

**To: BUCHAREST STOCK EXCHANGE  
FINANCIAL SUPERVISORY AUTHORITY**

**CURRENT REPORT**

**drafted according to the stipulations of ASF Regulation no. 5/2018 on issuers of financial instruments and market operations and Law no. 24/2017 on issuers of financial instruments and market operations**

Report Date: **26.03.2020**

Name of the issuing company: **MED LIFE S.A. ("MedLife" or "The Company")**

Registered Office: **Bucharest, Calea Grivitei, no. 365, district 1, Romania**

Fax number: **0374 180 470**

Unique Registration Code at the National Office of Trade Registry: **8422035**

Order number on the Trade Registry: **J40/3709/1996**

Subscribed and paid-in share capital: **5,536,270.5 RON**

Regulated market on which the issued securities are traded: **Bucharest Stock Exchange, Premium Category**

**Significant events to report:**

**Measures taken by MedLife Group management to limit the impact of the crisis caused by coronavirus**

As a result of measures adopted by the Government of Romania to prevent the spread of SARS-CoV-2 (Coronavirus), we inform MedLife investors and shareholders of the most recent measures that have a direct impact on the Group's activity:

1. The Military Ordinance no.2 of March 21, 2020 provides for the temporary suspension of the activity in the dental medicine offices; by exception, only emergency dental interventions are allowed. This measure has been adopted since March 22, 2020, at 22:00; and
2. The order of the commander of the action of March 23, 2020, approved by the Minister of Internal Affairs, to establish the necessary measures to limit the spread of the infection with SARS-CoV-2 at the level of public and private healthcare units. Thus, the hospitalization for surgery and other hospital treatments and medical investigations, which are not urgent and which can be rescheduled, are suspended for a period of 14 days. Also, the scheduled and programmable consultations are suspended in the ambulatory units which are integrated in the public and private hospitals. Within 48 hours from the entry into force of the order, all patients who are not urgent and who do not necessarily require the provision of medical care in hospital units, are discharged. The hospitals management can decide the reorganization of the program and the permanence of the staff, by introducing the regime of shifts, without affecting the salary of the staff.

As a result of social distancing and of the two aforementioned ordinances with direct impact on the business, the decrease in revenues cannot be quantified at the date of this report.

In order to support front-line colleagues and to ensure medical continuity in emergency, and at the same time to limit the financial impact caused by the ordinances presented above, MedLife management team took the following measures:

1. Agreed reduction by 50% of the salaries of the management team for a period of 45 days.
2. Reducing the costs related to the administrative departments by sending non-critical personnel into technical unemployment. The costs will be borne by the Romanian Government up to a level of 75% of the average salary per economy; for salaries that exceed the average per economy, the difference will be borne by MedLife Group. The measure will enter into force starting March 26.
3. Decrease the working hours for key administrative personnel from 5 to 4 working days, starting March 26.
4. Negotiation with all landlords of premises in which MedLife Group operates, with the purpose of delaying or reducing the rent payments for the next period.
5. Negotiation with secondary service providers which are not mandatory for MedLife Group during this period in order to suspend the collaboration for the next period.
6. Advanced discussions with the banks to increase the liquidity available at Group level, from which we received all the support, already ensuring a comfortable liquidity for a term of 3-6 months. These liquidities add to own funds available at Group level.

Moreover, there are also discussions about what investments can be made at this time for the post coronavirus period, such as the development of treatment centers for the recovery of lung functions, testing and monitoring of patients with medical conditions incompatible with the SARS-CoV-2 virus (such as cardiovascular diseases, high blood pressure, diabetes, oncological patients). We believe that in the near future, medium and long term, the need for medical services will increase substantially.

As a result of these measures, MedLife management considers that it has sufficient liquidity to ensure the solvency of the group in the coming months of uncertainty and to support the resumption of activity as market conditions improve. If the situation so requires, the company is prepared to impose additional measures to those already announced.

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**Mihail Marcu**  
Chief Executive Officer