



Forward Looking Statements

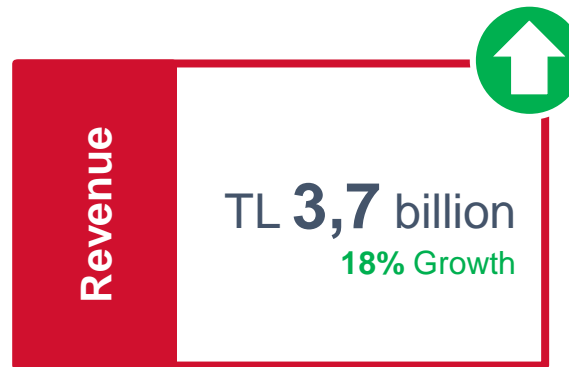
This presentation may contain certain forward-looking statements concerning MLP Care's future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results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



Muharrem Usta
Chairman & CEO

At a Glance: MLP Care FY 2019 Financial Highlights

- ✓ Strong revenue growth driven by both domestic and international operations.
- ✓ Strong improvement in EBITDA margin on the back of effective cost management and ramp up of new hospitals.
- ✓ Continued to focus on deleveraging the balance sheet.
- ✓ In line with our strategy, minimum acquisition CAPEX recorded.



At a Glance: MLP Care Operational Highlights

Two brands and one concept targeting three different price points with consistently outstanding medical service quality.



The largest hospital group in Turkey



29 (2019) Hospitals in Total

MEDICALPARK



~6,000 Beds in Total



20,000+ Staff¹

2,200+ Doctors
(1/3 are academicians)

VM MEDICALPARK



3 JCI Accredited Hospitals

3 Centers of Excellence

Addresses All Price Segments
in the Turkish Market

MLPCARE

¹ Includes managed hospitals, full time and part time staff

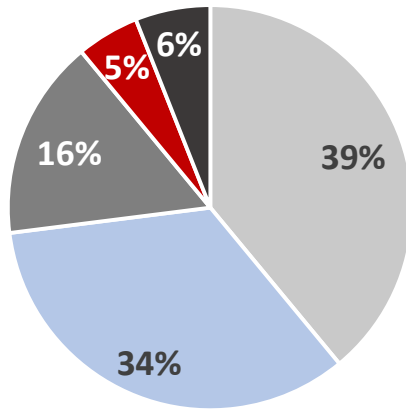
Clearly Defined Growth Strategy

- 1** Optimizing existing capacity
- 2** Revenue diversification
- 3** Greenfield and M&A opportunities
- 4** Increase efficiency of the business through digitalization

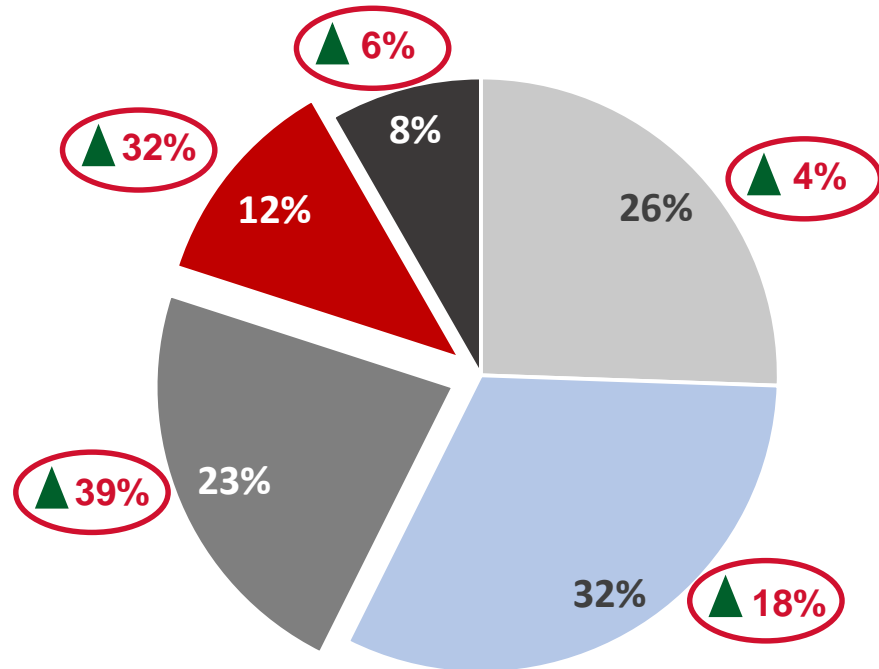


Revenue Diversification Through Growing Segments

2016



2019

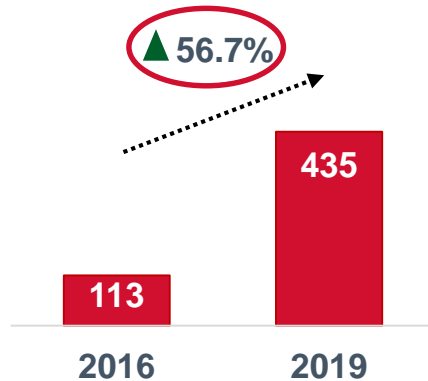


SSI
 Self-pay
 PMI, Top-up & Contr. Inst.
 Medical Tourism
 Other

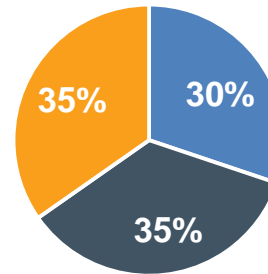
- ✓ Revenue from **PMI, Top-up & Contracted Institutions** grew by 39% in 2019
- ✓ **Medical Tourism** grew by 32% in 2019
- ✓ **SSI Insurance** allows for a wide addressable market (c.98% of the total population)
- ✓ Share of **self pay** continues to increase in total

Medical Tourism Revenue Up 32% in 2019

Medical Tourism Revenue (TLm)



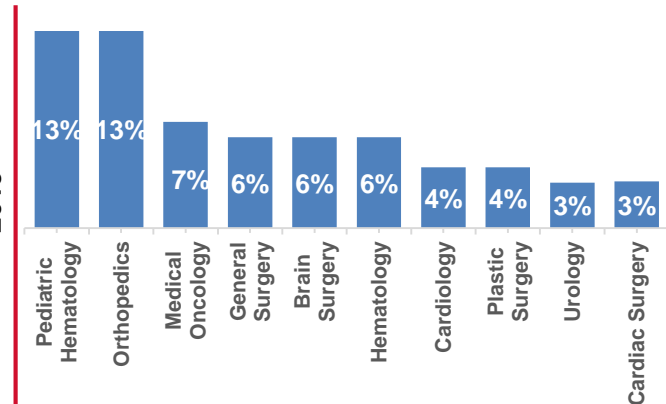
- ✓ Diversified and Balanced Geography. Patients comes from:



- Europe
- Middle East and Africa
- Former CIS and the Rest

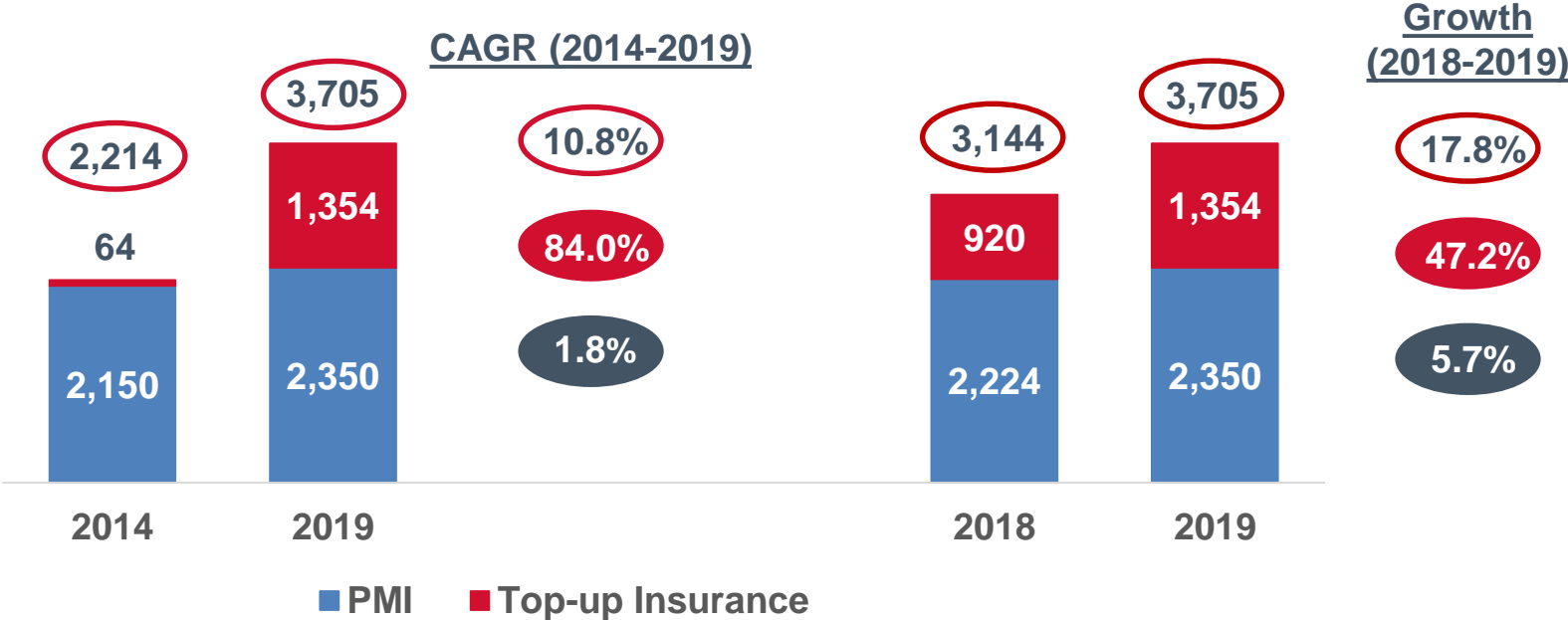
- ✓ Strong marketing through offices / affiliations in **15** countries with Medical Park and in **7** countries with Liv brands
- ✓ FX based pricing adding to EBITDA growth
- ✓ c. **65%** of total collected in cash

TOP 10 Medical Tourism Revenue % by Department in 2019



of People with Top-up Insurance Exceeds 1.3 million

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



✓ The number of people with Top-up insurance was up by **47%** in 2019.

A network of hospitals located strategically across Istanbul

Map of Istanbul



-  Hospitals with Medical Park Brand
-  Hospitals with Liv Hospital Brand

VM Medical Park Maltepe



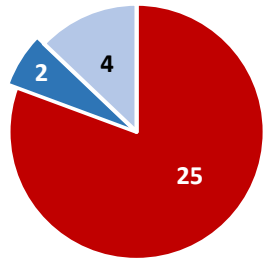
Location: Maltepe / Istanbul
Opening Date: December 2019

Key Statistics

- ❖ 20k sqm
- ❖ 125 bed capacity
- ❖ 60 polyclinic rooms
- ❖ 7 operating rooms

Planned M&A in 2020

of Hospitals



- Medical Park
- Liv Hospital 2020 additions
- Liv Hospital

Liv Hospital Gaziantep



Liv Hospital İstanbul



Location

- Gaziantep

- İstanbul

Opening Date

- ~ Q2 2020

- ~ Q4 2020

Key Statistics

- 40k sqm
- ~ 230 bed capacity
- 70 polyclinic rooms
- 8 operating rooms

- ~ 50k sqm

- ✓ Expanding in metropolitans through mid-large scale hospitals (min. 100 bed capacity)
- ✓ Quick EBITDA ramp-up through leveraging MLP Care's resources (brand strength, operational know how, licensing, experienced physicians, and management staff)
- ✓ Min. acquisition CAPEX & WC requirements

Increase efficiency of the business through digitalization

Centralisation of Procurement (E-tender)



HR – Recruitment and Talent Management



Digital Agreements



Digitilization of invoicing/collection

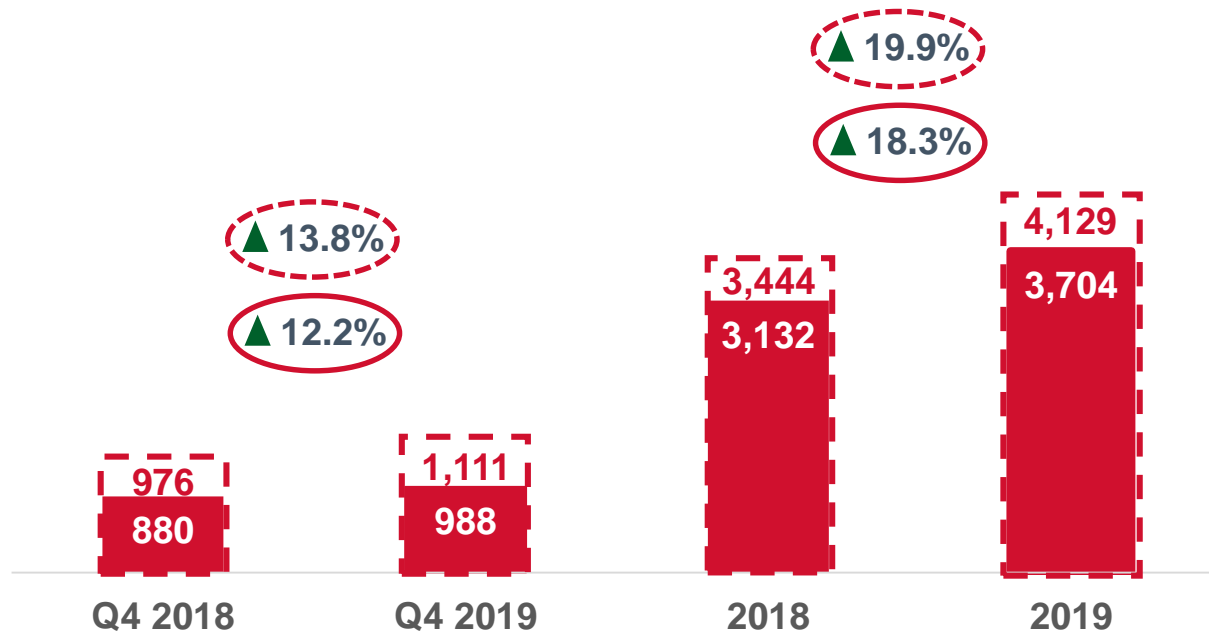




Burcu Öztürk
CFO

Revenue Up 18% in 2019

Revenue (TLm)



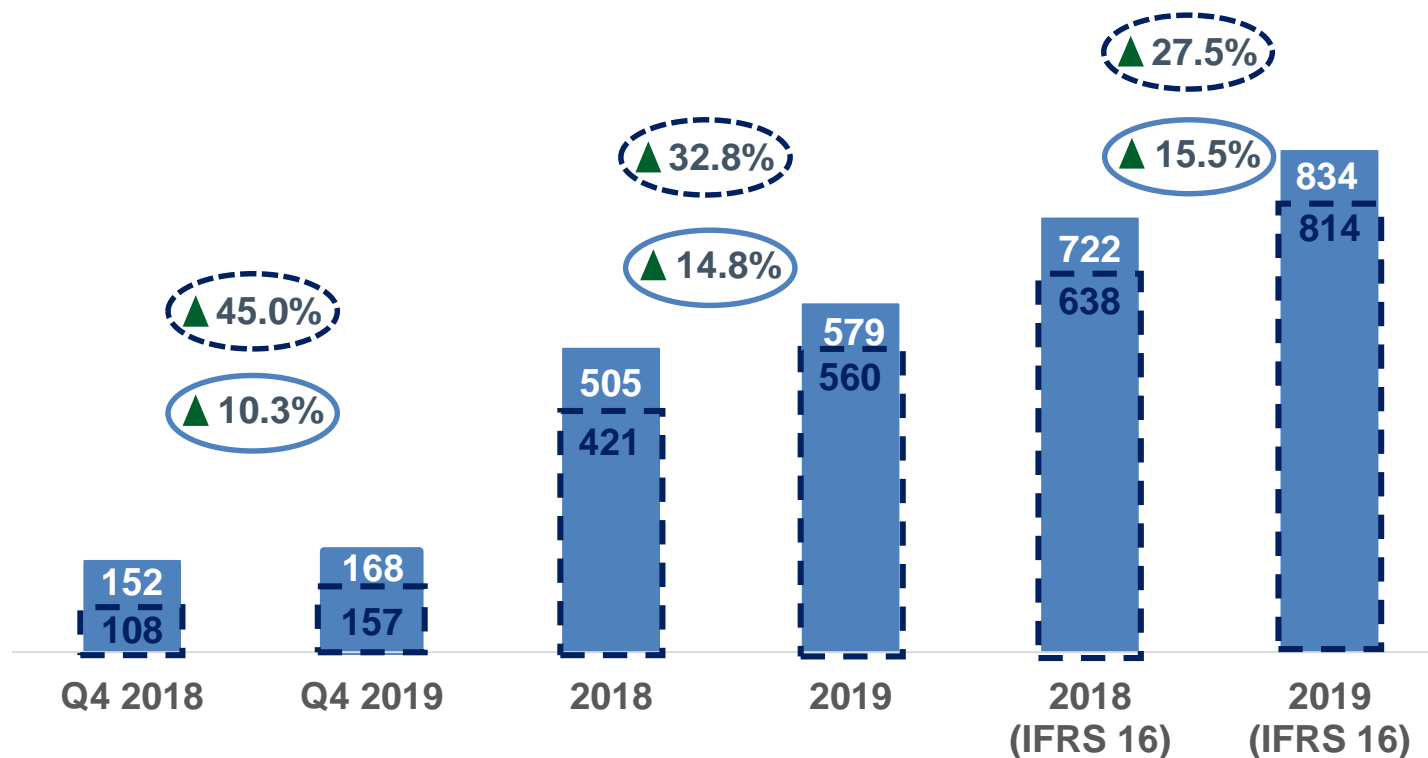
 Revenue Including Managed Hospitals: Revenues of Florya, ISU Gaziosmanpaşa and ISU Bahçeşehir were included

 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 33% in 2019


EBITDA (TLm) ¹



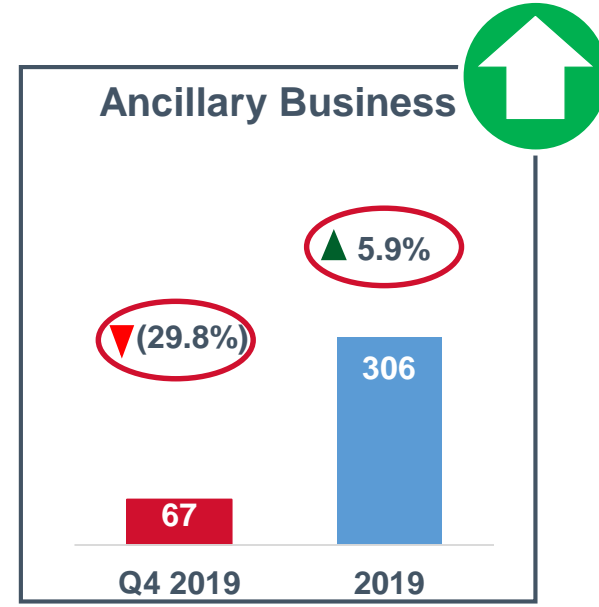
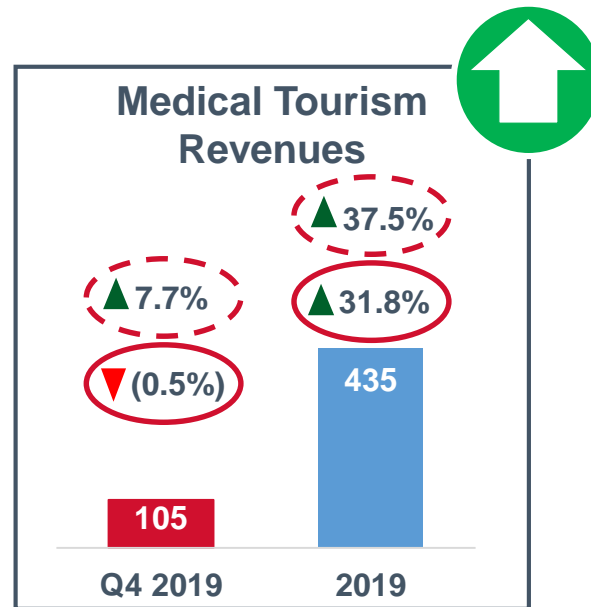
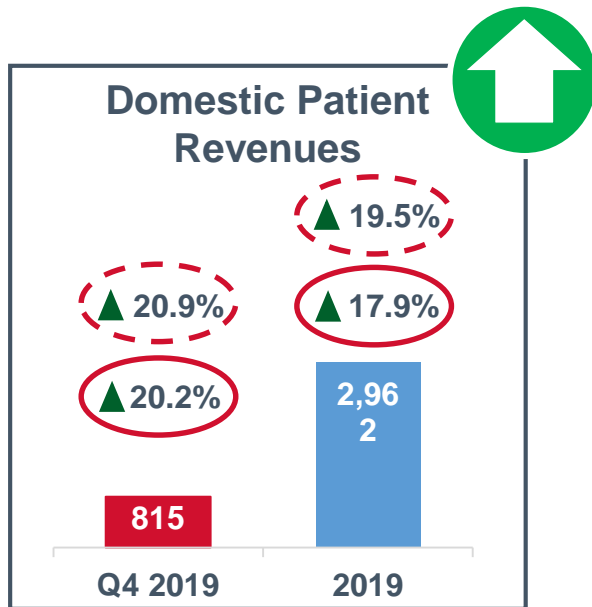
¹ Adj. EBITDA: EBITDA TFRS adjustments that have no cash impact on relevant period and one-off income/expense items

 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 2019



Growth Continued in Q4 2019 and 2019

- ✓ Inpatient revenues grew in
 - Q4 2019: **17.9%**
 - 2019: **16.6%**
- ✓ Outpatient revenues grew in
 - Q4 2019: **23.5%**
 - 2019: **19.9%**

Continued to Attract Foreign Patients in 2019

- ✓ Share of revenue from Europe in total Medical Tourism: **30%**
- ✓ Middle East & Africa: **35%**
- ✓ Former CIS and the rest: **35%**

Strong Growth in Managed University Hospital Revenues

- ✓ Managed hospitals' revenues grew by 22.1mTL with a growth rate of 57.8% in 2019
- ✓ Laboratory revenues decreased by 28.4mTL with a rate of 12.9% in 2019



Denotes growth / decrease 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

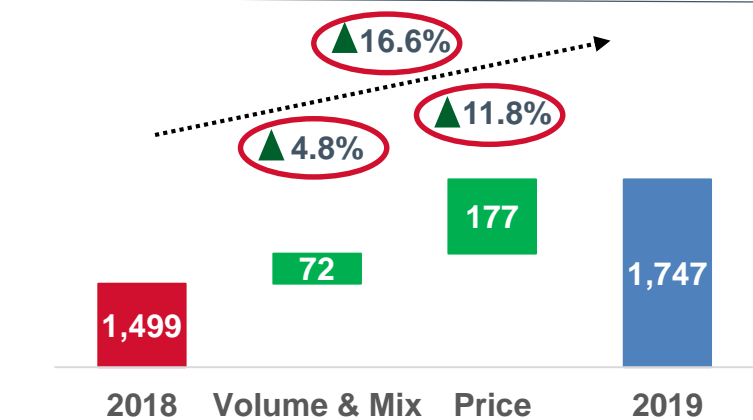
Strong Improvement in Both ARPV and ARPP in 2019

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

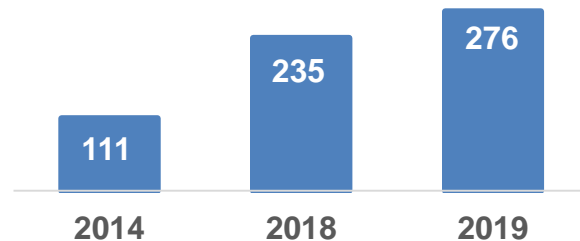
Outpatient Revenues (TLm)



Inpatient Revenues (TLm)

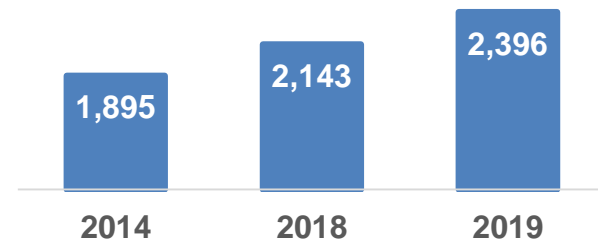


Average Revenue Per Visit (ARPV)



ARPV	5 year CAGR:	2019:
	▲ 19.9%	▲ 17.2%

Average Revenue Per Protocol (ARPP)

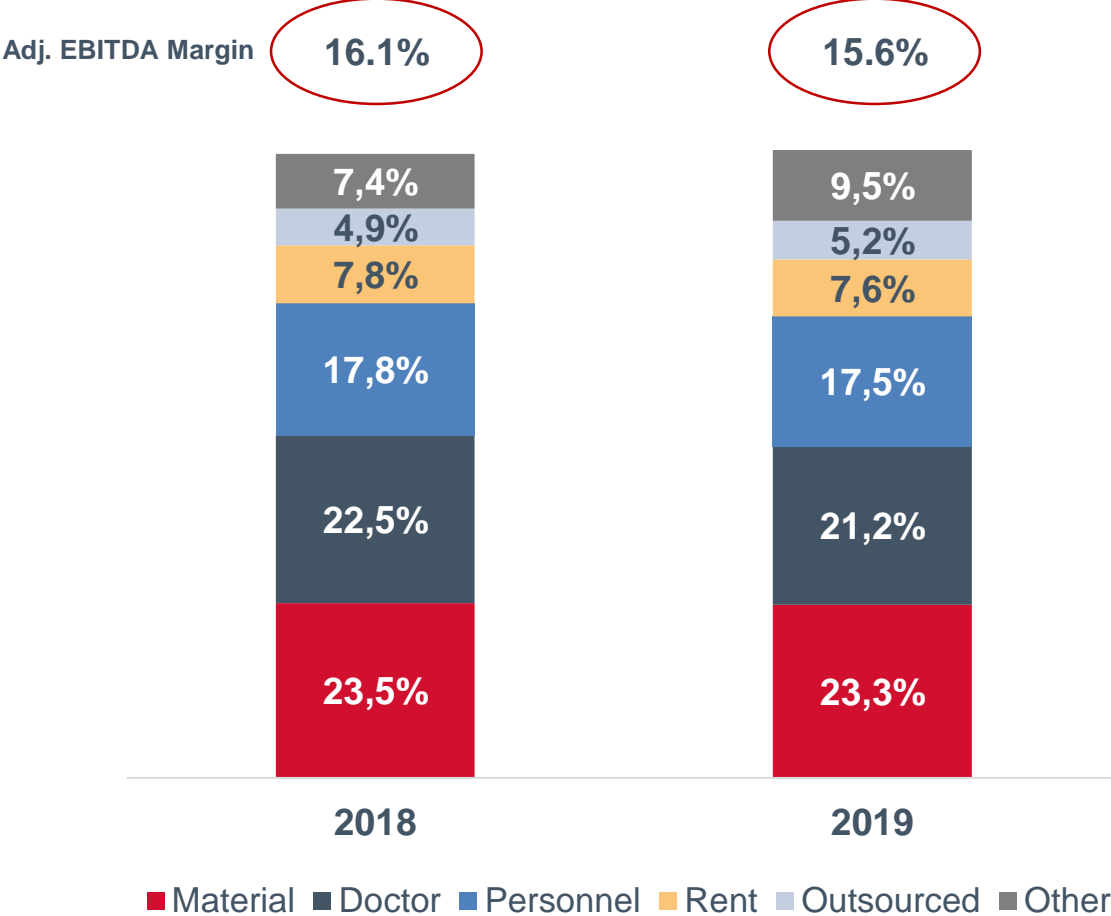


ARPP	5 year CAGR:	2019:
	▲ 4.8%	▲ 11.8%



Smart Cost Management Results in Profitability Growth

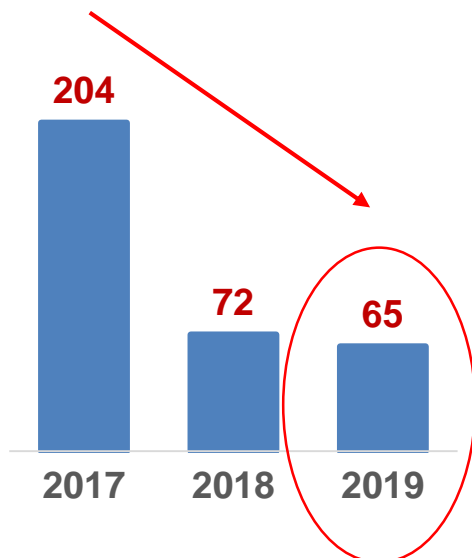
Cost of Service and G&A Expenses as a % of Revenues



- ✓ **Material costs** as a % of revenue declined in 2019 due to cost controls and efficiency initiatives
- ✓ **Doctor costs** as a % of revenue declined due to increase in hospital revenues and doctor efficiency initiatives
- ✓ **Personnel costs** as a % of revenue increased in Q4 2019 due to the opening of VM Medical Park Maltepe hospital. However, due to efficiency initiatives it decreased in 2019
- ✓ **Rent expenses** as a % of revenue declined in 2019 due to conversion of the FX denominated hospital building lease agreements to Turkish Lira in 2018

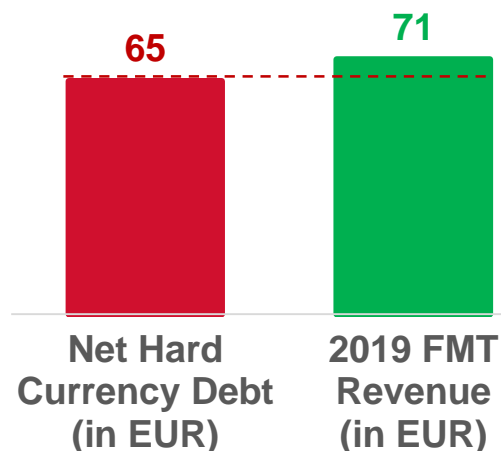
Continued to Deleverage Balance Sheet in 2019

FX BASED NET DEBT (in EUR m)



NET DEBT

2019 ¹



Nominal

TL1,465m

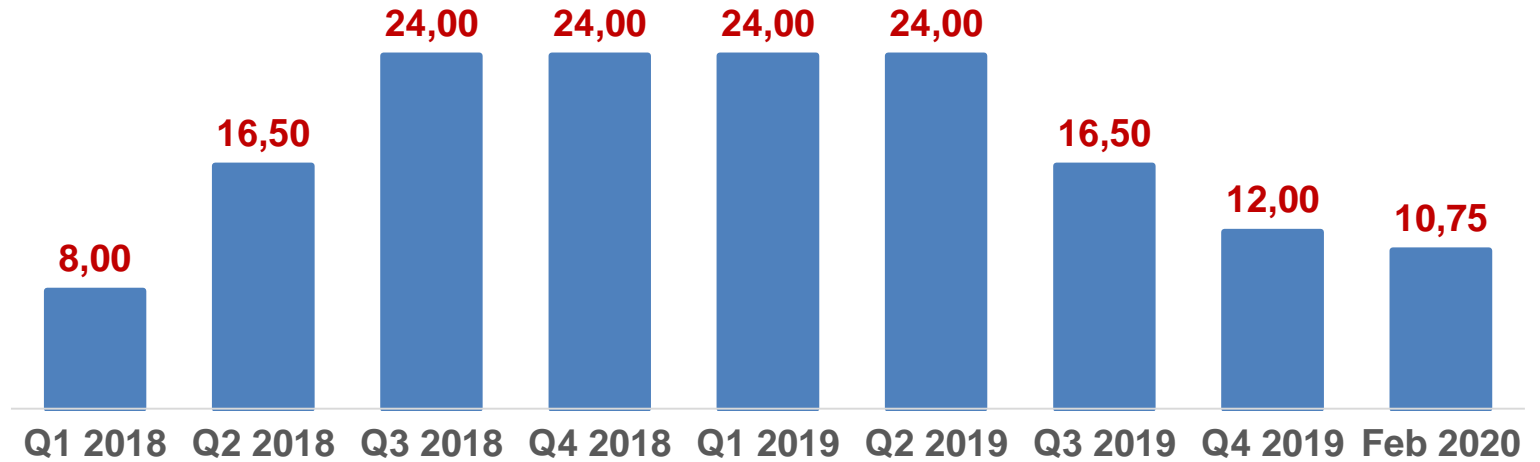
Net Debt /
Adj. EBITDA

2.5x

- ✓ **65%** of 2019-2020 debt service (including bank loans and financial leases) is hedged
- ✓ **Net Debt to Adj. EBITDA** ratio both including and excluding obligations under operational leases related to IFRS 16 was at **2.5x**.

Easing CB policy rate

CBT Interest Rate %



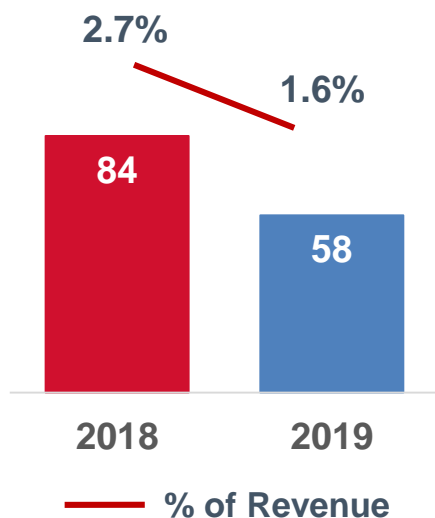
✓ Central Bank of Turkey policy rates has positive impact on our interest costs since 3Q 2019.

FX Position of Income Statement – Excluding IFRS 16

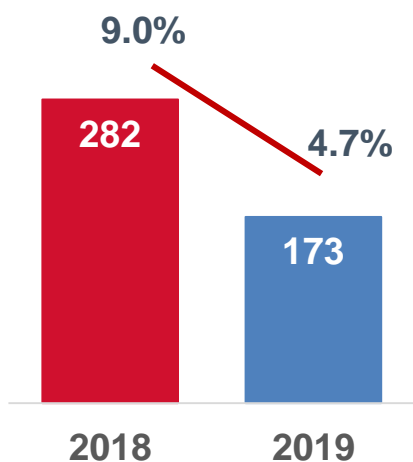
TLm	2019 (TLm)	Hard Currency	Hard Currency as % of total revenues
Domestic Hospital Revenue	2,962	-	-
Foreign Medical Tourism	435	435	12%
Ancillary	306	-	-
Total revenues	3,704	435	12%
Material	(863)	(86)	(2%)
Doctor	(785)	-	-
Personnel	(649)	-	-
Rent	(283)	-	-
All other exp.	(545)	(75)	(2%)
Total costs	(3,125)	(161)	(4%)
EBITDA	579	274	7%
Amortisation	(215)	-	-
Extraordinary income / (expense), net	57	-	-
Finance expenses, net of interest income	(324)	(48)	(1%)
Non cash - FX gain / (loss), net	(62)	(62)	(2%)
Income / (expense), net before tax	35	165	4%
Taxation income / (expense), net	(16)	-	-
Net Profit / (loss), net	18	165	4%
Net Profit / (loss), net -w/o Non cash FX gain / (loss)	80	226	6%

Total Capex and Maintenance Capex Decreased

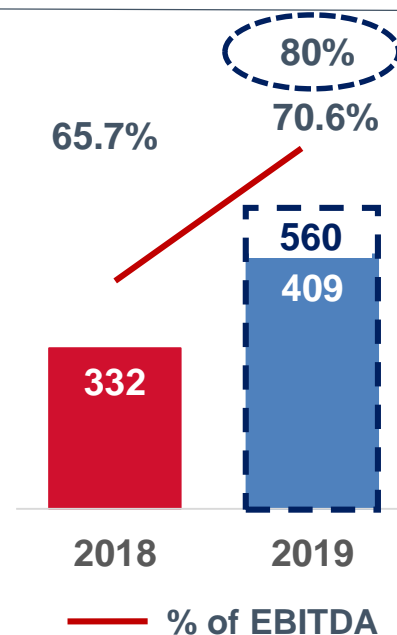
Maintenance Capex (TLm)



Total Capex (TLm)



Operating Cash Flow / EBITDA



✓ Due to early payments to small suppliers, there was an one time impact on operating cash flow amounting to TL151 million.



Outlook & Prospects

Muharrem Usta – Chairman & CEO

2020 Financial Year Guidance

	<u>2020 Guidance</u>
Consolidated Revenue Growth	18%
Adj. EBITDA Growth ¹	25%
Maintenance Capex / Revenue	Less than 2.0%
Total Capex / Revenue	Less than 5.0%
Net Debt / Adj. EBITDA	Less than 2.0x

¹ Adj. EBITDA without foreign exchange gains/(losses) of other income/(expenses) from operating activities. 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.



Q&A

Closing Remarks

Muharrem Usta – Chairman & CEO



Thank You!

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MLPCARE

Historical P&L Statements

TLm	Audited 2019 ¹	Audited 2019	Audited 2018	Q4 2019 ¹	Q4 2019	Q4 2018
Revenue	3,704	3,704	3,132	988	988	880
Cost of service (-)	(2,852)	(3,053)	(2,644)	(754)	(804)	(742)
Gross profit	852	651	488	234	184	138
General administration expenses (-)	(309)	(309)	(271)	(91)	(91)	(82)
Other income from operations	333	333	599	92	92	132
Other expenses from operations (-)	(354)	(356)	(515)	(93)	(94)	(134)
Operating profit / (loss)	523	319	300	142	90	55
Income from investing activities	132	132	2	130	130	0
Expense from investing activities (-)	(2)	(2)	(0)	(2)	(2)	(0)
EBIT	654	450	301	270	219	55
<i>EBIT margin</i>	17.7%	12.1%	9.6%	27.4%	22.1%	6.3%
Total interest expenses (-)	(502)	(353)	(218)	(135)	(99)	(49)
Net foreign exchange profit / (loss) (including hedging cost)	(69)	(62)	(245)	(28)	(26)	40
Net profit / (loss) before tax	82	35	(162)	108	94	46
Tax income / (expense) from operations	(26)	(16)	59	(31)	(28)	(7)
Net profit / (loss)	56	18	(104)	76	65	39

Historical Balance Sheet

TLm	Audited December 31, 2019 ¹	Audited December 31, 2019	Audited December 31, 2018
Cash and cash equivalents	306	306	223
Trade receivables	991	991	899
Inventory	90	90	80
Short term other assets	335	335	276
Current assets	1,722	1,722	1,479
Tangible and intangible fixed assets	1,327	1,327	1,305
Right of use assets	235	--	--
Deferred tax assets	398	325	282
Long term other assets	232	232	173
Non-current assets	2,193	1,884	1,760
Total assets	3,914	3,606	3,239
Trade payables	821	821	808
Short term other liabilities	256	256	246
Short term financial liabilities (incl. financial and operational leases)	861	752	455
Current liabilities	1,938	1,829	1,509
Long term other liabilities	95	95	55
Deferred tax liabilities	155	155	136
Long term financial liabilities (incl. financial and operational leases)	1,488	995	964
Non-current liabilities	1,738	1,245	1,154
Shareholders' equity	230	451	474
Non-controlling interest	8	81	101
Equity	238	532	576
Total liabilities & equity	3,914	3,606	3,239

Reconciliation from Reported EBITDA to Adjusted EBITDA

TLm	2019 ¹	2019	2018	Q4 2019 ¹	Q4 2019	Q4 2018
Net profit / (loss)	56	18	(104)	76	65	39
Tax income from operations	26	16	(59)	31	28	7
Depreciation and amortization of tangible and intangible fixed assets	266	216	192	68	55	51
Total interest expenses/(income) and fair value differences of derivative instruments	543	386	443	158	120	4
Net (gains) / losses from the disposal of tangible and intangible assets and income from negative goodwill	(131)	(131)	(1)	(129)	(129)	(0)
Reported EBITDA	760	506	471	205	140	101
Net one-off (gains) / losses	48	48	26	19	19	46
Non-cash GAAP provision expenses	26	26	7	9	9	5
Adjusted EBITDA	834	579	505	233	168	152
Foreign exchange gains/(losses) from operations	19	19	83	11	11	44
Adjusted EBITDA²	814	560	421	222	157	108

¹Including obligations under operational leases related to IFRS 16

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