Press Release   Stockholm 15 February 2019

MEDICOVER ACQUIRES LEADING HOSPITAL GROUP WITHIN NEONATOLOGY AND OBSTETRICS IN POLAND

Medicover has signed an agreement to acquire Neomedic, a leading neonatology and obstetrics hospital group in southern Poland, for 70.5 million euro. The transaction is subject to customary merger control approvals and is expected to be consolidated during the 2nd quarter of 2019.

Neomedic operates three hospitals with surrounding outpatient and primary care clinics. In addition, Neomedic operates ambulatory centres focused on obstetrics. The first hospital of Neomedic was established in 2001 in Kraków and it has since then shown strong organic growth.

In 2018, Neomedic is expected to report revenue of ca. 120 million PLN (ca. 28 million euro). Its profitability will contribute positively to Medicover and the transaction value implies a high single digit EBITDA multiple, including synergies, which are expected to be realised within 12 months. The acquisition will be funded with current committed debt facilities and is expected to be accretive in 2019.

Neomedic operates an integrated service for the population of its catchment areas which account for approximately 10% of the population of Poland as well as has high service levels and satisfaction levels, which resulted in long term budget allocations in recent funding rounds.

Tomasz Wiśniewski, CEO of Neomedic, said:

"The management of Neomedic is delighted that the Medicover Group will become the new owner of the Company. Medicover is present in Poland for many years and we value highly its experience in the healthcare sector, especially as the operator of the largest private hospital in Poland – the Medicover Hospital in Wilanów. We see a lot of benefits in exchanging know-how and working together to further expand the gynaecology and obstetrics practices. We are looking forward to continuing our mission of growing the Company with their support. Our plans focus on strengthening of our offer in Kraków and the Małopolska region and we will also be looking for opportunities in other locations."

Fredrik Rågmark, CEO of Medicover, said:

"Neomedic is a well-renowned hospital chain, helping many families. We are proud to have them join the Medicover family and become part of our journey supporting the Polish people with good quality health services and strengthening our presence in this important part of the country. We hope over time to be able to expand the range of health services we can provide through Neomedic by bringing in some of Medicover's other services and expertise."

About Neomedic:

Neomedic operates two large hospitals in Kraków and Nowy Sącz and one smaller private hospital in Krakow as well as outpatient and primary care medical centres. In 2018, 7,600 babies were born in its hospitals.

The facilities provide highly specialized hospital care in the area of neonatology, obstetrics, gynaecology and others. The main hospital in Kraków is one of only three "level 3" hospitals in this part of Poland, meaning one of the medically most advanced institutions, offering the highest level of specialty care for their field, dealing with the most medically demanding cases. The catchment area of Neomedic is in a strongly developing industrial and service area of Poland with good economic development, supporting the economy.

About Medicover:

Medicover is a leading international healthcare and diagnostic services company and was founded in 1995. Medicover operates a large number of ambulatory clinics, hospitals, specialty-care facilities and laboratories and the largest markets are Poland and Germany. In 2017, Medicover had revenue around 580 million euro and 15,900 employees. For more information, go to www.medicover.com

For further information, please contact:

Hanna Bjellquist, Head of Investor Relations
+46 703033272
hanna.bjellquist@medicover.com

This information is information that Medicover AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07.30 CET on 15 February 2019.

Medicover is a leading international healthcare and diagnostic services company and was founded in 1995. Medicover operates a large number of ambulatory clinics, hospitals, specialty-care facilities and laboratories and the largest markets are Poland and Germany. In 2017, Medicover had revenues around €580 million and 15,900 employees. For more information, go to www.medicover.com