gain / (loss)	(11)	175	6%

Share of Medical Tourism Revenue in Total Revenue increased to **12%** in 9M 2019.

Driven by Medical Tourism Revenue, **c.51%** of EBITDA Generated in Hard Currency

FX Position of Income Statement – Including IFRS 16

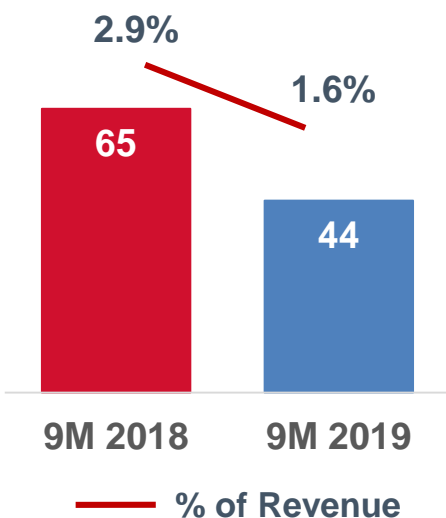
TLm	9M 2019 (TLm)	Hard Currency	Hard Currency as % of total revenues
Domestic Hospital Revenue	2,147	-	-
Foreign Medical Tourism	330	330	12%
Ancillary	239	-	-
Total revenues	2,716	330	12%
Material	(641)	(64)	(2%)
Doctor	(570)	-	-
Personnel	(479)	-	-
Rent	(23)	-	-
All other exp.	(403)	(55)	(2%)
Total costs	(2,115)	(119)	(4%)
EBITDA	601	211	8%
Amortisation	(198)	-	-
Extraordinary income / (expense), net	(43)	-	-
Finance expenses, net of interest income	(344)	(36)	(1%)
Non cash - FX gain / (loss), net	(42)	(42)	(2%)
Income / (expense), net before tax	(25)	133	5%
Taxation income / (expense), net	5	-	-
Net Profit / (loss), net	(20)	133	5%
Net Profit / (loss), net -w/o Non cash FX gain / (loss)	21	175	6%

Share of Medical Tourism Revenue in Total Revenue increased to **12%** in 9M 2019.

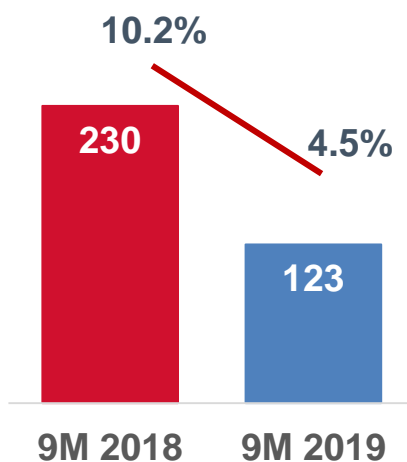
Driven by Medical Tourism Revenue, **c.35%** of EBITDA Generated in Hard Currency

Total Capex and Maintenance Capex Decreased

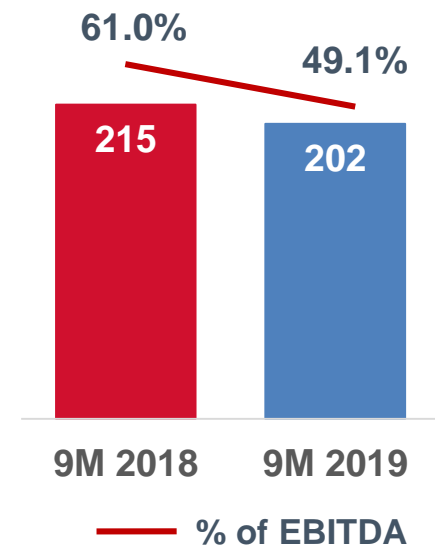
Maintenance Capex (TLm)



Total Capex (TLm)



Operating Cash Flow / EBITDA



✓ Trade payables decreased by TL73m and trade receivables increased by TL52m impacting operating cash flow

Outlook & Prospects

Muharrem Usta – Chairman & CEO

Outlook & Prospects

We use our available resources and focus on efficient growth.

Our targets are:

Operational targets

- ✓ Accelerate Foreign Medical Tourism (FMT)
- ✓ Focus on the ramp-up of the new opened hospitals
- ✓ Increase efficiency of the business through digitalization (*invoicing/collection automatization, optimizing doctor capacity utilization, accelerate FMT through digital marketing*)

Financial targets

- ✓ Deleverage our balance sheet with the help of downward trend in TL interest rates
- ✓ Tight controls over costs and improve FCF
- ✓ Focus on available capacity with minimum expansion capex



Q&A

Closing Remarks

Muharrem Usta – Chairman & CEO



Thank You!

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MLPCARE

Historical P&L Statements

TLm	Unaudited 9M 2019 ¹	Unaudited 9M 2019	Unaudited 9M 2018	Q3 2019 ¹	Q3 2019	Q3 2018
Revenue	2,716	2,716	2,251	893	893	782
Cost of service (-)	(2,098)	(2,248)	(1,902)	(698)	(748)	(671)
Gross profit	617	467	349	196	146	110
General administration expenses (-)	(218)	(218)	(189)	(74)	(75)	(66)
Other income from operations	242	242	467	97	97	310
Other expenses from operations (-)	(260)	(262)	(382)	(118)	(119)	(266)
Operating profit / (loss)	381	229	245	100	49	88
Income from investing activities	2	2	2	1	1	1
Expense from investing activities (-)	--	--	(0)	--	--	(0)
EBIT	383	231	246	101	50	89
<i>EBIT margin</i>	14.1%	8.5%	10.9%	11.3%	5.6%	11.4%
Total interest expenses (-)	(367)	(254)	(170)	(114)	(77)	(69)
Net foreign exchange profit / (loss) (including hedging cost)	(42)	(36)	(285)	15	14	(175)
Net profit / (loss) before tax	(25)	(59)	(209)	2	(13)	(155)
Tax income / (expense) from operations	5	12	66	3	6	20
Net profit / (loss)	(20)	(47)	(143)	5	(8)	(135)

Historical Balance Sheet

TLm	Unaudited September 30, 2019 ¹	Unaudited September 30, 2019	Audited December 31, 2018
Cash and cash equivalents	231	231	223
Trade receivables	966	966	899
Inventory	83	83	80
Short term other assets	312	312	276
Current assets	1,592	1,592	1,479
Tangible and intangible fixed assets	1,266	1,266	1,305
Right of use assets	215	--	--
Deferred tax assets	396	317	282
Long term other assets	230	230	173
Non-current assets	2,106	1,813	1,760
Total assets	3,698	3,405	3,239
Trade payables	736	736	808
Short term other liabilities	276	276	246
Short term financial liabilities (incl. financial and operational leases)	833	715	455
Current liabilities	1,845	1,727	1,509
Long term other liabilities	52	52	55
Deferred tax liabilities	138	138	136
Long term financial liabilities (incl. financial and operational leases)	1,457	966	964
Non-current liabilities	1,647	1,156	1,154
Shareholders' equity	157	401	474
Non-controlling interest	50	121	101
Equity	207	522	576
Total liabilities & equity	3,698	3,405	3,239

Reconciliation from Reported EBITDA to Adjusted EBITDA

TLm	9M 2019 ¹	9M 2019	9M 2018	Q3 2019 ¹	Q3 2019	Q3 2018
Net profit / (loss)	(20)	(47)	(143)	5	(8)	(135)
Tax income from operations	(5)	(12)	(66)	(3)	(6)	(20)
Depreciation and amortization of tangible and intangible fixed assets	198	161	141	69	59	51
Total interest expenses/(income) and fair value differences of derivative instruments	385	266	438	92	57	239
Net (gains) / losses from the disposal of tangible and intangible assets	(2)	(2)	(1)	(1)	(1)	(1)
Reported EBITDA	556	366	370	162	98	134
Net one-off (gains) / losses	29	29	(20)	7	7	(31)
Non-cash GAAP provision expenses	17	17	3	4	4	(1)
Adjusted EBITDA	601	411	353	174	110	102
Foreign exchange gains/(losses) from operations	9	9	39	(12)	(12)	8
Adjusted EBITDA²	592	403	313	186	122	95

¹Including obligations under operational leases related to IFRS 16

²Adj. EBITDA without foreign exchange gains/(losses) from other income/(expenses) from operating activities