MEDLIFE GROUP

2025 ANNUAL REPORT

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LETTER TO SHAREHOLDERS

Dear Partners,

2025 was a landmark year for MedLife Group, marked by reaching the €1 billion market capitalization milestone on the Bucharest Stock Exchange—a historic milestone that confirms the company's maturity and investors' confidence in our growth model. It is the result of a decade of consistent investment, discipline, and long-term vision.

At the same time, we surpassed the €600 million revenue threshold, maintaining a solid growth trajectory in an economic context characterized by slowing consumption and fiscal pressures. Our results confirm the resilience of our model and the fact that health remains a constant priority for Romanians.

We continued to build. We expanded our network through strategic acquisitions—Medstar, Routine Med, and our entry into the Republic of Moldova—and brought medical services closer to patients.

We accelerated innovation. We developed modern treatment capabilities, including by expanding the emergency department, and continued to develop centers of excellence in complex specialties. The launch of the Center of Excellence in Pelvic Neurosurgery in Bucharest, the development of the Orthopedics Center in Timișoara—where robotics and artificial intelligence are already integrated into medical practice—as well as investments in Brașov, Pitești, Bacău, and Craiova reflect this direction.

We have also taken concrete steps in the areas of diagnostics and digitization: we launched the first fully automated laboratory in Brașov, introduced innovative tests for the early detection of serious conditions, and integrated the first AI assistant into the MedLife app. In our centers, artificial intelligence and robotics are no longer just concepts, but everyday tools.

But the most important change is a paradigm shift.

One of the most significant advances in 2025 is in the field of personalized and preventive medicine. We have obtained the first clinical validation results for our genomics program, the first large-scale genetic testing project in the region. The analysis confirms that genetic predispositions can be correlated with clinical and biological data and used to anticipate disease risks. These results clearly show that medicine is changing. We are no longer just talking about treatment, but about anticipation.

The model developed by MedLife, based on polygenic risk scores and the integration of genetic data with laboratory tests, imaging, and lifestyle information, enables the creation of an individual risk profile unprecedented in Romania. This approach paves the way for predictive medicine, where interventions are personalized and carried out before the onset of disease.

Looking ahead to 2026, our strategy remains consistent: we are prudent in our investment decisions and act responsibly in assessing risks, while remaining ready to capitalize on relevant opportunities.

We will continue to develop the areas that will define medicine in the coming years: genomics, artificial intelligence, digitalization, and prevention—and expand patient access to these services. At the same time, we will continue to consolidate through strategic acquisitions and develop complementary lines, such as aesthetics, sports, and wellness, to offer an integrated medical experience.

In recent years, we have demonstrated that a Romanian entrepreneurial model can become a market leader and a key player at the regional level. We will continue in this direction, with the same investment discipline and the same ambition to transform the healthcare system.

We believe in the private sector and its ability to support the economy. However, to build for the long term, stability and predictability are needed.

MedLife will remain an active investor and a pillar of the Romanian economy.

Thank you for your trust!

MIHAI MARCU

Chairman of the Board of Directors and CEO of MedLife Group

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SIGNIFICANT EVENTS

The year 2025 represented for MedLife Group a period of consolidating its leading position in the Romanian private healthcare market, while continuing its development strategy based on investment, innovation, and the expansion of medical infrastructure. The Group pursued the development of an integrated medical ecosystem that offers patients access to comprehensive services, from prevention and diagnosis to treatment and monitoring, supported by modern medical technologies and process digitization.

Throughout the year, we continued to invest in expanding our network of medical facilities and modernizing existing infrastructure in Romania. Our development strategy focused on both strengthening our presence in major urban centers and expanding access to private healthcare services in other regions of the country. The investments made included the development of multidisciplinary clinics, the modernization of hospitals within the network, the expansion of diagnostic and imaging capabilities, as well as the acquisition of state-of-the-art medical equipment. These initiatives were aimed at improving the quality of medical care and enhancing the patient experience.

At the same time, we continued to expand our portfolio of medical services, strengthening the fastest-growing business segments, such as hospitals, hyperclinics and laboratories. The increase in service volume and the diversification of medical procedures performed were supported by investments made in recent years in infrastructure and technology, as well as by the expansion of medical teams and the recruitment of specialists in various fields.

Another central element of the MedLife Group's 2025 strategy was the development of innovation and medical technology components.

We continued to invest in projects dedicated to personalized medicine, with a focus on the use of genetic sequencing technologies and the integration of artificial intelligence into the diagnostic and medical analysis process.

Thus, in 2025, we launched an advanced genetics project aimed at identifying genetic predispositions to various conditions and developing personalized prevention and treatment programs. The project includes state-of-the-art genetic testing, molecular analysis, and the integration of results into patients' individual health plans, marking a strategic step toward personalized medicine and early diagnosis. This initiative reflects the Group's strategic direction to develop medical services based on prevention and early diagnosis, using medical data analysis and advanced technologies to provide patients with personalized solutions.

Also, over the past year, MedLife Group took a significant step in its regional expansion strategy by entering the private healthcare market in the Republic of Moldova through the acquisition of a majority stake in the All Clinic network of clinics in Chișinău. This transaction marks the Group's second operational expansion into a foreign market, following its entry in 2019 into the private healthcare market in Hungary, and represents a strategic step toward the development of MedLife Group as a regional healthcare operator in Central and Eastern Europe.

Operationally, MedLife recorded positive revenue growth in 2025, exceeding the threshold of 3 billion lei in consolidated revenue. The growth was driven by most of the Group's business lines, particularly the hospital segment and the development of diagnostic and imaging services. Operational performance reflected the continuously growing demand for private healthcare services, as well as the effects of the company's investments in infrastructure and technology.

At the same time, the Company continued to strengthen its position in the capital market, reaching a market capitalization of one billion euros in 2025. This development reflects investors' confidence in the Group's business model and its long-term development strategy.

Through its investments, the development of medical services, regional expansion, and the integration of advanced technologies into medical practice, MedLife Group is consolidating its role as the market leader in private healthcare services in Romania and continuing its transformation into a modern regional operator focused on innovation, prevention, and personalized medicine.

MAIN ACQUISITIONS

Routine Med

In February 2025, MedLife completed the acquisition of the majority stake in the Routine Med group in Tulcea, thereby expanding its national footprint into southeastern Romania. The Routine Med Group operates a hospital facility equipped with an operating theatre, day and inpatient hospitalization, and an outpatient clinic, offering over 20 medical and surgical specialties.

All Clinic

In March 2025, MedLife announced the acquisition of the majority stake in All Clinic in the Republic of Moldova, marking MedLife Group's second expansion beyond Romania's borders. Founded in 1999, the All Clinic group comprises three private, multidisciplinary clinics contracted with Moldova's National Health Insurance House, through which patients have access to outpatient medical services covering 20 medical specialties, including family medicine, ENT, pediatrics, gastroenterology, cardiology, neurology, and gynecology.

Medstar

In June 2025, MedLife announced the full acquisition, through the Sfânta Maria network, of the Medstar group of clinics, a long-standing provider in Cluj-Napoca active in the field of outpatient and paraclinical medical services, thereby consolidating its presence in the Transylvania region. Medstar is a group of companies comprising 4 clinics, a laboratory, basic imaging, and 2 rehabilitation centers operating exclusively in the city of Cluj-Napoca. Medstar offers integrated outpatient and paraclinical services, covering over 30 medical specialties, with a team of over 200 specialists. The portfolio includes specialist consultations, laboratory tests, radiology services, mammography, DEXA scans, occupational medicine, as well as comprehensive medical rehabilitation services for children and adults. Additionally, traffic safety services and dermatology and medical aesthetics clinics are available, addressing a wide range of patient needs. The transaction was completed in January 2026.

MAIN ORGANIC DEVELOPMENTS

Neolife Center in Bacău

In November 2025, a new Neolife medical center opened in Bacău. The center is equipped with state-of-the-art equipment and integrates essential specialties in the fight against cancer: high-precision radiation therapy, nuclear medicine, medical oncology, and chemotherapy, alongside complex imaging studies, MRI, and CT. The center is designed to meet patients' needs, with each department contributing to a comprehensive medical pathway, from diagnosis to personalized treatment, and new technologies enable treatment plans tailored to each individual case. The opening of the center represents an important step toward providing patients in Bacău and neighboring counties with access to modern, integrated oncology services.

MedLife Hyperclinic in Pitești

Following an investment of over 3 million euros, MedLife inaugurated a new multidisciplinary hyperclinic in Pitești in July. With a floor area of 1,500 square meters, the hyperclinic was designed as a modern medical hub that includes 21 consultation rooms, 2 rooms for collecting biological samples, 13 beds for day hospitalization, its own testing laboratory, and is equipped with state-of-the-art equipment. For the first time in the region, patients have access to complex cardiac imaging, such as cardiac CT and cardiac MRI. The hyperclinic's team consists of 80 physicians and 30 nurses, technicians, and support staff—specialists from Pitești, Bucharest, and Craiova, many of whom are recognized locally and nationally.

CONSOLIDATION OF HOLDINGS

Throughout the year, the Group acquired additional packages of shares in some of its subsidiaries. These transactions were aimed at consolidating existing holdings and strengthening the Group's position within those companies.

These steps were part of the Group's strategy to optimize its ownership structure and consolidate control over portfolio entities, while also contributing to improved coordination and operational efficiency at the Group level.

In the Group Overview section, you can find the detailed list of the companies comprising the MedLife Group, together with the Group's shareholdings in these entities.

CORPORATE EVENTS

AGMS on March 18, 2025

On February 13, 2025, the Convening notice of the Annual General Meeting of Shareholders scheduled for March 18, 2025, was published.

The main item submitted for approval was the increase of the credit limit by an additional amount of up to 50 million euros, with the possibility of adding an additional "Accordion Facility" of up to 25 million euros.

All items on the agenda were approved at the AGMS on March 18, 2025.

AGMS of April 29, 2025

On March 21, 2025, the Convening notice of the Annual General Meeting of Shareholders scheduled for April 29, 2025, was published. The main items submitted for approval were:

- The audited annual financial statements, both individual and consolidated, for the year 2024;
- The Annual Report for 2024;
- Discharge of the members of the Board of Directors;
- The individual and consolidated income and expense budget for 2025;
- The remuneration report, subject to a consultative vote by the shareholders.

All items on the agenda were approved at the AGMS on April 29, 2025.

THE GROUP'S COMMITMENT

MedLife is a group of companies dedicated to providing medical services at the highest standards, offering patients top-tier medical expertise, state-of-the-art technology, and optimal conditions of safety and comfort.

Our continuous evolution has been guided by the desire to address the most complex and demanding needs in the medical field. Healthcare is both our profession and our passion, and our mission is to improve the quality of life for every patient who walks through our doors. Easy access to our services is ensured through an integrated system that includes health plans, outpatient care, hospitals, diagnostic laboratories, pharmacies, pharmaceutical distribution, imaging, dentistry, a stem cell bank, and fitness centers.

With over 30 years of experience in Romania's private healthcare market (including the companies consolidated within the Group), we are committed to providing services of excellence through the professionalism of our team, through care and responsibility, as well as through the use of the most modern equipment and facilities, made available to our patients every day.

OBJECTIVES AND STRATEGIC DIRECTIONS

MedLife's strategy focuses on strengthening its nationwide network, with a particular emphasis on medical excellence and the continuous improvement of patient satisfaction. The Group aims to expand its portfolio of facilities and services, ensuring efficient and sustainable national coverage, thereby meeting the needs of existing patients and new clients.

MedLife is constantly seeking new opportunities to increase revenue and create synergies among its facilities and services, thereby maximizing operational efficiency and available resources. These synergies are achieved through the optimal integration of new facilities and the streamlining of internal processes, with the aim of providing patients with faster, more accessible, and higher-quality medical care.

The Group will continue to pursue this expansion strategy through both organic growth and the acquisition of other private healthcare providers operating in the local Romanian market and on international markets. Strategic acquisitions will support the Group's development, helping it capture new market segments and expand its range of available services.

MedLife places a strong emphasis on developing and implementing state-of-the-art technologies to support medical excellence and continuously improve the patient experience. The Group is dedicated to innovation in healthcare, constantly investing in advanced technologies and digital solutions that ensure top-tier medical services and greater integration of all processes within the healthcare system. These technologies include state-of-the-art medical equipment for diagnostics, imaging, and treatments, as well as digital platforms that facilitate patient access to information, appointments, and medical records.

By 2025, MedLife has consolidated its position as a provider of technology- and innovation-driven healthcare services, accelerating investments in artificial intelligence and genetics—two areas considered strategic for transforming the medicine of the future. The Group is developing its own AI solutions integrated into clinical applications and processes, which support medical data analysis, improve diagnostic accuracy, and enable personalized medical decisions.

The Group's strategy focuses on continuing investments in innovative monitoring, diagnostic, and personalized medicine solutions, both on-site and remotely, to ensure continuous, personalized, and integrated medical care.

The Group is committed to continuously improving patients' quality of life by providing them with an integrated and efficient healthcare system, where risks are minimized and opportunities are leveraged to create a sustainable and innovative healthcare system. At the same time, the Group aligns its commercial objectives with high standards of safety and medical ethics, taking into account both patients' interests and the Group's long-term development goals.

MedLife aims to consolidate a model of responsible growth, in which financial performance is underpinned by ethical principles and the integration of sustainability criteria into strategic decisions. The company aims to maintain a solid financial structure, with controlled debt levels and growing profit margins, while ensuring access to financing to support investments and expansion. At the same time, MedLife places particular emphasis on the social (S) dimension of ESG by fostering an inclusive and equitable organizational environment focused on employee well-being and professional development, as well as through initiatives aimed at improving access to healthcare services for various patient groups. The company promotes diversity, supports continuous staff training, and actively contributes to the health of the communities in which it operates, thereby strengthening the positive social impact of its activities. Relationships with partners and suppliers are managed based on ethical and efficiency standards, contributing to the strengthening of the value chain. Through this approach, the company aims to create sustainable long-term value for patients, employees, investors, and the community.

COMPETITIVE STRENGTHS

Leader in Romania's private healthcare sector

MedLife stands out as the leader of the Romania private healthcare market, with a significant presence and a solid reputation for providing high-quality medical services. This leadership position is due to its extensive experience and diversified portfolio of services, which meet the needs of patients across various healthcare domains, from prevention and diagnosis to complex treatments and rehabilitation services.

A balanced and diversified business model

MedLife Group adopts a well-balanced business model that encompasses all key business lines in the private healthcare sector, ranging from hospitals, clinics, and laboratories to pharmacies, imaging, dentistry, centers of excellence in mental health, and fitness centers. This diversified model allows the Group to address a wide range of patient needs and build an integrated system of medical services covering the entire spectrum of care.

Significant revenue-generating opportunities

MedLife has developed a business model that generates significant revenue growth opportunities through a combination of direct medical services and preventive care packages. Furthermore, the Group's operations are supported by an efficient structure that promotes recurring revenues, contributing to long-term financial stability.

Sales model focused on direct payment and corporate packages

One of the Group's main advantages is its sales model, which is largely focused on direct payment for the medical services provided and on preventive care packages. This approach minimizes dependence on funds from the National Health Insurance House, providing the Group with greater financial autonomy and flexibility in setting prices and delivering medical services.

In contrast, many private healthcare providers in Romania rely to a significant extent on contracts with the National Health Insurance House (NHIH) to serve state-insured patients, which exposes them to fluctuations related to NHIH priorities, tariffs, and allocation systems. In the Group's case, only 34% of revenue generated in 2025 comes from treating patients insured through NHIH, which allows it to independently set its policies and strategic directions.

Solid expertise in the field of medical prevention and prophylaxis packages

MedLife is a leading provider of medical prevention and prophylaxis packages in Romania, contributing significantly to health promotion through prevention and early detection of conditions. The Group's commitment to preventive medicine helps patients adopt a healthier lifestyle and reduce the risks associated with chronic diseases. Through these innovative solutions, MedLife supports public health education and contributes to the optimization of healthcare system resources.

Human Resources

MedLife considers the size, diversity, and experience of its medical team to be a key competitive advantage. The Group brings together over 12,000 employees and collaborators, including more than 5,200 doctors with extensive experience. A distinctive feature is the hybrid collaboration model, which enables the recruitment of doctors with exceptional reputations in the market, including thought leaders and specialists with high expertise in medical niches. MedLife emphasizes continuous investment in training, access to state-of-the-art technology, and participation in research projects, which contribute to maintaining a high standard of medical care and expanding the services offered.

Large customer base

Another key competitive advantage of MedLife is its broad and diversified customer base; to date, the Group has served over 6.5 million unique patients and has over 930,000 active medical subscriptions in the Corporate segment. This solid base provides high visibility into recurring revenue and reduces dependence on one-time revenue. MedLife has achieved high patient satisfaction metrics, including positive NPS (Net Promoter Score) scores, which reflect customer loyalty and trust. The integration of services (clinics, hospitals, laboratories, pharmacies, etc.) further contributes to retention and increased customer value, strengthening long-term relationships with patients.

Brand

MedLife brand represents a competitive advantage through its combination of high brand awareness, trust built over time, and clear positioning as the leader of the romanian private healthcare market. The company is perceived as a benchmark for quality and innovation, supported by its status as the leading publicly traded private healthcare operator and a consistent strategy of expansion and consolidation (including numerous acquisitions). Its extensive national presence and consistent visibility in communications contribute to brand recognition, facilitating the attraction of both patients and corporate partners. Furthermore, the brand's association with advanced technology (e.g., genetics, digitalization) and integrated services reinforces the perception of a comprehensive and modern provider, which increases customer loyalty and reduces price sensitivity.

Experienced management capable of supporting expansion through organic growth and acquisitions

The Group's success in organic growth and acquisitions is largely due to a strong and experienced management team. MedLife has implemented efficient systems for identifying and analyzing acquisition opportunities, making quick decisions and ensuring optimized post-transaction integration.

The Group has built a reputation as a "friendly acquirer," often offering the founders of acquired companies the opportunity to remain involved, either as minority shareholders or as managers of the subsidiaries. This strategy allows MedLife to retain accumulated expertise and market knowledge, while integrating acquisitions into its own structures and maximizing revenue-generating potential.

Through its share buyback and exchange program with minority shareholders, the Group supports the alignment of interests and the involvement of founders in its integrated development strategy.

Between 2010 and the end of 2025, MedLife completed and integrated over 100 companies, consolidating its expertise and capacity to continue expanding in an efficient and sustainable manner.

Robust Financial Position

MedLife Group enjoys a strong financial position, supported by solid results and significant assets, which allow it to continuously invest in the development of its infrastructure and services. This financial stability provides the Group with the flexibility needed to respond to market demands and implement new projects, both in terms of territorial expansion and service innovation.

Access to Financing

Thanks to a stable financial track record and a solid reputation in the healthcare market, MedLife benefits from access to various sources of financing. This enables the Group to support its expansion plans, including through strategic acquisitions, the development of medical infrastructure projects and the integration of new technologies.

These competitive strengths highlight not only MedLife Group's success and strong position in the local market, but also its ability to respond swiftly to changes in the healthcare sector by integrating modern technologies and developing innovative solutions for patient.

DEVELOPMENT DIRECTIONS

MedLife Group builds its strategy on a vision of sustainable growth, with the primary objective of consolidating its position as one of the most important providers of private healthcare services in Romania. This is based on continuous development, diversification of the service portfolio, and strategic investments in infrastructure, technology, and elite medical teams.

A key pillar of MedLife's strategy is the expansion of its national network through a balance between organic growth and strategic acquisitions. The Group aims to improve its territorial coverage, thereby meeting the needs of an ever-growing number of patients. Furthermore, the integration of new facilities into the Group's structure is achieved through an efficient process of operational optimization and synergies that maximize added value for patients and partners.

Organic growth and continuous development

The Group's strategy aims to consolidate its presence in large cities with over 150,000 inhabitants through the MedLife brand, as well as to expand into medium and small cities through the Sfânta Maria brand, given the large number of acquisitions in recent years. To this end, we are continuing our development plan for our core business lines: clinics, laboratories, hospitals, and medical subscriptions.

The Group has opened a series of clinics and centers of excellence, as well as blood collection centers for its laboratory business line. Many of these facilities have the capacity to serve a larger number of patients, which allows for increased revenue and their contribution to profit as higher utilization rates are achieved.

At the same time, the Group continues to optimize the mix of services offered at its facilities based on specific local market conditions, seeking to improve revenue and profit margins for each medical facility. The steady and accelerated development of these medical facilities will improve profit margins and generate further sales growth.

Selective acquisitions and integration of market operators

MedLife intends to further expand its service offering and geographic coverage through strategic acquisitions. The acquisition strategy targets regional companies or entities that complement the Group's portfolio through geographic positioning, medical specialties, or operational synergies. Upon completion of acquisitions, the Group introduces new specialties and services or improves the standards of the acquired facilities to efficiently integrate them into the MedLife ecosystem.

As part of its strategy, MedLife encourages the involvement of the founding shareholders of acquired companies by offering opportunities to remain involved as minority shareholders and managers of the subsidiaries. This partnership model contributes to the more efficient integration of acquired facilities and to increasing their value over time.

The Group's acquisition strategy is based on integrating the acquired entities into the MedLife system, ensuring uniformity of services and streamlining support functions such as human resources, finance, marketing, PR, and procurement. The Group leverages the expertise gained through acquisitions completed from 2010 to the present, thereby developing an efficient system for screening and integrating new partners.

Financial Balance and Sustainability

MedLife's financial model is built on revenue diversification, with a strong focus on preventive packages, which ensure long-term stability and contribute to increased prevention and health education among patients. In addition, the Group continues to optimize costs and invest efficiently to maintain a balance between growth, profitability, and reinvestment in infrastructure and services.

Innovation and Digitalization

MedLife consistently invests in advanced technologies and digitalization to improve medical services and streamline healthcare delivery. The digitalization of internal processes and the implementation of high-performance IT solutions contribute to increased operational efficiency and cost optimization.

In addition, the Group aims to develop medical centers equipped with state-of-the-art equipment and continues to invest in oncology, radiotherapy, and medical research.

OUTLOOK

In a dynamic and challenging economic environment, MedLife remains committed to sustainable growth, focusing on operational optimization and consolidating its leadership position in the private healthcare sector. Our strategy for the near future focuses both on improving the efficiency of existing operations and on exploring new development opportunities.

Following an intensive cycle of investments in organic development projects, the main priority is to maximize their profitability by improving profit margins and optimizing operational flows. Furthermore, regarding acquisitions, we adopt a balanced and prudent approach, carefully analyzing market dynamics and integrating opportunities that can bring strategic and financial value to the Group.

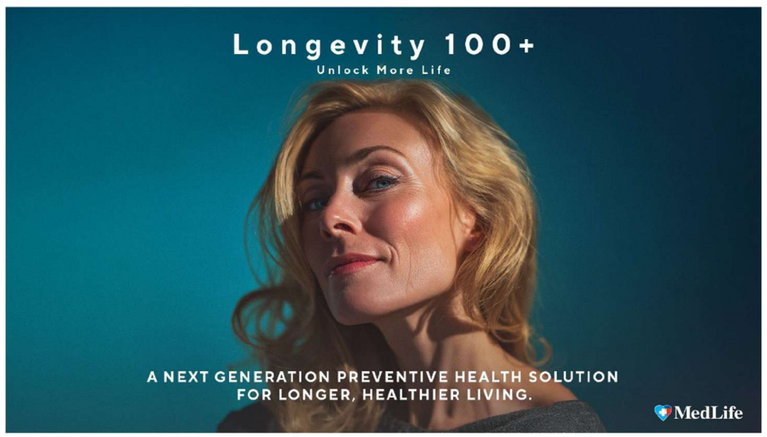
Through this strategy, MedLife aims to consolidate its presence in Romania and carefully evaluate opportunities for expansion into regional markets, with the goal of maintaining sustainable growth and adapting to the ever-changing needs of our patients and partners.

Strategic Priorities

To support our vision of providing medical services at the highest standard, we are focusing on several key areas of development:

Genetic Testing Project

In 2025, we made significant strides by integrating artificial intelligence into our applications for interpreting laboratory results and launching the Longevity100+ program, the most comprehensive regional genetic testing program.



In 2026, we are focusing on expanding the program on a large scale so that genetic testing becomes accessible to as many patients as possible, supporting preventive health strategies and personalized medical decision-making. This initiative underscores MedLife's commitment to integrating scientific innovation into healthcare services.

Innovation and Technology

In 2025, MedLife continued to strengthen its strategic focus on digital transformation and innovation by accelerating the integration of artificial intelligence, robotics, and advanced technologies into current medical practice. These efforts aimed to optimize clinical processes, support medical care, and improve the patient experience through faster, more accurate, and personalized services.

The investments made focused on both modernizing infrastructure and expanding access to cutting-edge technologies, particularly in fields such as robotic surgery, oncology, minimally invasive surgery, and genomic medicine. In this context, the development of the ***Longevity100+*** genetics program, which facilitates the transition to predictive and personalized medicine, was supported by the implementation of the state-of-the-art Illumina NovaSeq X Plus sequencing platform, which enables large-scale advanced genomic analysis.

In the surgical segment, the Group strengthened its position by expanding its robotic surgery programs and introducing the ROSA orthopedic robot, used for high-precision procedures. At the same time, MedLife continued to develop minimally invasive and robotic surgery, including by performing procedures that were firsts in Romania's private healthcare system, such as robot-assisted breast reconstructions, demonstrating its ability to adopt state-of-the-art surgical technologies.

The digital transformation was further supported by the launch of an intelligent medical assistant integrated into the MedLife mobile app, which uses artificial intelligence algorithms to provide personalized guidance based on medical history and test results. In parallel, in the imaging sector, the company implemented the Rayscape solution, an AI-based digital assistant designed for radiologists, which analyzes chest X-rays and pulmonary CT scans, helping to increase diagnostic accuracy and streamline workflows.

Furthermore, the development of medical infrastructure continued with the expansion of the network of specialized centers, including the launch of Romania's first Orthopedic Center at MedLife Medici's Hospital in Timișoara. This center integrates robotic technologies, digital solutions, and multidisciplinary medical expertise into a modern model of treatment and recovery.

Through these investments in technology, infrastructure, and research, MedLife reaffirms its commitment to redefining standards in healthcare. The integration of advanced genomics platforms, artificial intelligence-based solutions, and robotic surgery systems reflects the Group's strategy to build a modern, efficient healthcare system focused on prevention, innovation, and personalization.

At the same time, we have an integrated workflow between medical and financial-accounting operations. This integrated system is a software solution that takes into account all of the Group's needs and its organizational structure to help achieve its goals and unify all functions. Implementing this system enables:

- the creation of a single information system for all organizational functions;
- organizing and optimizing data collection methodologies;
- introducing the latest technologies specific to the type of activity;
- eliminating data redundancy;
- optimizing database organization.

In addition, we will continue to invest in imaging and digital technology, strengthening our early diagnosis capabilities through the use of the national network of MRI and CT scanners and state-of-the-art equipment. Through these measures, MedLife aims to provide a more efficient, accessible, and precise healthcare system that combines technological innovations with the top-tier expertise of our specialists.

Strategic Growth and Service Expansion

MedLife maintains its growth strategy through acquisitions and the development of specialized centers. We focus on complementary fields such as aesthetics, sports, and wellness to strengthen our integrated platform of medical services. At the same time, we prioritize the development of niche centers, expanding access to specialized medicine and facilitating the provision of personalized services tailored to each patient's needs.

Through these strategic directions, we aim not only to expand MedLife's medical infrastructure but also to significantly improve the patient experience through integrated services, easy access to cutting-edge technology, and an approach centered on prevention and innovative treatments.

Acquisitions

In an economic environment marked by volatility and rapid change, MedLife maintains a balanced approach to its acquisition strategy. We remain open to new growth opportunities, both in the local market and regionally, with a particular focus on consolidating our position as market leader in Romania and carefully evaluating opportunities for expansion into neighboring countries.

Our strategy for 2026 and beyond aims to identify partnerships and acquisitions that bring significant added value, either by expanding our service portfolio or by integrating complementary technologies and expertise. To this end, we are focusing on acquiring well-positioned medical facilities with a sustainable business model that can contribute to our long-term strategic objectives.

As the private healthcare market evolves, we will carefully evaluate each acquisition opportunity, ensuring that every decision made contributes to strengthening the MedLife brand, improving the patient experience, and enhancing operational efficiency. We aim to be not only an active player in the market but also an innovator that redefines healthcare standards through well-founded mergers and strategic partnerships.

Ethical Principles and Data Protection

At MedLife, integrity and adherence to ethical principles are fundamental to all our activities. We believe that respect for human rights, the protection of patient data, the fight against bribery and corruption, and the protection of whistleblowers are essential pillars for building a transparent and responsible business environment.

Our group is committed to applying rigorous standards of conduct, ensuring that all its operations comply with applicable laws and international best practices in the field. Patient data protection is a constant priority in our work, and the security and confidentiality of their data are treated with the utmost seriousness. All of our procedures and protocols are designed to ensure fair, respectful treatment in accordance with the highest ethical standards.

With regard to other patient rights, MedLife implements strict measures to prevent any form of discrimination, abuse, or negligence, and patient health information is handled with complete confidentiality, in accordance with national and international data protection regulations. We are committed to ensuring a safe treatment environment where patients feel respected and protected throughout the entire medical process.

We have also implemented policies and procedures governing internal and external conduct to protect fundamental human rights, prevent and combat all forms of corruption and bribery, and ensure an environment where whistleblowers are protected and supported.

Quality Standards

MedLife has implemented the following quality standards:

- ISO 9001:2015 (Quality Management System), through which the organization demonstrates that it has identified risks and is taking action to eliminate or mitigate their effects, which may have a negative impact on the quality management system's ability to achieve the desired results, as well as a negative impact on customer satisfaction.
- ISO 14001:2015 (Environmental Management System) The implementation of this standard assures the company's management and employees, as well as external stakeholders (shareholders, investors, institutions, authorities), that the organization's environmental impact is measured and continuously improved.
- ISO 45001:2018 (Occupational Health and Safety Management System) provides a framework for organizations seeking better control over occupational risks.
- ISO 27001:2022 (Information Security Management System) through which the organization demonstrates that it has implemented appropriate policies, procedures, and controls to protect the confidentiality, integrity, and availability of information. The standard ensures the identification and management of information security risks, the protection of sensitive data, and increased confidence among customers, partners, and authorities in the organization's ability to securely manage information.

CONTRIBUTION TO THE COMMUNITY

MedLife Group is guided by fundamental values that put patients and their health first, thereby supporting an approach based on responsibility, professionalism, innovation, and respect for every individual.

Responsibility: MedLife Group aligns its actions with people's real needs, prioritizing their health and well-being.

Professionalism: With a team of over 5,200 doctors, professors, lecturers, and doctors of medicine, MedLife ensures a high level of competence and dedication in every medical activity.

Innovation: MedLife Group promotes continuous innovation, constantly investing in advanced technologies and medical solutions that ensure effective, high-quality treatments.

Care and respect: Every patient is treated with respect and care, with their needs always prioritized in a safe and empathetic medical environment.

Together We Make Romania Better

MedLife's concept "Together We Make Romania Better" remains a central pillar of the Group's community involvement, reflecting its commitment to actively contributing to improving health and quality of life in Romania. Through projects dedicated to vulnerable patients, prevention programs, and educational initiatives, MedLife extends its role beyond the provision of medical services, becoming an active partner in the development of a healthier society.

Hope Does Not Die of Cancer

The #HopeDoesNotDieOfCancer program, developed and fully funded by MedLife, continues to offer free genetic testing for children diagnosed with cancer, contributing to the personalization of cancer treatment and increasing the chances of therapeutic success.

In 2025, a total of 195 new patients were enrolled in the program, confirming the importance of continuing this initiative nationwide. The geographic distribution shows a concentration in major medical centers, such as Bucharest and Cluj, but also a significant expansion into other regions, such as Timiș and Iași.

Since its launch, 722 children diagnosed with various forms of cancer have benefited from free genetic testing.

Through advanced genetic analysis, doctors can select targeted therapies and tailor treatments to each patient's profile. The program thus helps bridge the gap between Romania and international standards in pediatric oncology and supports the development of personalized medicine.

Health Caravan

In 2025, MedLife continued the national "Health Caravan" project, carried out in six locations across the country: Jidvei (Alba), Prejmer and Rupea (Brașov), Cumpăna and Mihail Kogălniceanu (Constanța), and Deta (Timiș).

Over 500 people received free medical consultations, laboratory tests, and personalized recommendations. The results highlighted a higher incidence of certain conditions with silent progression, highlighting the importance of access to preventive services in communities with limited resources.

Through this initiative, MedLife actively contributes to increasing access to basic medical services and raising awareness of the importance of prevention.

In 2025, the initiative was expanded through the development of a partnership ecosystem, with MedLife joining the Mobile Bank project, carried out in collaboration with BCR and Vodafone. The initiative aims to bring medical services, financial solutions, and telecommunications closer to communities, contributing to greater inclusion and facilitating access to essential services.

Youth Health Education: "Testat e Hot"

Sexual health education remained a priority in 2025. MedLife continued the "Testat e Hot" program, expanding the initiative through the "Escape the Past. Get Tested Like in 2025" campaign, dedicated to young people in Romania.

At the country's largest festivals, such as Electric Castle and Summer Well, the company offered free testing kits for sexually transmitted infections, along with informational sessions and workshops led by medical specialists.

Through these initiatives, MedLife facilitates young people's access to accurate information and relevant medical services, contributing to the strengthening of patients' medical education.

Involvement in Cultural Events

MedLife continues to support cultural projects that contribute to community development and the redefinition of the role of medical spaces.

In 2025, the company expanded the "Culture and Medicine: An Alchemy of Good" event series with a new exhibition dedicated to the relationship between spirituality and medicine, held at MedLife Medical Park Hospital. The project aims to transform medical facilities into spaces for dialogue between science, culture, and the human dimension of medical practice.

At the same time, MedLife organized a national theater marathon for corporate clients, held in several cities across Romania, and supported prestigious cultural initiatives, such as the SoNoRo festival, as a main partner.

Through these efforts, MedLife reaffirms its commitment to contributing to the development of a balanced social climate and to supporting public access to culture.

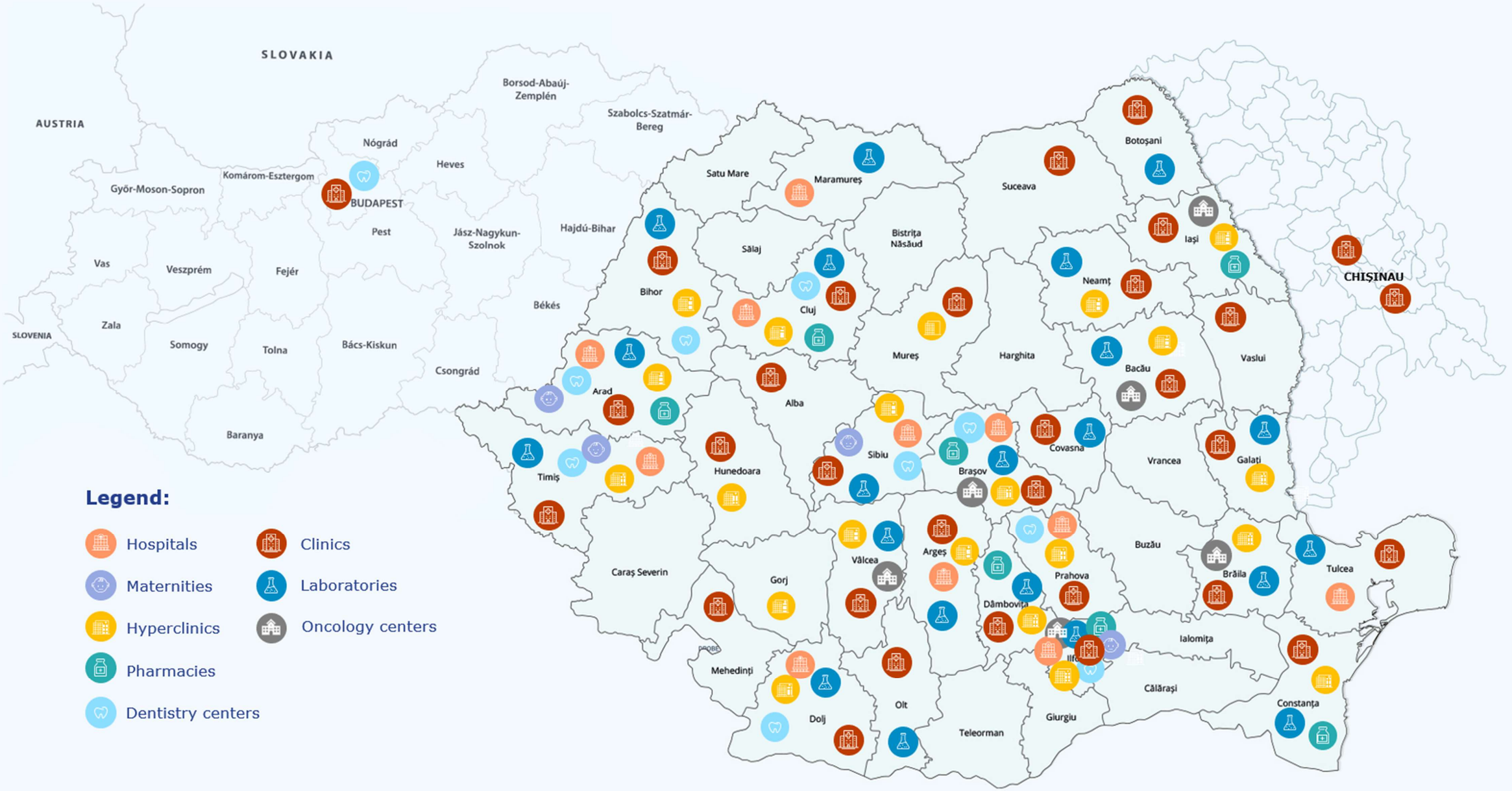
Pro Bono Cases

MedLife Group remains committed to supporting patients in need of medical care, regardless of their financial situation. Through the involvement of medical teams and collaboration with non-governmental organizations, the company continues to provide complex treatments and procedures on a pro bono basis for vulnerable patients.

In 2025, this commitment was further demonstrated through the performance of highly complex procedures across various medical fields. These include the first robot-assisted breast reconstructions in Romania's private healthcare system, performed free of charge for patients diagnosed with breast cancer. These procedures enabled minimally invasive surgeries and faster recovery, significantly improving patients' quality of life.

At the same time, MedLife continued its series of pro bono procedures by performing complex surgeries for conditions with a major impact on the quality of life, such as advanced endometriosis, thereby providing access to advanced treatments that are typically difficult to access.

These initiatives reflect MedLife's mission to facilitate access to medical innovation and to provide advanced therapeutic solutions where the need is greatest.



Legend:

- Hospitals
- Clinics
- Maternities
- Laboratories
- Hyperclinics
- Oncology centers
- Pharmacies
- Dentistry centers

GROUP OVERVIEW

Med Life S.A. is a joint-stock company established in 1996 in accordance with Romanian laws and regulations, headquartered in Bucharest at 365 Calea Griviței, Sector 1. The company has a share capital of 132,870,492 RON and a par value of 0.25 RON per share. The Company, together with its subsidiaries, forms the MedLife Group, whose business consists in providing integrated medical services through an extensive network of medical facilities at national level.

Leader in private healthcare services market

MedLife Group is the largest provider of private healthcare services in Romania, holding top positions in the industry according to key indicators such as: sales, number of clinics, number of hospitals, number of hospital beds, and number of subscribers to preventive and medical care packages.

By the end of 2025, MedLife Group operated an extensive network consisting of:

- 36 hyperclinics and 80 clinics, located in both major urban centers and smaller cities across the country;
- 18 multidisciplinary and monodisciplinary hospitals equipped with state-of-the-art equipment;
- 4 maternity hospitals, offering comprehensive medical care for mothers and newborns;
- 46 laboratories providing advanced diagnostic services, supported by a network of over 250 collection points nationwide;
- 19 pharmacies, integrated into the patient care system;
- 17 dental clinics with specialized teams and modern technologies;
- a stem cell bank, one of the most modern in the country;
- 280 private clinic partners across the country, thereby strengthening its ability to offer integrated services to patients in all regions of Romania;
- an international presence in Hungary, through 3 medical facilities in Budapest, and in the Republic of Moldova, through 3 medical centers in Chișinău and Durlești.

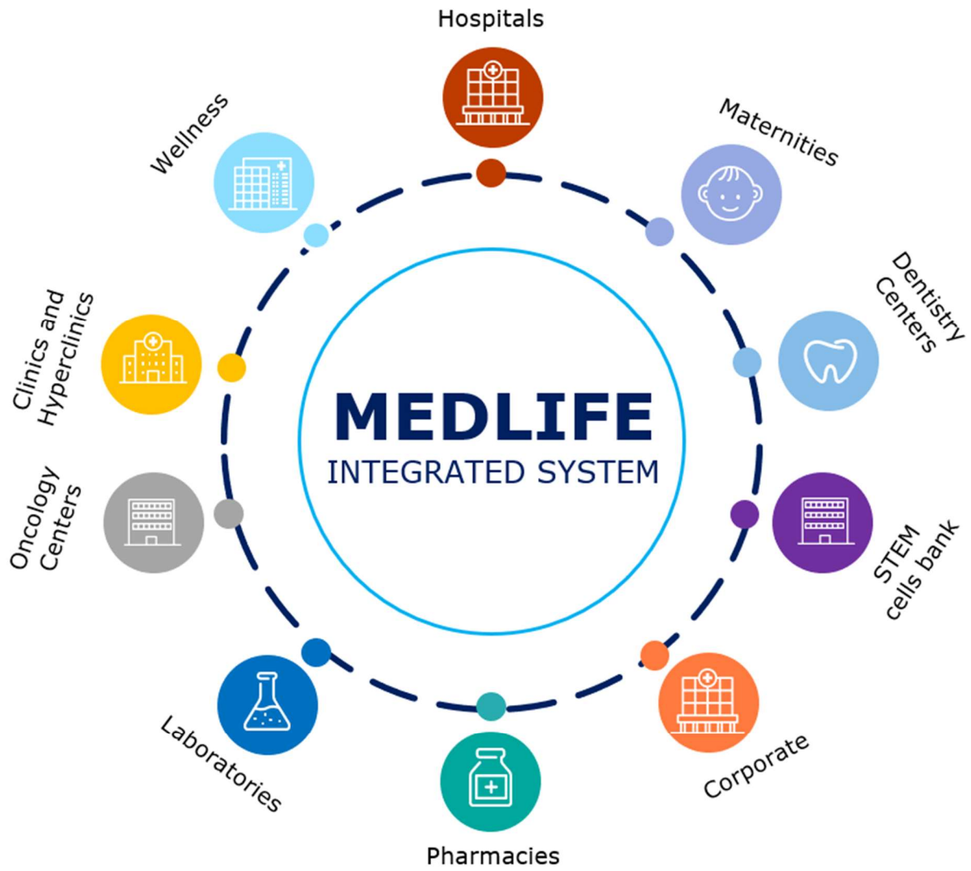
The medical team and commitment to excellence

MedLife Group has the largest team of specialists in Romania's private healthcare sector, bringing together over 5,200 doctors, employees, and collaborators across all medical specialties, as well as over 4,600 nurses and specialized and auxiliary medical staff, contributing to the delivery of high-quality services. In addition, as of December 31, 2025, over 2,500 people were employed in administrative and support roles.

The Group collaborates with leading physicians, employing full-time specialists as well as part-time staff or contractors for niche areas. To maintain a high standard of care, MedLife continuously invests in the training of medical teams, their participation in international conferences, and ongoing professional development.

Innovation and Investments in Medical Infrastructure

One of the pillars of MedLife's strategy is the adoption of the latest technologies in diagnosis and treatment. The group allocates significant annual budgets for upgrading and expanding its infrastructure, acquiring state-of-the-art equipment for medical imaging, minimally invasive surgery, and personalized therapies.



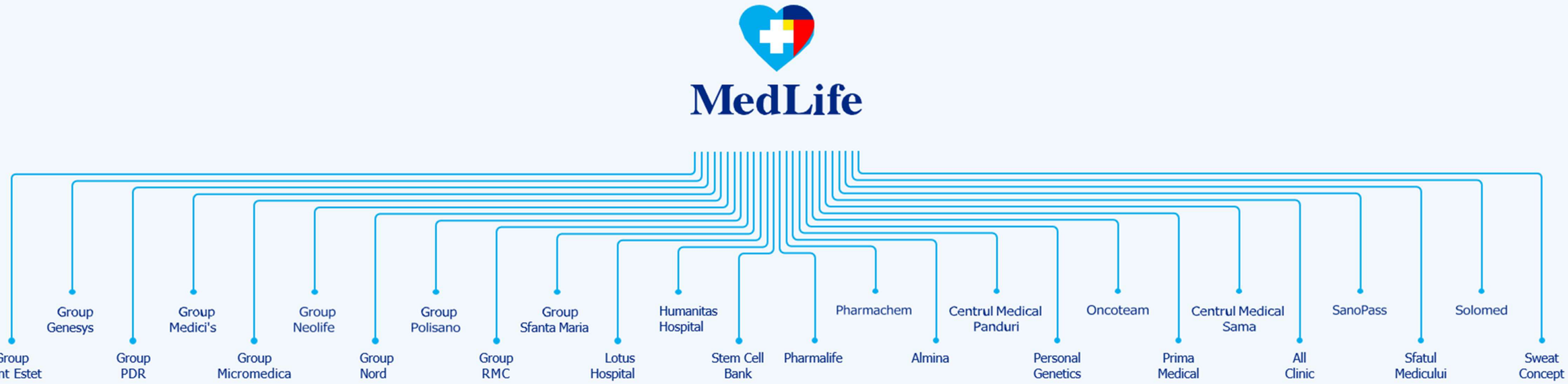
Impact and evolution

With over 30 years of activity in the Romanian market, MedLife Group has provided medical services to over 6.5 million unique patients, equivalent to approximately one-third of the country's population.

The Group's business model is built on providing a full spectrum of medical services, from prevention and diagnosis to treatment and recovery. This integrated approach has led to steady revenue growth and the consolidation of MedLife's position as a leader in the private healthcare industry.

GROUP STRUCTURE

Simplified corporate structure of MedLife Group



Detailed list of companies comprising the MedLife Group

No.	Entity	Main Activity	Place of activity	December 31, 2025	December 31, 2024
1	Policlinica de Diagnostic Rapid SA	Medical services	Brașov, Romania	83%	83%
2	Medapt SRL (indirect)*	Medical services	Brașov, Romania	83%	83%
3	Histo SRL (indirect)*	Medical services	Brașov, Romania	50%	50%
4	Policlinica de Diagnostic Rapid Medis SRL (indirect)*	Medical services	Sfântu Gheorghe, Romania	66%	66%
5	Bahtco Invest SRL	Real estate development (promotion)	Bucharest, Romania	100%	100%
6	Med Life Ocupational SRL	Medical Services	Bucharest, Romania	100%	100%
7	Pharmalife-Med SRL	Retail sales in pharmacies	Bucharest, Romania	100%	100%
8	Med Life Broker de Asigurare si Reasigurare SRL	Insurance Broker	Bucharest, Romania	99%	99%
9	Genesys Medical Clinic SRL	Medical services	Arad, Romania	83%	83%
10	RUR Medical SRL (indirect)*	Rental services	Brașov, Romania	83%	83%
11	Biotest Med SRL	Medical services	Bucharest, Romania	100%	100%
12	Vital Test SRL	Medical services	Iași, Romania	100%	100%
13	Centrul Medical Sama SA	Medical services	Craiova, Romania	90%	90%
14	Ultratest SA (direct and indirect)*	Medical services	Craiova, Romania	92%	92%
15	Prima Medical SRL	Medical services	Craiova, Romania	100%	100%
16	Stem Cells Bank SA	Medical Services	Timișoara, Romania	100%	100%
17	Dent Estet Clinic SA	Dental services	Bucharest, Romania	65%	65%
18	Green Dental Clinic SRL (indirect)*	Dental services	Bucharest, Romania	33%	33%
19	Aspen Laborator Dentar SRL (indirect)*	Dental services	Bucharest, Romania	49%	49%
20	Centrul Medical Panduri SA	Medical Services	Bucharest, Romania	100%	100%
21	Almina Trading SA	Medical services	Târgoviște, Romania	90%	90%
22	Anima Specialty Medical Services SRL	Medical Services	Bucharest, Romania	100%	100%
23	Anima Promovare si Vanzari SRL	Medical Services	Bucharest, Romania	100%	100%
24	Valdi Medica SA	Medical services	Cluj, Romania	55%	55%
25	Clinica Polisano SRL	Medical services	Sibiu, Romania	100%	100%
26	Solomed Clinic SA	Medical services	Pitești, Romania	80%	80%
27	Solomed Plus SRL (indirect)*	Medical services	Pitești, Romania	80%	80%
28	Sfatul medicului SRL	Medical Platform	Bucharest, Romania	100%	100%
29	RMC Dentart (indirect)*	Dental services	Budapest, Hungary	100%	89%
30	RMC Medical (indirect)*	Medical services	Budapest, Hungary	100%	89%
31	RMC Medlife	Holding	Budapest, Hungary	100%	89%
32	Badea Medical SRL	Medical services	Cluj, Romania	65%	65%
33	Oncoteam Diagnostic SRL	Medical Services	Bucharest, Romania	100%	100%
34	Centrul medical Micromedica SRL	Medical Services	Piatra Neamț, Romania	100%	100%
35	Micromedica Targu Neamt SRL (indirect)*	Medical services	Târgu Neamț, Romania	100%	100%
36	Micromedica Bacau SRL (indirect)*	Medical services	Bacău, Romania	100%	100%
37	Micromedica Roman SRL (indirect)*	Medical services	Roman, Romania	100%	100%
38	Medrix Center SRL (indirect)*	Medical services	Roznov, Romania	100%	100%
39	Spitalul Lotus SRL	Medical Services	Ploiești, Romania	100%	100%
40	Pharmachem Distributie SRL	Wholesale of pharmaceutical products	Bucharest, Romania	75%	75%
41	KronDent SRL (indirect)*	Dental services	Brașov, Romania	39%	39%
42	Medica SA	Medical services	Sibiu, Romania	60%	60%
43	Dent Estet Ploiesti SRL (indirect)*	Dental services	Ploiești, Romania	33%	33%
44	Stomestet SRL	Dental services	Cluj, Romania	60%	60%
45	Costea Digital Dental SRL (indirect)*	Dental services	Oradea, Romania	38%	38%
46	Expert Med Centrul Medical Irina (indirect)*	Medical Services	Galați, Romania	76%	76%

No.	Entity	Main activity	Place of operation	December 31, 2025	December 31, 2024
47	MNT Healthcare Europe SRL	Medical services	Ilfov, Romania	50%	50%
48	MNT Asset Management SRL (indirect)*	Holding	Bucharest, Romania	50%	50%
49	Pro Life Clinics SRL (indirect)*	Medical services	Iași, Romania	78%	78%
50	Onco Card SRL (indirect)*	Medical services	Brașov, Romania	83%	83%
51	Onco Card Invest SRL (indirect)*	Holding	Brașov, Romania	83%	83%
52	Tomorad Expert SRL (indirect)*	Medical services	Sfântu Gheorghe, Romania	66%	66%
53	IT Repair SRL (indirect)*	Healthcare	Târgu Mureș, Romania	83%	50%
54	Medici's SRL	Medical services	Timișoara, Romania	80%	80%
55	Micro-Medic SRL (indirect)*	Medical services	Timișoara, Romania	80%	80%
56	Sweat Concept One SRL	Wellness	Bucharest, Romania	75%	60%
57	OptiCristal Consult SRL (indirect)*	Medical services	Brașov, Romania	50%	50%
58	Alinora Optimex SRL (indirect)*	Healthcare	Brașov, Romania	50%	50%
59	SC M-Profilaxis SRL (indirect)*	Medical services	Timișoara, Romania	100%	100%
60	VitaCare Flav SRL (indirect)*	Medical services	Pitești, Romania	51%	51%
61	Dent Estet Genesys SRL (indirect)*	Medical services	Arad, Romania	74	74%
62	Sanopass SA	Medical platform	Târgoviște, Romania	100%	100%
63	Muntenia Medical Competences S.A. (indirect)*	Medical services	Pitești, Romania	51%	51%
64	Bios Diagnostic Medical Services SRL (indirect)*	Medical services	Bucharest, Romania	51%	51%
65	Centrul de Diagnostic si Tratament Provita S.A.	Medical Services	Bucharest, Romania	51%	51%
66	Medical City Blue SRL (indirect)*	Medical services	Bucharest, Romania	51%	51%
67	Laborator Cuza Voda SRL (indirect)*	Medical services	Bucharest, Romania	51%	51%
68	Provita Pain Clinic SA (indirect)*	Medical services	Suceava, Romania	36%	36%
69	Policlinica Union SRL (indirect)*	Medical services	Cluj, Romania	51%	51%
70	Brol Medical Center S.A. (indirect)*	Medical services	Timișoara, Romania	80%	56%
71	Provita 2000 SRL (indirect)*	Medical services	Constanța, Romania	100%	100%
72	Nord Management Solutions SRL (indirect)*	Real estate development (promotion)	Bucharest, Romania	51%	51%
73	Med Varix SRL (indirect)*	Medical services	Timișoara, Romania	56%	56%
74	Personal Genetics SRL	Medical Services	Bucharest, Romania	100%	100%
75	Nord Soma SA (indirect)*	Healthcare	Bucharest, Romania	26%	26%
76	Super Age by Nord SA (indirect)*	Healthcare	Bucharest, Romania	38%	26%
77	VP-MED Kereskedelmi es Szolgaltato Korlatolt Felelossegu Tarsasag (indirect)*	Medical services	Budapest, Hungary	83%	83%
78	Centrul Medical Antares SRL (indirect)*	Medical services	Piatra Neamț, Romania	100%	100%
79	Euromedica Hospital SA(indirect)*	Medical services	Baia Mare, Romania	80%	80%
80	Euromedica Administrator SA (indirect)*	Holding	Baia Mare, Romania	80%	80%
81	Cabinet Medical Dr. Bacila Mihai SRL (indirect)*	Medical services	Timișoara, Romania	48	0%
82	Alfalux Dent SRL (indirect)*	Dental services	Tulcea, Romania	60%	0%
83	Medical Center Spital SRL (indirect)*	Medical services	Tulcea, Romania	60%	0%
84	Mega Optic SRL (indirect)*	Healthcare	Tulcea, Romania	60%	0%
85	Super Optosan SRL (indirect)*	Medical services	Tulcea, Romania	60%	0%
86	Micro Medic SRL (indirect)*	Medical services	Constanța, Romania	100%	0%
87	Routine Med SA	Medical services	Tulcea, Romania	60%	0%
88	All Clinic SRL	Medical services	Chișinău, Rep. of Moldova	70%	0%
89	Medlife Health	Medical services	Chișinău, Rep. Moldova	70%	0%
90	1ST ENDO MEDICAL SRL (indirect)*	Medical services	Timișoara, Romania	41%	0%

*These companies are subsidiaries of other subsidiaries within the Group and are included in the consolidation because they are controlled by entities that are subsidiaries of the Parent Company.

MAIN BUSINESS LINES

MedLife Group's business model is based on providing comprehensive medical services, targeting both individuals and companies, through a wide range of solutions tailored to the needs of patients and corporate partners. Through an extensive presence in the private healthcare market, the Group aims to capture private healthcare spending at all stages of the medical process—prevention, diagnosis, and treatment—thus ensuring an integrated and efficient patient journey.

One of the essential pillars of the business model is the Group's ability to provide high-quality medical services in modern facilities equipped with advanced technologies, where patients benefit from the expertise of a multidisciplinary team of physicians, nurses, and support staff. The accessibility and diversity of services help maintain a steady flow of patients and strengthen MedLife's position as the leader of the private healthcare market.

To cover a wide range of needs and ensure a sustainable business model, the Group has structured its activities into six main business lines, each playing a strategic role in development and expansion. These business lines are complementary and help increase synergies between the various service segments offered, thereby maximizing added value for patients and partners.

Through this integrated model, MedLife not only ensures steady and sustainable growth but also succeeds in meeting the demands of a dynamic market, quickly adapting to changes in the healthcare sector and the ever-evolving needs of its patients.

Clinics

The Clinics business line includes outpatient facilities and diagnostic imaging services. The clinics offer consultations with general practitioners and specialists, diagnostic imaging tests, and, in some cases, day-care services. MedLife has developed this business line in two main formats, each playing a strategic role in meeting patients' needs:

- **Hyperclinics** – integrated medical centers for comprehensive services

MedLife introduced the concept of Hyperclinics to Romania—large-scale medical facilities (over 1,000 square meters) that include more than 20 medical offices and offer patients a one-stop-shop model for consultations and diagnostic tests. This format is designed for cities with over 175,000 inhabitants and provides a full range of imaging services, such as MRI, CT scans, mammography, radiology, and ultrasound. In the case of new facilities, these services can be integrated gradually.

MedLife hyperclinics also include services from other business lines, such as laboratory sample collection points or pharmacies, which contribute to increased operational efficiency and an optimized patient experience. A key element of this model is the ability to guide patients through the entire medical journey, from prevention to diagnosis and treatment.

- **Clinics** – medical facilities dedicated to general and specialized care

Alongside Hyperclinics, MedLife also operates smaller clinics that provide general medical services and specialist consultations. These facilities serve patients from various segments, including individuals with corporate plans, patients who pay for services individually (pay-per-service – "PPS"), and patients whose services are covered by the National Health Insurance House (NHIH).

Generally, these clinics include between 5 and 12 medical offices, though the Group has also developed smaller satellite clinics tailored to the specific needs of local markets. Located in smaller cities or in areas with a high concentration of patients, these clinics serve to ensure access to basic medical services and to facilitate the referral of patients to more specialized facilities, such as Hyperclinics, for advanced investigations or more complex treatments.

Through this model of complementary clinics, MedLife Group maximizes its geographic coverage, optimizes patient access to quality medical services, and ensures a seamless medical journey.

Hospitals

The Hospitals business line within MedLife Group covers inpatient and surgical treatment services, offering patients access to a wide range of medical specialties. By the end of 2025, MedLife operated 18 hospitals located in Arad, Baia Mare, Bucharest, Brașov, Cluj, Craiova, Pitești, Ploiești, Sibiu, Timișoara, and Tulcea, making it the largest network of private hospitals in Romania, with over 1,600 beds and a wide range of medical and surgical specialties.

The group holds 14 hospitalization licenses, covering activities in this business line. Two of these licenses are associated with main hospital facilities, while four other licenses are allocated to external departments. In addition, MedLife operates four day-care facilities in Bucharest, Iași, Craiova, and Timișoara, which provide exclusively short-term inpatient services. These facilities are integrated into the MedLife clinics, and their financial results are reported within the Clinics business line, as the Group considers them functional components of the Hyperclinics.

MedLife conducts its hospital operations through a combination of owned facilities and facilities operated under long-term lease agreements. The Group's network includes multidisciplinary and monodisciplinary inpatient units, all equipped with state-of-the-art technology and staffed by highly trained medical personnel.

Multidisciplinary inpatient facilities

MedLife Genesys Hospital in Arad

MedLife Genesys Hospital is one of the largest private hospitals in western Romania. The hospital can treat a wide range of conditions and perform surgical procedures, using both traditional and minimally invasive laparoscopic methods. The hospital features modern operating rooms and offers both day care and inpatient services, with a 24-hour nurse call system.

MedLife PDR Hospital in Brașov

MedLife Brașov Hospital is a modern multidisciplinary hospital that combines medical expertise, state-of-the-art technology, and teamwork with coordination and a focus on the individual needs of the patient. The hospital features a hybrid operating room, a fully equipped, state-of-the-art operating room equipped with all the necessary equipment for open vascular surgery, as well as mobile 2D and 3D radiology equipment and Endonaut image fusion system. The hybrid operating room is also equipped with a Thereneva endovascular navigation system, which enhances surgical procedures. Additionally, starting in 2024, the hospital is equipped with a da Vinci robot.

The infrastructure and facilities are modern and meet international standards, making the hospital one of the most important and largest private healthcare providers in the central region of the country.

Lotus Hospital in Ploiești

MedLife Lotus Hospital in Ploiești dedicates all its resources to providing every patient with professional medical services of the highest standard, supported by state-of-the-art technology, in conditions of maximum safety and comfort.

The hospital has been operating since 2004 and offers both inpatient and outpatient services. The operating block is equipped with state-of-the-art equipment, modern operating theatres, anesthesia machines, electrocautery units, and HD laparoscopy and hysteroscopy towers.

NORD Muntenia Hospital in Pitești

At NORD Muntenia Hospital, patients receive specialized consultations and check-ups across more than 17 medical specialties, where a dedicated and experienced medical team provides comprehensive and thorough diagnostic services.

The hospital offers high-quality medical services, both for outpatient and inpatient care, and emphasizes minimally invasive procedures, utilizing techniques such as laparoscopic, arthroscopic, and endoscopic approaches, along with personalized medical recovery programs. The operating block is designed to the highest technical standards in the field, and the operating theatres are equipped with state-of-the-art medical technology for precise and effective procedures.

The hospital features an integrated imaging center with state-of-the-art equipment for MRI, CT, conventional radiology, 3D mammography with tomosynthesis, bone densitometry, and low-dose ultrasound, as well as a modern laboratory where lab tests can be performed, connected to an electronic system for rapid and accurate data transmission, which aids in prompt diagnosis.

The hospital offers comprehensive medical services in the following specialties: general surgery, orthopedics, ENT, urology, and plastic surgery.

Humanitas Hospital in Cluj-Napoca

MedLife Humanitas Hospital offers comprehensive medical solutions through a team of exceptional physicians and state-of-the-art medical equipment.

The medical team has multidisciplinary experience and covers specialties such as: general surgery, endocrine surgery (thyroid, parathyroid, adrenal, neuroendocrine tumors), oncological and reconstructive surgery, obstetrics-gynecology, urology, reconstructive and aesthetic plastic surgery, neurosurgery, orthopedics-traumatology, dermatology, neurology, anesthesia, and intensive care.

MedLife Humanitas Hospital also features the da Vinci X robotic system, which enables patients in Cluj area to undergo complex procedures for treating a wide range of conditions: general surgery, oncological surgery, gynecological surgery, and urological surgery.

Polisano Hospitals in Sibiu

MedLife Polisano Constituției Hospital was the first private hospital in Romania. The medical facility is organized into medical and surgical departments and features an operating block with operating theatres and an ICU, equipped to the latest standards of technology and quality. The hospital is supported by its own medical testing laboratory, high-performance imaging facilities, and an integrated outpatient clinic.

The MedLife Polisano Hospital also features the da Vinci X robotic system, through which patients in Sibiu area can undergo complex procedures to treat a wide range of conditions.

MedLife Polisano Izvorului Hospital is part of an integrated network of centers of excellence in medicine across Europe and is one of the most modern facilities, representing a significant presence in Romania's healthcare market.

MedLife Medical Park in Bucharest

MedLife Medical Park Hospital features a modern operating block comprising 10 operating theatres equipped with state-of-the-art technology and offers patients a wide range of medical specialties, including: general surgery, plastic, aesthetic, and reconstructive microsurgery, ENT surgery, orthopedic surgery, surgery, neurosurgery, urological surgery, gynecological surgery, and ophthalmological surgery.

MedLife Titan Hospital in Bucharest

The hospital features an operating block with an operating theatre capable of performing a wide range of surgical procedures, an anesthesia and intensive care unit equipped with state-of-the-art

equipment, as well as the laboratory equipment necessary for emergency testing. The hospital provides day hospitalization services.

NORD Hospital in Bucharest

NORD Pipera Hospital is a multidisciplinary center, built on an area of 25,000 square meters and featuring 8 state-of-the-art operating theatres, designed to support a wide range of complex surgical procedures. The hospital features state-of-the-art operating theatres, advanced diagnostic laboratories, and intensive care units equipped with high-performance equipment. All of these enable the performance of complex surgical procedures and provide an optimal setting for the monitoring and treatment of critically ill patients.

The following centers are also active within NORD Hospital: the Center for Cardiovascular Diseases, the Center for HBP (Hepato-Biliary-Pancreatic) Surgery, the NORD Weight Management Center, the Robotic Surgery Center, the Bronchoscopy Diagnostic and Screening Center, the Imaging Center, the Interventional Radiology Center, the Orthopedics and Sports Surgery Center, and the NORD Integrated Pain Management Center.

MedLife Sama Hospital in Craiova

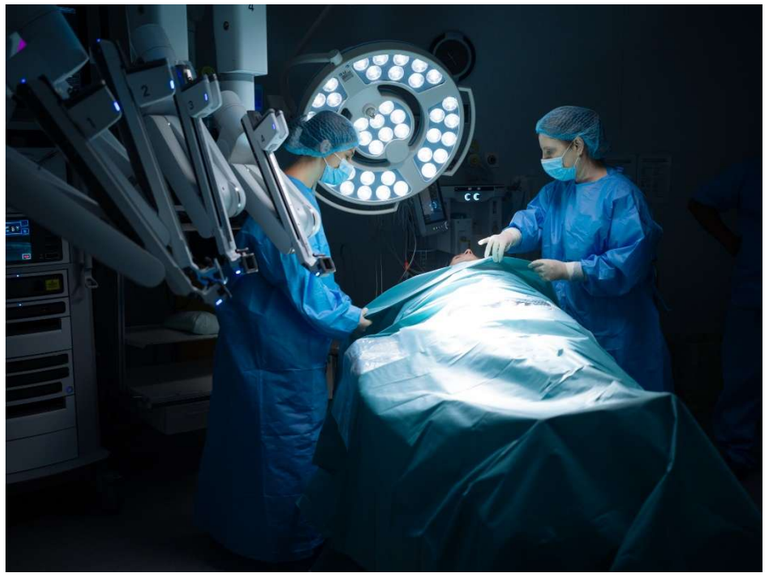
The first multidisciplinary hospital in the Oltenia region. The hospital covers an area of 3,400 square meters and makes a significant contribution to the healthcare services available in the Oltenia region. Equipped with state-of-the-art technology, high-performance imaging and medical analysis laboratories, and a digitized operating theatre, MedLife Craiova Hospital offers patients throughout the Oltenia region access to precision diagnostics and innovative treatments.

Medici’s Hospital in Timișoara

Medici’s Hospital is a multidisciplinary facility that required an investment of over 25 million euros, redefining standards in medical care and positioning Timișoara among the leading healthcare centers in Central and Eastern Europe.

Medici’s Hospital is the most significant private medical investment in western Romania. The hospital covers an area of 6,200 square meters and features 10 operating theatres, 5 of which are part of an ultra-modern operating block equipped with a “clean room” system, 2 are designated for day hospitalization surgery, one is allocated for cesarean sections, and another 2 are specialized for childbirth. This extensive and diversified infrastructure makes MedLife Medici’s Hospital one of the most modern and high-performing private medical facilities in Romania.

MedLife Medici’s Hospital also sets a global benchmark by implementing the innovative CollaboratOR® 65 LITE technology, an interactive hub that integrates real-time communication and visualization. This revolutionary solution allows the medical team to access images, patient information, and other critical data during procedures, thereby enhancing the accuracy of decisions. Furthermore, the system facilitates collaboration with experts from around the world, creating unique opportunities for the exchange of knowledge and expertise in real time. By streamlining surgical processes and enabling exceptional team coordination, CollaboratOR® 65 LITE redefines the standards for complex surgeries.



Euromedica Hospital in Baia Mare

Euromedica Hospital in Baia Mare is a medium-sized hospital offering multidisciplinary services, an outpatient clinic, a laboratory, and an imaging department, with a team of over 40 employed physicians and collaborators. The hospital is equipped with 50 beds and two operating theatres, while the outpatient area offers 14 medical specialties and an imaging department.

Routine Med in Tulcea

The Routine Med Group includes a hospital facility equipped with an operating theatre, inpatient and day-care hospitalization departments, as well as an outpatient clinic, offering patients in the southeastern part of the country over 20 medical and surgical specialties, including dentistry and medical optics. Hospital and outpatient services are complemented by laboratory and medical imaging services, thus offering patients the benefit of an integrated diagnostic and treatment service.

Single-specialty inpatient units

MedLife Orthopedic Hospital in Bucharest

The MedLife Orthopedic and Plastic Surgery Hospital is the first private hospital in Romania dedicated to orthopedics, with full diagnostic and treatment capabilities for musculoskeletal conditions. The hospital is organized according to European standards, both in terms of medical protocols and in terms of comfort and equipment, offering integrated treatment solutions.

The MedLife Pediatric Hospital in Bucharest

MedLife Pediatric Hospital, Romania’s first private pediatric hospital, brings together the best specialists with international expertise and modern equipment to provide safety and the most welcoming conditions for all the little ones who walk through its doors.

The hospital is spread over 6 floors and has a capacity of 132 beds; thanks to its two operating theatres equipped with state-of-the-art technology, it can handle complex procedures across multiple surgical specialties. The facility features a specialized imaging department where ultrasound and radiological examinations can be performed, its own laboratory operating 24/7, and a pharmacy.

AngioLife Hospital in Bucharest

AngioLife Hospital is a center for Cardiology and Interventional Radiology that provides highly competent medical care and covers the entire spectrum of cardiovascular pathology, from the preclinical stage to advanced interventional treatment. The hospital is a specialized center where patient diagnosis, treatment, and rehabilitation are conducted within an integrated system, and the medical services offered cover a wide range of conditions.

OncoCard Hospital in Brașov

MedLife Brașov Oncology Hospital represents the most modern platform for oncological diagnosis and treatment in Romania, based on an innovative concept of integrative medicine that begins at the diagnostic phase and covers the entire period of specific active therapies, synonymous with excellence in the care of oncology patients. The unique combination of state-of-the-art medical equipment and specialists with expertise in the latest concepts and techniques enables the development of the most comprehensive diagnostic platform and ensures each patient receives a personalized approach that improves the chances of cure and quality of life.

The MedLife Brașov Oncology Hospital was inaugurated in 2012, covers an area of 8,200 m², and offers the full range of oncology treatments.

Maternity departments and services dedicated to maternal and child health

MedLife operates modern maternity departments in Arad, Bucharest, Sibiu, and Timișoara, offering patients a safe environment and interdisciplinary medical teams prepared to intervene at any stage of childbirth. These facilities are equipped with advanced technologies, labor and delivery rooms and operating theatres meeting international standards, as well as obstetrics-gynecology, neonatology, and intensive care (ICU) units. Patients also receive specialized support through dedicated counseling both before and after childbirth.

In addition, MedLife offers a stem cell bank that uses advanced biotechnologies for the collection, processing, and storage of stem cells, thereby providing state-of-the-art medical solutions for the future of children's health. Maternity departments activities are included in the Hospitals business line, having a significant impact on the Group's positioning in the private healthcare services market. The stem cell bank's operations are included in the "Others" business line.

The Hospitals business line generates the majority of revenue from services provided to patients on a fee-for-service basis. At the same time, some inpatient services are reimbursed by the National Health Insurance House, particularly in the maternity, gynecology, surgery, cardiology, and oncology departments.

The operating model of MedLife hospitals is based on the integration of medical services, allowing patients to benefit from continuity of care, from initial consultations through diagnosis, treatment, and recovery.

The following table shows a breakdown of beds by hospital and admission status.

Unit	Inpatient	Day Care	Total no of beds	ICU	Operating theatres
Genesys Hospital Arad	59	4	63	4	3
Euromedica Hospital Baia Mare	49	9	58	4	2
PDR Hospital Brașov	104	31	135	15	3
Oncocard Hospital Brașov	75	22	97	0	1
MedLife Medical Park Bucharest	212	24	236	26	11
AngioLife Bucharest	9	0	9	3	1
Bucharest Orthopedic Hospital	36	0	36	11	2
Titan Hospital Bucharest	0	27	27	4	1
Bucharest Pediatric Hospital	106	26	132	10	2
NORD Agricultori Bucharest	0	20	20	0	0
NORD Pipera Bucharest	107	26	133	16	8
Neolife Clinics	0	34	34	0	0
Humanitas Hospital Cluj	48	9	57	5	5
MedLife Hospital Craiova	35	54	89	5	2
Sfanta Maria Iași	0	27	27	0	0
MedLife Iași	0	7	7	0	0
Lotus Hospital Ploiești	15	10	25	3	2
NORD Muntenia Pitești	19	23	42	6	2
Polisano Hospitals Sibiu	193	12	205	27	10
Sfanta Maria Timișoara	0	10	10	0	0
Medici's Hospital Timișoara	117	3	120	13	8
MedLife Timișoara	0	10	10	0	1
Routine Med Tulcea	22	14	36	0	0
TOTAL	**1,206**	**402**	**1,608**	**152**	**64**

*Day care units that provide exclusively short-term inpatient services.

Laboratories

MedLife Group's laboratories are a key pillar, offering high-quality medical testing services supported by state-of-the-art technology and specialized staff. These laboratories are equipped with modern equipment from world-renowned manufacturers such as Abbott, Roche, and Siemens, ensuring rapid turnaround times and highly accurate results. For example, 70% of lab tests are processed and delivered within 24 hours, a crucial factor for the rapid and effective diagnosis of patients. The laboratories are RENAR-accredited, which guarantees compliance with international quality standards.

MedLife offers a wide range of laboratory tests, covering fields such as biochemistry, pathological anatomy (cytology and histology), molecular biology and genetics, hematology, immunology, microbiology, cytology, and toxicology.

A significant milestone in the development of this business line was the acquisition, in 2024, of the Personal Genetics laboratory, a strategic move that established MedLife as the operator with the greatest expertise in the field of genetics and molecular biology in the country.

In addition, MedLife has an extensive network of sample collection points—dedicated medical facilities where blood and other samples are collected from patients. These locations facilitate quick access to laboratory services, offering patients a convenient and comprehensive experience.

The Laboratories business line derives most of its revenue from patients who pay directly for medical services on a fee-for-service basis.

Corporate

The Corporate business line focuses on providing medical prevention and prophylaxis packages (MPP) for corporate clients as an integral part of the benefits offered to their employees. These programs are designed to support preventive healthcare through regular medical check-ups and rapid access to diagnostic services, thereby ensuring a holistic and proactive approach to employee health. In addition, these prevention packages complement the mandatory occupational health services required by law, which the Group offers as Standard MPP, and corporate clients benefit from a comprehensive package of medical services that exceed the minimum legal requirements.

One of the main advantages of this business model is its ability to drive up-selling, as many corporate clients start with basic medical service packages and gradually transition to more complex and comprehensive services. This approach allows the Group to build long-term relationships with clients, meeting their needs as they evolve.

Regarding geographic expansion, the Group identifies the market outside Bucharest as a significant growth opportunity, given that it currently remains underdeveloped for the corporate segment. Thus, continued investments in expanding the network of medical facilities play an essential role in attracting new corporate clients. The Group's ability to serve corporate subscribers at its own medical facilities is a key factor in companies' decisions to purchase medical services. The Group thus aims to acquire and integrate local and regional providers, thereby expanding its national footprint and enhancing its appeal in the corporate market.

MedLife Group has a portfolio of over 930,000 MPP clients, demonstrating the success and scale of this business line. The medical prevention and prophylaxis packages offered include a wide range of services, tailored to the needs of each corporate client:

- Mandatory occupational health services, which primarily include annual check-ups for employees and specific services tailored to the client's industry. Many companies initially opt for occupational health packages under Standard MPP and subsequently add additional benefits from the same healthcare provider, thereby generating opportunities for upselling.
- Prevention-oriented health plans, which are increasingly in demand, offering expanded access to general practitioners and specialists at the Group's clinics. These packages may also include laboratory tests and imaging services for clients seeking more comprehensive and personalized plans. Thus, companies can choose the packages that best suit their employees' needs, benefiting from a flexible and scalable system.

This business line not only supports the health of employees at companies that purchase Corporate services through prevention and treatment programs, but also creates an ongoing growth opportunity for the Group by diversifying services and expanding into new markets. This integrated and adaptable business model ensures a competitive advantage in the Romanian corporate market.

Pharmacies

The Pharmacies business line is a key component of the Group's strategy to provide comprehensive healthcare services, offering patients quick and convenient access to a wide range of pharmaceutical products and related services.

The Group owns 19 pharmacies, strategically located within and near hyperclinics and hospitals to ensure maximum accessibility for patients. This distinctive feature integrates this business line into the overall flow of medical services provided. When patients receive a prescription at one of the MedLife facilities' consultation rooms, they can easily pick up their medications from the pharmacies in the same building or nearby. This integrated model offers patients an additional level of comfort and convenience, saving them time and eliminating the need for extra trips, thereby improving their efficiency and experience. Thus, MedLife pharmacies become an integral part of healthcare services, creating a seamless experience for the patient, from consultation to treatment.

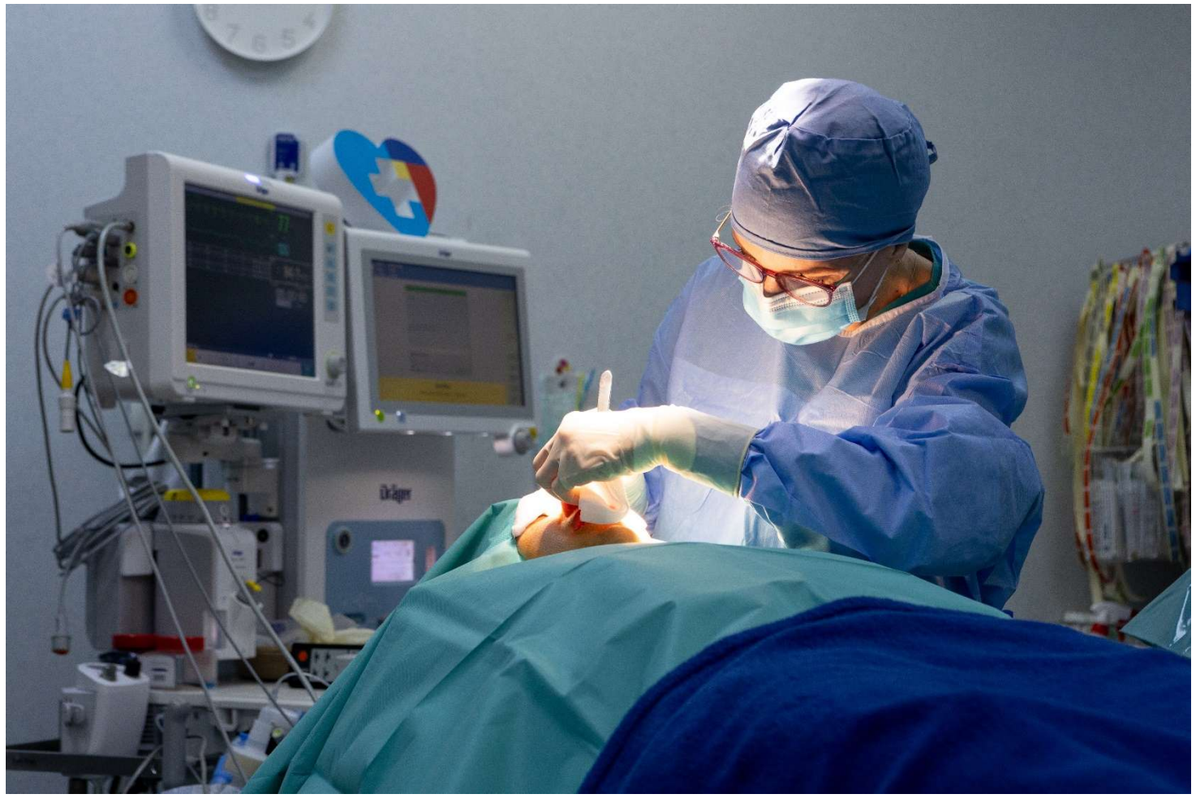
The Group's pharmacies offer both prescription and over-the-counter pharmaceutical products, covering a wide range of patient needs. These include medications for common treatments, dietary supplements, cosmetics, and related medical products. In addition, MedLife pharmacies have their own laboratory, where customized pharmaceutical products are prepared according to patients' individual needs and medical recommendations.

Dentistry

The Group's expansion into the Dentistry business line adds another step to this revenue-capture strategy. Preventive dental checkups can be included in certain medical prevention and prophylaxis packages, which may lead patients to choose the Group for any follow-up treatment on a fee-for-service basis.

The Dentistry business line offers a diverse and comprehensive range of dental services, tailored to the varied needs of patients. From routine dental checkups and preventive procedures to complex surgical interventions, this business line provides high-quality treatments performed by experienced dentists.

Since dental services are not covered by the National Health Insurance House, all revenue from this business line comes exclusively from fee-for-service payments.



In addition to these six main business lines, MedLife Group, as a result of strategic acquisitions made over time, has expanded its service portfolio to include:

Pharmaceutical Distribution

Pharmachem Distribution is one of the leading pharmaceutical distributors in Romania, ensuring access to high-quality medicines, medical supplies, and pharmaceutical products. The company stands out through strategic partnerships with top manufacturers and an extensive network of suppliers, guaranteeing the delivery of reliable products to pharmacies, hospitals, and clinics.

As a distributor, Pharmachem Distribuție manages the entire supply chain—from storage and handling to transport to end users—adhering to strict standards of safety, hygiene, and quality control, in accordance with health authority regulations.

Wellness

MedLife Group's Wellness business line is a key component dedicated to promoting a healthy lifestyle and integrating physical activity, nutrition, and overall well-being into the range of services offered to customers.

This line combines premium fitness and comprehensive wellness facilities, tailored to users' individual needs, including through personalized training programs, monitoring, and support in achieving health goals. MedLife has developed an integrated wellness platform that brings together both its own network of Sweat Concept fitness centers and the digital and expanded access solutions offered through SanoPass.

Sweat Concept by MedLife is a network of fitness and wellness centers equipped with premium equipment, specialized trainers, and diverse training programs.

The SanoPass platform offers subscription-based access to an extensive network of health, sports, and preventive care services, including access to over 600 partner fitness centers and related nutrition and physical wellness services, thereby facilitating the adoption of a long-term active lifestyle.

This holistic approach enables MedLife not only to provide medical and diagnostic services of the highest standard, but also to support and encourage patients in adopting an active and preventive lifestyle, helping to reduce the risk of numerous conditions and improve the overall health of our clients.

HUMAN CAPITAL

A TEAM DEDICATED TO EXCELLENCE IN MEDICAL SERVICES

The Group serves patients through the largest private team of doctors and nurses in Romania. As of December 31, 2025, the Group collaborated with over 5,200 doctors and over 4,600 nurses and specialized and auxiliary medical staff. These include both employees who work exclusively for the Group and collaborators who provide services as independent professionals. In addition, over 2,500 people held administrative and support roles, contributing to the smooth running of operations.

MedLife Group's objective is to build a strong team of full-time medical staff, but it recognizes market realities and the need to maintain flexibility in recruitment. Thus, depending on the specialization and availability of medical professionals, the Group also collaborates with independent contractors through service agreements. These specialists are considered business partners, providing services in accordance with applicable law and being compensated based on the work performed.

MedLife aims to offer an attractive compensation package, which includes:

a fixed salary based on specialization and experience;
variable compensation based on revenue-sharing mechanisms linked to medical services provided;
access to professional training and continuing education programs;
for collaborators, a compensation system based on the number of appointments and medical services provided to patients.

A work environment based on respect and fairness

MedLife is committed to creating a safe work environment where every employee is treated with respect and has the opportunity to reach their full potential. The group promotes a culture based on equity, diversity, and inclusion, where every colleague is encouraged to actively contribute to the organization's success. In this regard, MedLife does not tolerate any form of discrimination, intimidation, or harassment, whether in relationships among colleagues or in interactions with patients.

Open and clear communication is encouraged at all levels, and employees are urged to report any unethical or illegal behavior to the human resources department. All reports are taken seriously and investigated confidentially and impartially to ensure a work environment where everyone feels safe and respected.

STOCK OPTION PLANS (SOP)

In accordance with the current Remuneration Policy, approved by the General Shareholders' Meeting, the Company utilizes long-term incentive mechanisms, including a Stock Option Plan, designed to align the interests of executive management with the Group's strategic objectives and the creation of long-term value for shareholders. This program is part of the overall variable compensation structure and is designed to support sustainable performance, talent retention, and management engagement in the implementation of the Group's development strategy.

The beneficiaries of this program are members of the executive management, in accordance with the principles established in the Remuneration Policy. The grant and exercise of rights under the program are contingent upon the achievement of key performance indicators (KPIs) established in accordance with the Remuneration Policy and the Group's strategic objectives and approved by the Company's Board of Directors. These indicators include a combination of financial, operational, and non-financial criteria, reflecting both the Group's economic performance and operational efficiency, organizational development, and compliance with governance and sustainability standards.

Additional information regarding the remuneration of the Company's management is provided in the Remuneration Report submitted for a consultative vote at the Company's Annual General Meeting.

At the same time, executive management has identified key individuals within the organization who, due to their strategic role and contribution to the Group's development, have been included, starting with the 2025 fiscal year, in a dedicated SOP program, with the aim of stimulating performance and strengthening retention among critical resources for the organization. For these individuals, key performance indicators were established and approved by the Executive Committee, in accordance with the Group's strategic objectives and the specific responsibilities of each role. The structure of these indicators is aligned with that used for executive management, with the aim of ensuring a consistent and equitable framework for performance evaluation within the organization.

By implementing these long-term variable compensation mechanisms, the aim is to align management's interests with those of shareholders, stimulate sustainable performance, and foster an organizational culture focused on results, accountability, and long-term value creation.

INVESTMENT IN PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION

In 2025, training and professional development activities continued to represent a strategic pillar in strengthening the organizational culture and improving team performance.

The programs implemented focused primarily on the effective integration of new employees, the development of professional and managerial skills, and the promotion of collaboration and an organizational culture based on accountability, professionalism, and respect.

Onboarding programs dedicated to receptionists and medical assistants, conducted both in person and online, play an essential role in integrating new colleagues. In 2025, over 400 employees across the country participated in these programs, which include both theoretical presentations and practical applications in internal systems and basic clinical procedures. Through these initiatives, new colleagues quickly become familiar with the Group's standards, procedures, and culture, reducing onboarding time and increasing operational efficiency.

The onboarding process is also supported by the **LifeBuddy** mentoring program, through which experienced employees provide support to new colleagues. In 2025, 100 mentors guided over 100 new colleagues, facilitating knowledge transfer, strengthening work relationships, and increasing retention rates.

Another important tool for the continuous development of employees is the internal **eLearning** platform, launched in 2023, which provides permanent access to mandatory courses and professional development programs. In 2025, the platform recorded over 16,000 visits, offering a variety of content, ranging from compliance and safety courses to topics in management, communication, customer care, and technical skills specific to the medical field.

To develop leadership skills, dedicated programs were organized for managers and coordinators. **Respect Academy**, aimed at reception coordinators, and **Care Academy**, dedicated to head nurses across the Group, offered participants the opportunity to develop their management, communication, and team coordination skills.

In addition, the training team continued its on-site training initiative, conducted at medical centers in Bucharest and across the country. These training sessions, designed specifically for reception teams and medical assistants, combined topics on patient relations with practical instruction in common medical techniques. The program helped standardize work practices, strengthen collaboration between teams, and develop professional skills.

To complement these initiatives, the Group's Human Resources team offered individual coaching sessions for managers, aimed at developing leadership, increasing managerial resilience, and fostering a learning and solution-oriented organizational culture.

In addition to the structured programs, thematic training sessions and webinars were organized on topics such as basic clinical techniques, customer care, personal leadership, managing difficult situations, and B2B sales.

Through these initiatives, the Group reinforces its commitment to the professional development of its employees, contributing to the creation of well-trained, motivated teams aligned with the organization's values and standards.

CORPORATE GOVERNANCE

Corporate governance is conducted in accordance with the provisions of the Companies Act No. 31/1990, as republished, with subsequent amendments and additions, Law No. 24/2017 on issuers of financial instruments and market operations, as republished, and the secondary legislation adopted by the Financial Supervisory Authority for the implementation of Law No. 24/2017, the Bucharest Stock Exchange Code, and the BSE Corporate Governance Code ("Applicable Legislation"), as well as in accordance with the provisions of MedLife's current Articles of Incorporation and applicable internal regulations. MedLife's Corporate Governance Charter was adopted by the Company's Board of Directors in March 2017.

MedLife aligns with capital market requirements and best practices in the field of corporate governance by constantly developing and adapting its corporate governance model, while also creating opportunities and increasing competitiveness. All holders of financial instruments are treated equally, The Company ensures effective, active, and transparent communication with its shareholders through regulated communication channels (the BSE platform, the FSA platform), as well as by publishing all relevant documents on its website in a special section dedicated to them, Investor Relations:www.medlife.ro/relatia-cu-investitorii .

The Investor Relations page also features a special section dedicated to corporate governance, which includes the relevant policies, regulations, and procedures adopted at the Company level, as well as other documents describing the organization and operation of management structures. The publication of these documents is intended to provide stakeholders with a clear picture of the governance framework, internal control mechanisms, and the principles underlying the decision-making process within the Company.

The Group monitors environmental, social, and human resources policies through existing corporate governance procedures.

Responsibility has been delegated by the Board of Directors to the management team specific to each existing department.

GENERAL MEETING OF SHAREHOLDERS

The supreme governing body of MedLife is the General Shareholders' Meeting. The powers of the ordinary and extraordinary General Shareholders' Meetings are set forth in the Articles of Incorporation and in Applicable Law. The General Meeting of Shareholders is organized and conducted in accordance with the relevant provisions of the Applicable Law, the Articles of Incorporation, and the Procedure for Organizing and Conducting MedLife General Meetings of Shareholders.

The Ordinary General Meeting of Shareholders meets at least once a year. Except in this case, the Ordinary General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders meet whenever necessary, being convened by the Company's Board of Directors. Furthermore, the General Meeting of Shareholders may be convened by shareholders who, individually or collectively, hold at least 5% of the share capital. In this case, the General Meeting of Shareholders shall be convened by the Board of Directors within a maximum of 30 days and shall be held within a maximum of 60 days from the date of receipt of the request.

Shareholders' Rights

The rights of all MedLife shareholders are protected in accordance with applicable law. Shareholders also have the right to obtain information regarding the Company's operations, the exercise of voting rights, and the results of voting at the General Shareholders' Meeting. Shareholders' rights in connection with the General Shareholders' Meeting are:

The right to a minimum notice period

The Company publishes information regarding an upcoming General Meeting of Shareholders in the Official Gazette of Romania and in a national newspaper via the GMS Notice at least 30 days prior to the date of the GMS. Additionally, the notice is submitted to the Financial Supervisory Authority and the Bucharest Stock Exchange in the form of a current report, in accordance with applicable regulations, and is published on the Company's website, in the "Investor Relations" section.

Right of Access to Information

MedLife publishes the necessary documents and information on its website to ensure that all shareholders are treated equally, so that they may exercise their rights in a fair manner.

Right to add items to the agenda

MedLife shareholders who, individually or together with other shareholders, represent at least 5% of the share capital may request the addition of additional items to the agenda within the limits and in accordance with the provisions of applicable law.

Right to attend GMS meetings

Shareholders registered in the shareholder register as of the record date specified in the GMS Notice are entitled to attend the Company's General Meetings of Shareholders in person or through a representative.

Voting rights

The Company's share capital consists of common shares, each of which confers one vote for every share registered in the shareholder's name as of the record date, with the exception of treasury shares held by MedLife as of the record date as a result of repurchases made under share repurchase programs. Therefore, there are no shares that confer the right to more than one vote.

Right to Ask Questions

Any shareholder of the Company may submit written questions regarding the items on the agenda of the General Meeting of Shareholders and is entitled to receive answers from MedLife. Shareholders have the right to actively participate and vote at the General Meeting of Shareholders and to be informed of the rules, including voting procedures, governing the General Meeting of Shareholders.

THE COMPANY'S GOVERNING BODIES

Board of Directors

MedLife is managed under a unitary system by the Board of Directors, consisting of 7 members appointed by the Ordinary General Meeting of Shareholders for a 4-year term, with the possibility of re-election. Of the 7 members of the MedLife Board of Directors, 3 are independent members. The Board of Directors is responsible for the management of MedLife, acting in the Company's best interests and protecting the general interests of its shareholders by ensuring the Company's sustainable development. According to the Articles of Incorporation, the Board of Directors is responsible for all acts necessary to fulfill MedLife's corporate purpose, including the management of MedLife's subsidiaries or investments, except for those powers assigned by law to the General Meeting of Shareholders.

The Board of Directors meets as often as necessary, and in 2025, the Board of Directors held 10 meetings.

During 2025, the composition of the Company's Board of Directors remained unchanged, with the terms of the Board members running in accordance with OGMS Resolution No. 1 of November 21, 2024, for a period of 4 years, from December 22, 2024, to December 21, 2028. The Board consists of:

Mihail Marcu (1970) - Chairman of the Board

Mihail Marcu has been Chairman of the Board of Directors of MedLife since August 2006 and CEO since December 2016. He graduated from the University of Bucharest, Faculty of Mathematics and Computer Science (1995), and completed a series of postgraduate studies and specialization courses at the Romanian Banking Institute, the Open University, DC Gardner Training, and Codecs, both in Romania and abroad. From January 2004 to August 2006, he served as CEO of MedLife, and prior to that, he held the position of Vice President of RoBank S.A. (later acquired by OTP Bank Romania S.A., currently part of the Banca Transilvania Group), having been authorized in this capacity by the National Bank of Romania. Previously, Mr. Marcu held various positions at Credit Bank Romania S.A. and RoBank S.A., including credit inspector, head of the credit department, director of the credit department, and director of the corporate department. Mihail Marcu is also the founder of the Romanian Business Leaders Foundation, a community of Romanian entrepreneurs, managers, and professionals from various fields.

Nicolae Marcu (1968) – Executive Board Member

Nicolae Marcu has been a member of MedLife's Board of Directors and MedLife's Director of Health and Operations since December 2016. He graduated from the Faculty of Medicine at Carol Davila University of Medicine and Pharmacy in Bucharest in 1996 and has held a doctorate in psychiatry since 2000. He has also completed a series of postgraduate studies in psychiatry both in Romania and abroad. From August 2006 to December 2016, Nicolae served as CEO of MedLife, and prior to joining the MedLife team, he was a specialist in psychiatry at the "Dr. Al Obregia" Clinical Psychiatric Hospital.

Dorin Preda (1976) – Executive Board Member

Dorin Preda has been a member of MedLife's Board of Directors since 2008. He graduated from the Academy of Economic Studies in Bucharest, Faculty of Finance, Insurance, Banking, and Stock Exchanges (1998). Prior to joining the MedLife team, Dorin Preda served as CEO of Asilife Insurance Broker S.R.L. (2007–2008), branch manager at HVB–Țiriac Bank S.A. (2006–2007), HVB Bank S.A. (2005–2006), at Banca Comercială Ion Țiriac (2004–2005), and at Banca Comercială RoBank S.A. (2003–2004). He also served as director of the Loans and Marketing Department at Banca Comercială RoBank S.A. (2001–2002), credit analyst at the same bank (2000–2001), and director of the Loans Department at Dacia Felix S.A. Bank (1999–2000).

Dimitrie Pelinescu-Onciul (1947) - Non-Executive Board Member

Dimitrie Pelinescu-Onciul has been a member of MedLife's Board of Directors since 2008. He graduated from the Carol Davila University of Medicine and Pharmacy in Bucharest, Faculty of Medicine (1972), specializing in obstetrics and gynecology (residency 1978–1981), and has held a Doctor of Medical Sciences degree since 1994 and the rank of university professor since 2007. Dimitrie Pelinescu-Onciul is a member of 11 scientific societies in Romania and 7 scientific societies abroad, serving, among other roles, as president of the Romanian Association of Perinatal Medicine (2006–2008) and as founding president of the Romanian Society of Ultrasonography in Obstetrics and Gynecology from 2011 to the present. Prior to joining the MedLife team in 2004, he worked at Filantropia Clinical Hospital, Bucharest (1994–2004), Titan Clinical Hospital, Bucharest (1986–1991), Brâncovenesc Clinical Hospital (1978–1986), and the Sinești Rural Hospital in Vâlcea County (1972–1978), serving successively as chief physician of obstetrics and gynecology, head of the clinic, and hospital director.

Ana Maria Mihăescu (1955) - Independent Board Member

Ana Maria Mihăescu has been a member of MedLife's Board of Directors since September 2017. For 20 years, Ms. Mihăescu led the mission of the International Finance Corporation in Romania, a division of the World Bank and the largest financier of the private sector in emerging countries. From 2011 to 2016, Ana Maria Mihăescu played a decision-making role regarding IFC projects in several European countries, including Romania. Previously, she held top management positions in the banking sector. From 2016 to 2023, she served as an independent member of the Supervisory Board of Raiffeisen Bank. Additionally, from 2024 to 2025, she served as an independent member of the Board of Directors of Purcari Wineries, and from 2021 to the present, she has served as an independent non-executive director at NEPI.

Voicu Cheța (1981) – Independent Board Member

Mr. Cheța has been a member of MedLife's Board of Directors since December 2020. He is an attorney admitted to the Bucharest Bar with over 16 years of legal experience. His practice covers a wide range of areas, including high-value commercial litigation, commercial arbitration, insolvency and restructuring, labor relations, public procurement, administrative litigation, debt collection, and corporate law. Through his work providing legal counsel and representing clients before courts and arbitration tribunals, he has gained a comprehensive perspective and proven expertise in addressing commercial legal relationships in a manner that ensures their alignment with the needs of business operations.

Ovidiu Fer (1983) - Independent Board Member

Mr. Fer has been a member of MedLife's Board of Directors since December 2020. He graduated from the Bucharest Academy of Economic Studies, Faculty of Finance, Insurance, Banking, and Stock Exchanges (2006) and holds an MBA from INSEAD (2014). In 2016, Ovidiu Fer co-founded the Alpha Quest Regional Investment Fund as a founding member and has also served on the Advisory Board of the GapMinder VC Fund (since 2018). Previously, he served on the Investment Committee of IJC Funds (2014–2016) and held the position of external advisor at Elliott Advisors (2013–2014). He also served, in turn, as an equity analyst, frontier markets expert, and country manager at Wood&Company from 2007 to 2013 and was a financial analyst for KTD Invest (2005–2007).

As of December 31, 2025, the status of the members of the Board of Directors who held MedLife shares was as follows:

Name	Position	Number of shares held	Percentage of ownership
Mihail Marcu	Chairman of the Board, Executive Member	66,944,828	12.5959%
Nicolae Marcu	Executive Board Member	51,981,600	9.7805%
Dimitrie Pelinescu-Onciul	Non-Executive Member of the Board	71,380	0.0134

According to available information, there is no agreement, understanding, or family relationship between the company's directors and any other person that would have contributed to their appointment as directors.

According to the information held, the members of the Board of Directors have not been involved in any litigation or administrative proceedings relating to their activities within the Company in the last five years, nor regarding their ability to perform their duties within the Company in the last five years.

Advisory Committees

According to the Articles of Incorporation, the Board of Directors may establish advisory committees consisting of at least two members of the Board of Directors to make recommendations to the Board of Directors in various areas.

Audit Committee

The Audit Committee consists of three non-executive members of the Board of Directors and has, primarily, the following responsibilities:

- to examine and review the annual financial statements and the proposed distribution of profits;
- to conduct annual assessments of the internal control system;
- to assess the effectiveness of the internal control system and the risk management system;
- to monitor compliance with legal standards and generally accepted internal audit standards;
- to assess conflicts of interest in transactions with related parties;
- to analyze and review the procedure regarding transactions with related parties;
- to make recommendations to the Board of Directors.

Members of the Audit Committee as of December 31, 2025:

Name	Position
Ovidiu Fer	Chairman of the Audit Committee
Ana Maria Mihăescu	Board Member
Voicu Cheța	Board Member

In 2025, the Audit Committee held four meetings.

Remuneration Committee

The Remuneration Committee consists of three non-executive members of the Board of Directors and has the following primary responsibilities:

- It is responsible for making decisions regarding the remuneration of the members of the Executive Committee and the other non-executive directors of the company, in accordance with the resolution of the Board of Directors. In making such decisions, the Remuneration Committee must take into account the long-term interests of shareholders, investors, and other stakeholders in Med Life S.A.;
- Implementation of the Board of Directors' resolutions falling within the committee's scope of activity.

Members of the Remuneration Committee as of December 31, 2025:

Name	Position
Voicu Cheța	Chair of the Remuneration Committee
Ana Maria Mihăescu	Board Member
Dimitrie Pelinescu-Onciul	Member of the Board

In 2025, the Remuneration Committee held two meetings.

Operational Framework for Risk Identification and Management

The Board of Directors is responsible for overseeing the Company's risk management framework and for ensuring that adequate mechanisms are in place to identify, assess, manage, and monitor significant risks that may affect the achievement of its strategic objectives.

In 2025, MedLife adopted a Risk Management Policy that establishes the principles, responsibilities, and internal processes applicable to the identification and management of risks across the organization. The policy defines the roles of the key structures involved in risk management, including the Board of Directors, executive management, and relevant control functions.

Within this framework, the Company has established a Risk Register that includes the main risks identified at the level of the organization's activities and operations. The Risk Register is reviewed periodically by management and has been presented to and approved by the Board of Directors. It includes risk assessments based on the probability of occurrence and the potential impact on the Company's operations, as well as associated control measures and mitigation actions. The formal risk management process is implemented at the organizational level and includes stages of identifying, assessing, reporting, and monitoring relevant risks. The Company aims to progressively develop and mature its risk management framework, including aligning it with international best practices in the field.

During the risk management exercise conducted in 2025, emerging risks relevant to the Company's operations were identified and assessed, including risks related to sustainability, cybersecurity, data protection, and the use of digital technologies. These were analyzed at the management level and included in the annual register, subsequently presented to and approved by the Board of Directors, and presented as impacts, risks, and opportunities in the Sustainability Statement.

Furthermore, the Company is considering the development and formalization of a risk appetite statement, as well as the definition of appropriate indicators and limits, a process planned for completion in 2026, as part of the consolidation of the overall risk management framework. The Board of Directors continues to monitor the evolution of the organization's risk profile and the effectiveness of internal control mechanisms, based on information provided periodically by management, with the aim of ensuring that significant risks are identified and managed appropriately.

Executive Committee

The Board of Directors has delegated the management of MedLife to its directors, and the delineation of responsibilities between the Board and the Company's directors, including the value thresholds for legal acts entered into by the Company, is included in the Board's internal regulations.

Pursuant to the Articles of Incorporation, the Board appoints a maximum of 10 directors for a term of 4 years and determines, by regulation or resolution, the powers and responsibilities of the directors. The directors are generally responsible for the day-to-day operations of MedLife within the limits established by the Board of Directors, the Articles of Incorporation, and Applicable Law.

Decisions requiring a resolution of the Executive Committee, decisions that may be made by a director, and the manner of organization and operation of the Executive Committee are established by the Rules of Organization and Operation of the Executive Committee approved by the Board of Directors.

During 2025, the Company's executive management was provided by an Executive Committee appointed by the Board of Directors in October 2024 for a four-year term. The Executive Committee consists of:

Name	Position	Date of Appointment	Term End Date
Mihail Marcu	Chief Executive Officer	October 21, 2024	October 20, 2028
Nicolae Marcu	Director of Health and Operations	October 21, 2024	October 20, 2028
Dorin Preda	Deputy General Manager	October 21, 2024	October 20, 2028
Alina Irinoiu	Chief Financial Officer	October 21, 2024	October 20, 2028

According to information held by MedLife, there is no contract, agreement, or family relationship between the Company's directors and any other person that would have contributed to their appointment as directors.

Furthermore, the members of the Executive Committee listed in this section have not been involved in any litigation or administrative proceedings related to their activities within the Company or to their ability to perform their duties within the Company over the past five years.

Alina-Oana Irinoiu-Titu (1993) – Chief Financial Officer

Alina Irinoiu has been the Chief Financial Officer of the MedLife Group and a member of the Executive Committee since October 2022. A graduate of the Bucharest Academy of Economic Studies, Faculty of International Economic Relations, Alina joined the Company in 2018, serving as Investor Relations Manager for four years. Concurrently, she led the M&A department in executing small and medium-sized transactions, while also serving as Deputy Chief Financial Officer. Before joining the MedLife team, she worked in financial auditing for financial institutions at PriceWaterhouseCoopers.

Operational Management (Operational Executive Committee)

The Company's management is structured around two pillars. Operational management is provided by the Operational Executive Committee, the leadership structure responsible for implementing the Company's strategy and ensuring the efficient operation of all departments. It operates under the leadership of the Executive Committee and consists of:

- Director of the Laboratory Division – coordinates the activities of the medical laboratories, ensures compliance with quality standards and operational efficiency.
- Director of Procurement – manages procurement and inventory, ensuring a continuous supply of medical equipment, materials and consumables.
- Medical Director – oversees the quality of medical care and compliance with treatment protocols.
- Human Resources Director – manages recruitment, professional development, and human resources policy.
- Economic Director – coordinates the company's financial and accounting activities, ensures compliance with tax laws, oversees the preparation of financial statements, and manages cash flow.
- Corporate Division Director – develops relationships with corporate clients and coordinates contracts with business partners.
- IT Director – ensures the operation of the IT infrastructure and the development of digital solutions to streamline operations.
- Director of Business Development – oversees the Group's expansion and identifies growth opportunities.
- Director of the Clinics Division – coordinates the operations of medical clinics, ensuring high standards of patient care.
- Business Intelligence Manager – analyzes business data and provides decision-making support through reports and strategic forecasts.
- PR Manager – manages the organization's public image, coordinates media relations and external communications.
- Marketing Manager – develops and implements promotional strategies, analyzes the market and consumer behavior, contributing to increased sales and brand visibility.

Under the coordination of the Executive Operations Committee, MedLife operates through an extensive management structure designed to ensure the efficient integration of functions and support the Group's development.

This includes functional managers of support departments, managers of medical units, and managers of MedLife subsidiaries.

In addition to operational management, the Group implements a medical management system with the primary objective of ensuring quality and managing medical risks. Medical management at the Group level is overseen by the Group Medical Director, who reports to the Director of Health and Operations. Medical managers or coordinators assigned at the facility level meet periodically to review patient cases, identify current and future medical issues, and plan medical resources. Each medical facility has a medical coordinator, and within complex hospital structures, the medical management structure includes a Medical Director, a Medical Board, and an Ethics Board. The implementation of new medical procedures or the modification of existing protocols is typically subject to approval by the medical management groups.

Internal Control

The Group maintains a corporate governance framework that includes processes and mechanisms dedicated to risk management, internal control, and internal audit. This framework is designed to support executive management and the Board of Directors in achieving the Group's strategic, operational, and financial objectives, as well as to ensure compliance with applicable laws and internal regulations.

The risk management and internal control system is implemented across the entire Group and is reviewed periodically to reflect changes in business operations and the regulatory environment.

The internal control framework includes policies, procedures, and control mechanisms designed to prevent or identify in a timely manner undesirable events and risks, such as fraud, errors, losses, non-compliance, unauthorized transactions, or material misstatements in financial reporting.

This framework applies to all operations conducted at the Group level and has the following main objectives:

- ensuring the credibility of financial reporting through the accuracy, completeness, and fair presentation of information;
- preventing and detecting fraud and errors;
- ensuring compliance with applicable laws and internal regulations;
- conducting operational activities efficiently and effectively.

Internal controls are integrated into the Group's operational and financial processes and include both preventive, detective, and corrective controls.

STATEMENT OF GOVERNANCE: APPLY OR EXPLAIN

MedLife is committed to adhering to the principles of good corporate governance and transparency in its relations with investors and stakeholders. In accordance with the provisions of the Bucharest Stock Exchange Corporate Governance Code, this section outlines how the applicable principles are implemented, as well as explanations regarding any exceptions, thereby providing a clear picture of the governance practices adopted by the Company.

A: Governing Bodies

Provision	Explanation
A.1., 1	The Company complies with this provision and has an Internal Rule that defines the Board roles and responsibilities.
A.1., 2	The Company complies with this provision; the Internal rule include the duties and responsibilities of the Board.
A.1., 3	The Company complies with this provision.
A.1., 4	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/articles-of-association
A.2., 1	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/board-of-directors
A.2., 2	The Company is currently in the process of developing a diversity policy at the level of the Board of Directors and executive management, which will incorporate principles regarding gender balance, age, experience, and competencies, in accordance with best corporate governance practices. As of the reporting date, this policy had not yet been finalized and approved, and is expected to be submitted for approval by the competent bodies in the near future.
A.2., 3	The Company complies with this provision.
A.2., 4	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/articles-of-association
A.2., 5	The Company complies with this provision.
A.2., 6	Not applicable.
A.2., 7	The Company does not comply with this provision. The positions of Chairman of the Board and Chief Executive Officer are held by the same person, and as of the reporting date, no independent Vice Chairman had been appointed. In light of the recommendations set forth in the Bucharest Stock Exchange Corporate Governance Code, the Company is currently analyzing the steps necessary to ensure compliance with this requirement, including the opportunity to appoint an independent Vice-Chairman, depending on the evolution of the governance framework and organizational needs.
A.3., 1	The Company is in the process of finalizing and approving the Policy on the Nomination of Board Members, which will define the processes and procedures related to the nomination, selection, and replacement of Board members. The policy will also include principles regarding the evaluation of nominations, including those from shareholders (majority and minority) and Board members, with reference to the Board's profile, independence, and diversity. Following approval by the competent governance body, the Company will ensure the publication of this policy in accordance with applicable requirements.
A.3., 2	The Company complies with this provision.
A.3., 3	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/board-of-directors
A.4., 1	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/consultative-committees
A.4., 2	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/consultative-committees
A.4., 3	The Company partially complies with this provision, having formally established the Remuneration Committee. At the same time, the Company has a solid corporate governance framework, which it continuously develops to align and adapt to the updated provisions of the Bucharest Stock Exchange Corporate Governance Code. In this context, initiatives are underway to update and supplement the relevant internal policies, procedures, and regulations. www.medlife.ro/investor-relations/corporate-governance/consultative-committees
A.4., 4	The Company partially complies with this provision, having formally established the Remuneration Committee. At the same time, the Company has a solid corporate governance framework, which it continuously develops to align and adapt to the updated provisions of the Bucharest Stock Exchange Corporate Governance Code. In this context, initiatives are underway to update and supplement the relevant internal policies, procedures, and regulations. www.medlife.ro/investor-relations/corporate-governance/consultative-committees
A.4., 5	The Company partially complies with this provision. The roles and responsibilities of the Board committees are defined by separate internal regulations, approved by the governance bodies and implemented in practice. However, as of the reporting date, these regulations have not been published on the Company's website. The Company intends to publish the operating regulations of the Board committees on its website after completing the process of reviewing and updating them. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
A.4., 6	The Company complies with this provision.
A.4., 7	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance/consultative-committees
A.5., 1	The Company partially complies with this provision. The internal regulations of the Board of Directors explicitly define the role and responsibilities of the Chairman of the Board, and, in practice, the Chairman exercises his duties in accordance with the requirements of the Corporate Governance Code, including with regard to organizing and conducting meetings, ensuring an adequate flow of information to the Board, facilitating the decision-making process, and the proper functioning of the committees. Furthermore, the Board's performance is evaluated periodically. However, as of the reporting date, the results of the evaluation have not been made public, which results in partial compliance with the provisions of the Code. The Company intends to fully align with this requirement by analyzing and implementing appropriate mechanisms for publishing relevant information regarding the evaluation of the Board's performance, in accordance with applicable provisions

A: Governing Bodies

Provision	Explanation
A.5., 2	The Company complies with this provision.
A.5., 3	The Company complies with this provision.
A.5., 4	The Company complies with this provision.
A.5., 5	The Company complies with this provision.
A.5., 6	The Company partially complies with this provision, as the Company has a Remuneration Committee, and its existing duties do not formally include this responsibility. The Company intends to implement the necessary measures to ensure full compliance during 2026.
A.5., 7	The Company does not comply with this provision because the Company has a Remuneration Committee, and its existing responsibilities do not formally include this responsibility (and not a Nomination and Remuneration Committee). The Company intends to implement the necessary measures to ensure full compliance during 2026.
A.5., 8	The Company does not comply with this provision because it has a Remuneration Committee, and the Committee's current responsibilities do not formally include this duty (and it does not have a Nomination and Remuneration Committee). The Company plans to implement the necessary measures to ensure full compliance during 2026.
A.6., 1	The Company complies with this provision: www.medlife.ro/investor-relations/corporate-governance
A.6., 2	The Company partially complies with this provision; the responsibilities of the Chief Executive Officer are to be set forth in greater detail in the Articles of Incorporation, as the Company is currently undergoing an internal process to revise the Articles of Incorporation to align with this provision. www.medlife.ro/investor-relations/corporate-governance/articles-of-association
A.6., 3	The Company complies with this provision.
A.6., 4	The Company complies with this provision.

B: Risk Management and Internal Control Framework

Requirement	Explanation
B.1., 1	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
B.1., 2	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
B.1., 3	The Company complies with this provision.
B.1., 4	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
B.1., 5	The Company complies with this provision.
B.1., 6	The Company complies with this provision. www.medlife.ro/formular-avertizare-integritate
B.2., 1	The Company complies with this provision.
B.2., 2	The Company complies with this provision.
B.2., 3	The Company complies with this provision.
B.2., 4	The Company complies with this provision.
B.3., 1	The Company complies with this provision.
B.3., 2	The Company complies with this provision.
B.3., 3	The Company complies with this provision.
B.3., 4	The Company complies with this provision.

C: Performance, Motivation, and Reward

Requirement	Explanation
C.1., 1	The Company partially complies with this provision, as members of the Advisory Committees at the Board of Directors level do not receive additional compensation. The Company is considering revising the Remuneration Policy to align it with the provisions of the Corporate Governance Code, including by analyzing the feasibility of introducing additional remuneration for members of the Advisory committees, with any changes to be submitted for approval by the competent bodies and implemented in the near future. www.medlife.ro/sites/default/files/2024-10/Amended%20Remuneration%20policy.pdf
C.2., 1	The Company complies with this provision. www.medlife.ro/sites/default/files/2024-10/Amended%20Remuneration%20policy.pdf

Requirement	Explanation
C.2., 2	The Company complies with this provision. www.medlife.ro/sites/default/files/2024-10/Amended%20Remuneration%20policy.pdf
C.2., 3	The Company complies with this provision. www.medlife.ro/sites/default/files/2024-10/Amended%20Remuneration%20policy.pdf

D: Reporting and Investor Relations

Provision	Explanation
D.1., 1	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations
D.1., 2	The Company complies with this provision. www.medlife.ro/investor-relations/contact
D.1., 3	The Company complies with this provision. www.medlife.ro/investor-relations
D.1., 3	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance
D.1., 3	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance
D.1., 3	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations
D.1., 3	The Company complies with this provision. www.medlife.ro/relatia-cu-investitorii/adunari-generale-ale-actionarilor
D.1., 3	The Company is analyzing the steps necessary to increase the level of transparency, including by adding this information in public communications, with a view to ensuring full compliance within a reasonable timeframe.
D.1., 3	The Company complies with this provision.
D.1., 3	The Company partially complies with this provision; the relevant corporate policies have already been developed and implemented internally, and some of them are publicly available in the Investor Relations section. At the same time, the Company is in a continuous process of enhancing transparency and aligning with the provisions of the Corporate Governance Code, with applicable additional policies to be published gradually on the Company's website. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
D.1., 4	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations/financial-reports
D.1., 5	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations/sustainability-reports
D.1., 6	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
D.2., 1	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
D.2., 2	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
D.2., 3	The Company complies with this provision.
D.2., 4	The Company complies with this provision. The Company will implement this provision starting with the annual General Meeting of Shareholders on 30 April 2026.
D.2., 5	The Company partially complies with this provision. The Company encourages active shareholder participation in Annual General Meetings and ensures transparency by organizing regular communications and updates relevant to investors, particularly in the context of significant corporate events. In addition, dedicated channels are made available to shareholders for submitting questions and feedback, and responses are provided promptly and comprehensively. However, as of the reporting date, virtual participation in General Shareholders' Meetings has not yet been implemented. The company is analyzing the opportunity to introduce mechanisms that would allow remote participation, with a view to full alignment with the provisions of the Corporate Governance Code. www.medlife.ro/investor-relations/reports-and-presentations/capital-market-reports; www.medlife.ro/investor-relations/contact
D.2., 6	The Company complies with this provision. www.medlife.ro/sites/default/files/documente_bursa/Procedure%20GSM%20MedLife.pdf

E: Sustainability and Stakeholders

Provision	Explanation
E.1., 1	The Company complies with this provision at the level of the Board of Directors. www.medlife.ro/investor-relations/reports-and-presentations/sustainability-reports
E.1., 2	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations/sustainability-reports
E.1., 3	The Company complies with this provision and has integrated E&S risk and opportunity analysis into its business decisions. www.medlife.ro/investor-relations/reports-and-presentations/sustainability-reports
E.2., 1	The Company complies with this provision. www.medlife.ro/investor-relations/reports-and-presentations/sustainability-reports
E.3., 1	The Company complies with this provision, as the Board's strategic vision and the company's values are included in the Annual Report.
E.3., 2	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents
E.3., 3	The Company complies with this provision. www.medlife.ro/investor-relations/corporate-governance/corporate-governance-documents

MEDLIFE ON THE CAPITAL MARKET

SHARE CAPITAL

Subscribed and paid-in share capital

In nominal terms, the issued share capital consists of 531,481,968 common shares as of December 31, 2025 (December 31, 2024: 531,481,968) with a par value of RON 0.25 per share. Holders of common shares are entitled to one vote per share held at MedLife's General Meetings of Shareholders, except for treasury shares repurchased by the Company under share buy-back programs. All shares are equal and confer equal rights to the Company's net assets, with the exception of treasury shares.

Changes in the Company's Share Capital

There were no changes in the Company's share capital during the 2013–2016 period.

On November 11, 2016, the registration with the Trade Registry of the split of the par value of the shares issued by the Company from 10 RON/share to 0.25 RON/share was completed, pursuant to the resolution of the Company's Extraordinary General Meeting of Shareholders adopted on November 1, 2016. As a result of the split of the par value, the number of shares issued by the Company changed from 502,300 shares to 20,092,000 shares. Thus, the Company's share capital became RON 5,023,000, divided into 20,092,000 shares, each share having a par value of RON 0.25.

On December 19, 2017, the capital increase process through the issuance of additional shares was completed. Thus, 753,082 shares were subscribed as a result of the exercise of the preemptive rights of shareholders registered in the shareholder register as of October 27, 2017. To these were added 1.3 million shares offered in a private placement. The date of registration of the newly issued shares was January 11, 2018. Thus, the Company's share capital became RON 5,536,270.50, divided into 22,145,082 shares, each share having a par value of RON 0.25.

On February 15, 2021, the effects of the Company's share capital increase by RON 27,681,352.50, from RON 5,536,270.50 to RON 33,217,623 RON, through the issuance of 110,725,410 new shares with a par value of 0.25 RON per share, in accordance with the Resolution of the Extraordinary General Meeting of Shareholders dated December 15, 2020. The share capital increase was carried out by incorporating the share premium, and the newly issued shares (5 for 1) were allocated without monetary compensation to all shareholders registered in the Company's shareholder register as of January 4, 2021 (Record Date). The total number of the Company's issued common shares following the share capital increase thus became 132,870,492.

Pursuant to the Resolution of the Company's Extraordinary General Meeting of Shareholders dated August 3, 2023, the Company's share capital was increased by RON 99,652,869, from RON 33,217,623 RON to 132,870,492 RON, through the issuance of 398,611,476 new shares with a par value of 0.25 RON per share by incorporating the share premium and retained earnings, and the newly issued shares were allocated free of charge to the Company's shareholders registered in the shareholder register maintained by Depozitarul Central S.A. as of September 5, 2023 ("Record Date"). Each shareholder registered in the shareholder register on the Record Date received 3 (three) newly issued shares free of charge for each share held on the Record Date. The newly issued shares are registered, dematerialized shares, admitted to trading on the Main segment, Premium category of the Bucharest Stock Exchange. The total number of ordinary shares issued by the Company following the share capital increase is 531,481,968.

During the period 2024–2025, there were no changes to the Company's share capital.

Share Buyback Programs

On March 3, 2025, the Company announced via a current report issued through the BSE and its own website the completion of the share buyback program approved by Extraordinary General Shareholders' Meeting Resolution No. 1 of August 3, 2023. The program, which began in September 2023, resulted in the acquisition of 284,058 treasury shares, and the total price paid for the repurchased shares, excluding brokerage commissions and other acquisition costs, was RON 1,162,646.70.

On March 11, 2025, the Company announced in a current report issued through the Bucharest Stock Exchange (BSE) and its own website the initiation of a new treasury share buyback program approved by Extraordinary General Shareholders' Meeting Resolution No. 2 of November 21, 2024, a program aimed at repurchasing from the market a maximum of 9,820,380 treasury shares, for a maximum period of 18 months from the date of publication of EGMS Resolution No. 2 of November 21, 2024, in the Official Gazette of Romania, namely January 30, 2025. The treasury shares repurchased under this program will be offered to employees and members of the Company's management, former or current members of management, or former or current employees of some of the Company's subsidiaries, and/or will be offered in exchange for shares held in the Company's subsidiaries by former or current members of management or former or current employees of some of the Company's subsidiaries.

The buyback programs conducted by the Company comply with applicable regulations regarding buyback programs, namely Article 5 of EU Regulation 596/2014 on market abuse and Delegated Regulation (EU) 2016/1052.

The buyback program launched on March 11, 2025, and conducted through BT Capital Partners S.A., the intermediary service provider, yielded the following results:

Name	2025 (program initiated on March 11)
Number of shares repurchased	238,941
Average repurchase price (RON/share)	6.1213
Total amount paid for the repurchased shares, including brokerage commissions and other acquisition costs (RON)	1,466,325

SHARE PERFORMANCE

MedLife shares have been listed on the Bucharest Stock Exchange, Premium category, since December 2016, under the symbol "M," marking the start of the Company's journey on the capital market and offering investors the opportunity to participate in its development and performance.

MedLife shares are included in several BSE indices, including the BET Index—the benchmark index of the Romanian capital market, which reflects the performance of the most actively traded companies on the BSE's regulated market. MedLife shares are also included in the emerging and frontier market indices of global index providers FTSE Russell and MSCI, namely the FTSE Global All Cap, MSCI Frontier IMI, and MSCI Romania IMI.

2025 marks a milestone in the Company's presence on the capital market, as it reaches the €1 billion market capitalization threshold. This historic milestone marks not only the Company's maturity but also the steady growth of its shares since its 2016 listing, reflecting investors' confidence in its long-term development model and the Company's sustainable performance.

Between January 1 and December 31, 2025, MedLife shares traded between a minimum price of 5.69 RON/share and a maximum price of 10.28 RON/share, which was also the price recorded on the last trading day of the year, representing a market capitalization of RON 5,463,634,631. The Company's shares rose by 77% in 2025, placing MedLife fifth in the performance ranking of issuers comprising the BET index, and first among the entrepreneurial companies in this index. The total trading volume in 2025 was 42,037,167 shares, equivalent to a total value of RON 301,024,841.

INVESTOR RELATIONS ACTIVITIES

The Investor Relations Department and the Company's management team regularly participate in a series of events dedicated to Romanian and international investors and financial analysts—national and international conferences, individual and group meetings, online or in-person, and teleconferences, to present the MedLife Group, its operational and financial results, strategy, and outlook.

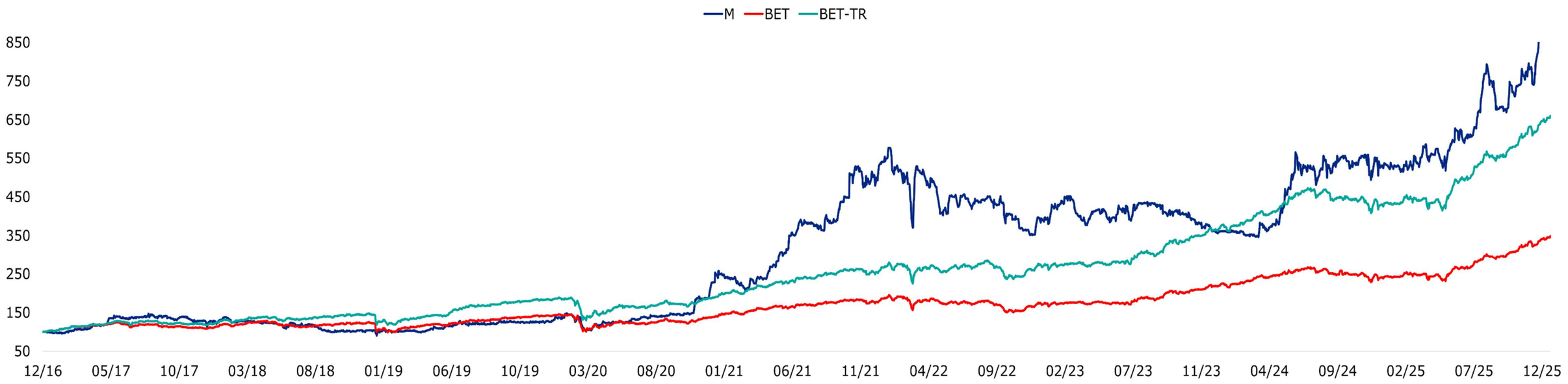
Each year, MedLife organizes four conference calls to present the Group's financial and operational results: annual, quarterly, and semi-annual. The organization of these conference calls is announced via current reports issued and disseminated both through the Company's website and on the Bucharest Stock Exchange, and participation is possible by requesting login credentials. Subsequently, the transcript of these conferences is available on the MedLife website, on the Investor Relations page, under the Reports and Presentations -> Financial Reports section.

During 2025, MedLife representatives met with 150 investors and financial analysts and participated in a series of in-person conferences held in Romania, the United Kingdom, and the Czech Republic, aimed at financial analysts and institutional investors.

Assessment according to the VEKTOR indicator - Romanian Investor Relations Association (ARIR)

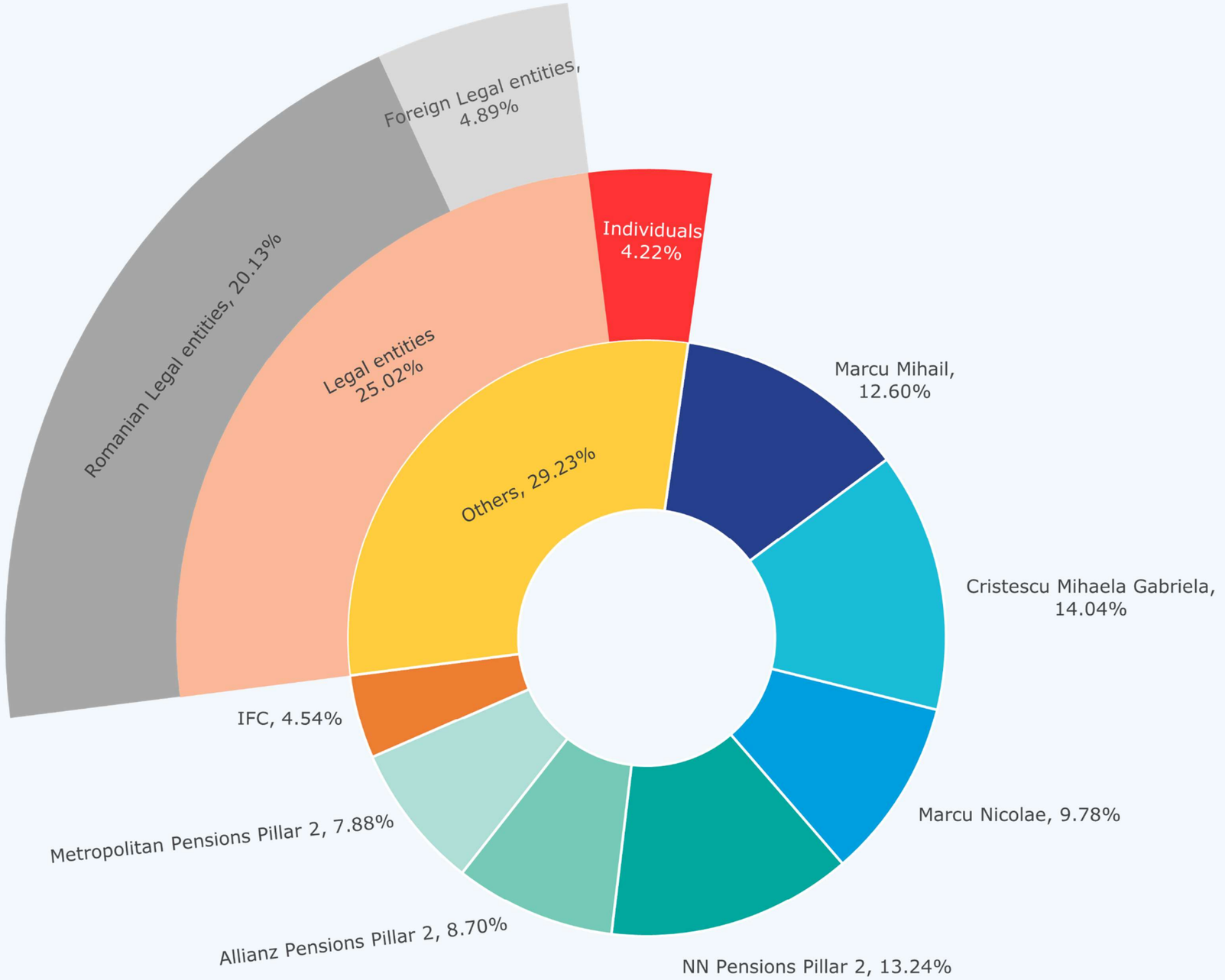
VEKTOR by ARIR is an indicator that evaluates the effectiveness of investor communication by companies listed on the BSE, calculated by ARIR according to a methodology comprising 10 criteria that assess aspects related to transparency, proactive investor communication, and corporate governance, in collaboration with a number of capital markets professionals and audited by Forvis Mazars. In 2025, for the fourth consecutive year, MedLife achieved the maximum score in this assessment, namely a 10.

Thus, MedLife ranks among the top companies listed on the Bucharest Stock Exchange that adhere to best practices regarding transparency, corporate governance, and investor communication, demonstrating a consistent commitment to attracting and retaining shareholders.



SHAREHOLDING STRUCTURE

as of December 31, 2025



ECONOMIC AND FINANCIAL ANALYSIS OF MEDLIFE GROUP

The following analysis of the Group's financial position and operating results as of and for the fiscal years ended December 31, 2024, and 2025 should be read in conjunction with the Financial Statements and information regarding the Group's operations included in other sections of this Consolidated Directors' Report. The selected financial information in this section has been extracted from the Financial Statements, in each case without material adjustments, unless otherwise noted. Investors should read this Consolidated Directors' Report together with the Financial Statements and the other reports issued by the Group and should not rely solely on the information presented here in summary form. The following table presents the Group's consolidated statement of profit or loss and comprehensive income for the year ended December 31, 2025 and 2024, respectively. All amounts are expressed in RON, unless otherwise specified.

	12 months ended		
	December 31, 2025	**December 31, 2024**	**Change**
Revenue from contracts with customers	3,173,518,743	2,715,574,711	16.9%
Other operating income	13,006,001	8,850,263	47.0%
OPERATING INCOME	**3,186,524,744**	**2,724,424,974**	**17.0%**
Consumable materials and repair materials	(634,437,273)	(499,578,757)	27.0%
Third party expenses	(905,101,423)	(765,622,489)	18.2%
Salary and related expenses	(761,818,567)	(645,609,836)	18.0%
Social contributions	(28,584,022)	(23,853,508)	19.8%
Depreciation, amortization, and impairment of fixed assets	(285,792,831)	(254,592,721)	12.3%
(Impairment losses) (including reversals of impairment losses)	(8,048,303)	(6,475,319)	24.3%
Commodities expenses	(209,592,990)	(226,208,593)	-7.3%
Other operating expenses	(194,154,604)	(162,075,380)	19.8%
OPERATING EXPENSES	**(3,027,530,014)**	**(2,584,016,603)**	**17.2%**
OPERATING PROFIT	**158,994,730**	**140,408,371**	**13.2%**
Finance cost	(96,616,415)	(102,630,990)	-5.9%
Interest income	2,293,240	2,175,920	5.4%
Other financial income	132,058	462,070	-71.4%
Other financial expenses	(45,665,966)	(1,346,241)	3,292.1%
FINANCIAL RESULT	**(139,857,083)**	**(101,339,241)**	**38.0%**
PROFIT BEFORE TAX	**19,137,647**	**39,069,130**	**-51.0%**
Income tax expense	(22,988,301)	(22,316,703)	3.0%
(Loss)/ Profit after tax	**(3,850,654)**	**16,752,427**	**123.0%**
Owners of the Group	11,266,998	25,035,987	-55.0%
Non-controlling interests	(15,117,651)	(8,283,560)	82.5%
Earnings per share			
Basic earnings per share	0.021	0.047	
Diluted earnings per share	0.021	0.047	
OTHER COMPREHENSIVE INCOME ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Gain on revaluation of properties	61,769,414	-	0.0%
Deferred tax on other comprehensive income items	(9,883,106)	-	0.0%
TOTAL OTHER COMPREHENSIVE INCOME	**51,886,308**	**-**	**0.0%**
Total other comprehensive income attributable to:			
Owners of the Group	43,554,931	-	0.0%
Non-controlling interests	8,331,378	-	
TOTAL COMPREHENSIVE INCOME	**48,035,654**	**16,752,427**	**-186.7%**
Total comprehensive income attributable to:			
Owners of the Group	54,821,929	25,035,987	119.0%
Non-controlling interests	(6,786,273)	(8,283,560)	-18.1%

OVERVIEW OF THE GROUP'S SALES

The Group's core activities are carried out through six business lines, which offer a balanced portfolio of activities covering all key segments of the private healthcare market.

Revenue for the 2025 fiscal year amounted to RON 3,173,518,743, an increase of RON 457,944,032, or 16.9%, compared to revenue for the 2024 fiscal year.

The increase was primarily due to growth across all of the Group's business lines, resulting from acquisitions and organic development projects completed by the Group in 2024 and 2025, as well as robust demand for medical services at the Group's facilities.

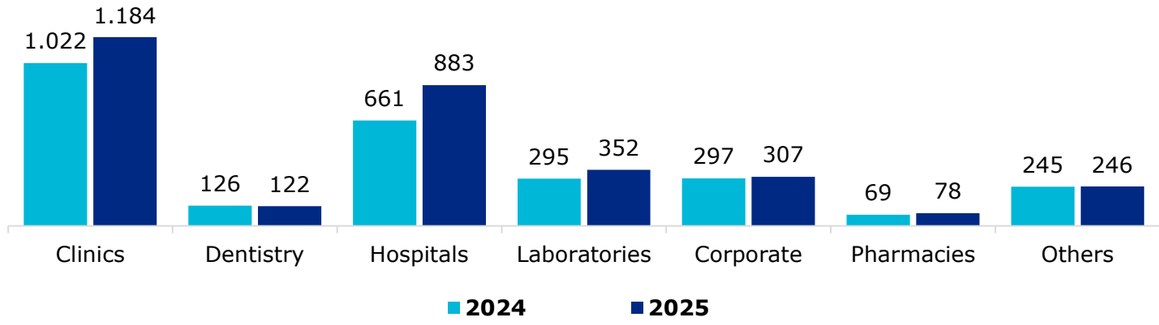
Business Line	12 months 2025 Sales	% of total Sales	12 months 2024 Sales	% of total Sales	Change
Clinics	1,184,308,228	37.3%	1,022,354,056	37.6%	15.8%
Dentistry	122,214,708	3.9%	125,518,088	4.6%	-2.6%
Hospitals	883,256,613	27.8%	661,486,735	24.4%	33.5%
Laboratories	352,036,726	11.1%	295,352,374	10.9%	19.2%
Corporate	306,922,059	9.7%	296,968,035	10.9%	3.4%
Pharmacies	78,400,432	2.5%	69,239,459	2.5%	13.2%
Others	246,379,977	7.8%	244,655,964	9.0%	0.7%
TOTAL	**3,173,518,743**	**100%**	**2,715,574,711**	**100**	**16.9%**

Business model independent of NHIH funding

The Group's business and revenue model focuses on the purchasing power of companies and individuals regarding medical services, while the state's contribution through NHIH represents a supplement, not the core revenue of MedLife's activities. In 2025, 51% of the Group's revenue came from individuals and 15% from corporations. During the same period, 34% of the Group's sales came from treating patients insured by NHIH, allowing the Group to independently determine its policies and priorities.

The growth was primarily driven by expansion in the Hospitals, Clinics, and Laboratories business lines, driven by steady demand for medical services, the gradual ramp-up of newly added capacity, as well as acquisitions completed in 2024 and 2025.

Revenue Trends



Clinics

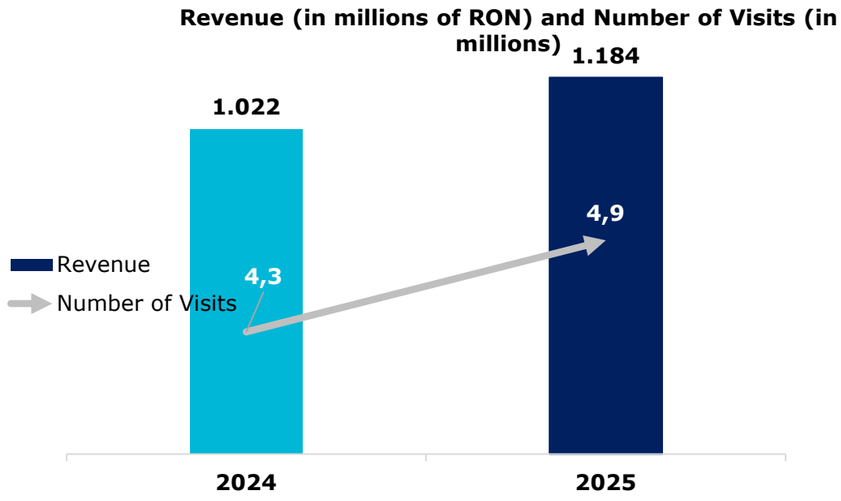
The core of the Group's operations is its network of outpatient units in Romania. The business line consists of a network of 116 units, offering a wide range of outpatient services covering a broad spectrum of medical specialties. The Group's imaging services provided to clients other than inpatients are also part of the Clinics' scope of activity.

Revenues for the Clinics business line increased in 2025 by RON 161,954,172, or 15.8%, from RON 1,022,354,056 in 2024 to RON 1,184,308,228 in 2025. The increase was driven by sustained demand for outpatient medical services, acquisitions, and organic growth achieved in 2025, as well as a moderate price adjustment. Average revenue per visit increased by 3.5%, from 235.9 RON/visit in 2024 to 244.1 RON/visit in 2025. In terms of the number of visits, there was a 12% increase compared to the previous year, from 4,334,340 visits in 2024 to 4,852,653 visits in 2025.

Sales for this business line do not reflect sales of services provided to MPP patients as part of prevention packages (which are recorded in the Corporate business line), but include sales paid on a fee-for-service basis in the Group's clinics by MPP patients.

The Clinics business line generates revenue from both PPS clients and those insured by the state through NHIH. Treatment of patients insured by the state through NHIH, primarily regarding imaging, radiotherapy, and chemotherapy services (the Neolife Group being consolidated under the Clinics business line), accounted for 46.9% in 2024 and 49.2% in 2025 of the business line's sales.

Revenue (in millions of RON) and Number of Visits (in millions)

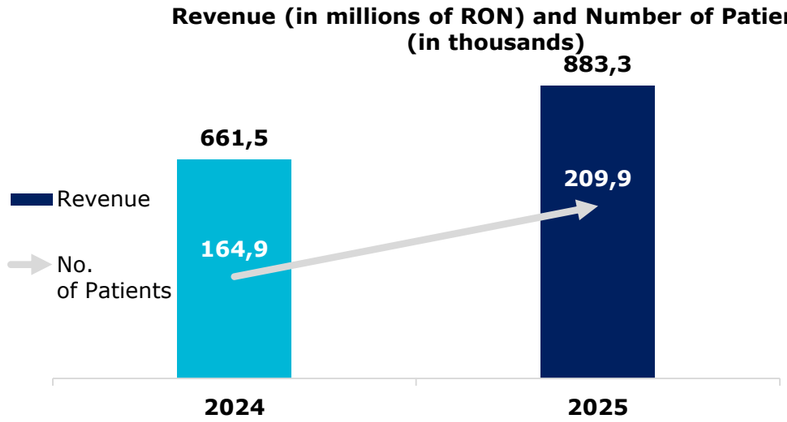


Hospitals

MedLife established the Hospitals business line to complement its Clinics and Laboratories, thereby creating a comprehensive service offering. The Group's first hospital, MedLife Medical Park, opened in 2007, was one of the first and remains among the largest private hospitals in Romania. Subsequent development has made the Group the largest private operator of inpatient facilities in Romania, based on the number of authorized beds and operating theatres.

The Hospitals business line derives its revenue primarily from PPS patients. Treatment of patients insured by the state through the National Health Insurance House (NHIH), generally in the maternity, gynecology, surgery, cardiology, and oncology sectors, accounted for 39.6% and 41.0% of the business line's sales in 2024 and 2025, respectively.

Revenues for the Hospitals business line increased in 2025 by RON 221,769,878, or 33.5%, from RON 661,486,735 in 2024 to RON 883,256,613 in 2025. The increase was driven by higher patient volumes, additional capacity created in recent years—which is now reaching higher utilization levels—as well as investments in technology and equipment. The number of patients increased by 27.3%, from 164,941 patients in 2024 to 209,995 patients in 2025. Average revenue increased by 4.9%, from 4,010.5 RON/patient in 2024 to 4,206.1 RON/patient in 2025, resulting from a combination of price increases and the increased complexity of procedures, following investments in medical technology.

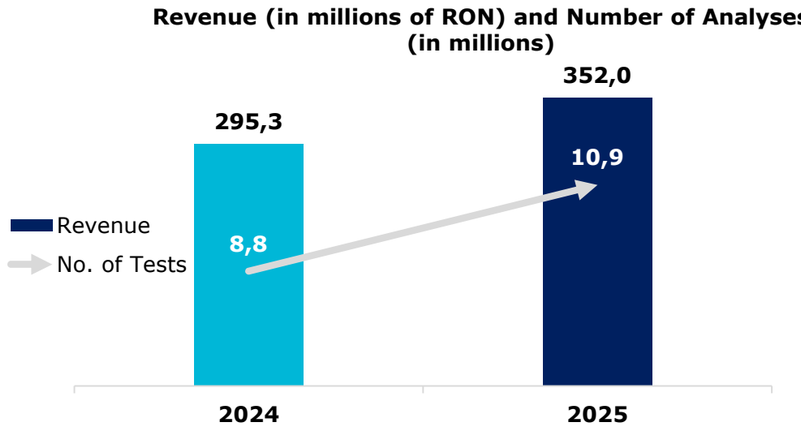


Laboratories

The Group currently operates one of the leading laboratory chains focused on the private healthcare market in Romania. The Laboratories business line offers a wide range of services: biochemistry, pathological anatomy, molecular biology and genetics, hematology, immunology, microbiology, and toxicology. The Group operates 46 laboratories under both the MedLife and Sfânta Maria brands, which include both larger facilities with state-of-the-art equipment, such as the Grivița laboratories in Bucharest and Brașov, as well as smaller regional facilities. As of December 31, 2025, the Group operated over 250 sample collection points located throughout the country, under both of the Group's brands.

Revenues for the Laboratories business line increased in 2025 by RON 56,684,352, or 19.2%, from RON 295,352,374 in 2024 to RON 352,036,726 in 2025, due to a 23.9% increase in the volume of tests performed, while average revenue decreased by 3.8%, from RON 33.7 in 2024 to RON 32.4 in 2025. The increase in the number of tests comes from all laboratories, both those under the MedLife brand and those under the Sfanta Maria brand, as well as from the significant volume growth recorded in the molecular biology and genetics division. The slight decrease in the average rate reflects both the evolution of the service mix and a higher proportion of tests reimbursed through the national health insurance system.

The Laboratories business line derives the majority of its revenue from PPS clients. Tests performed on patients insured by the state through NHIH accounted for 21.7% in 2024 and 27.3% in 2025 of the business line's sales.

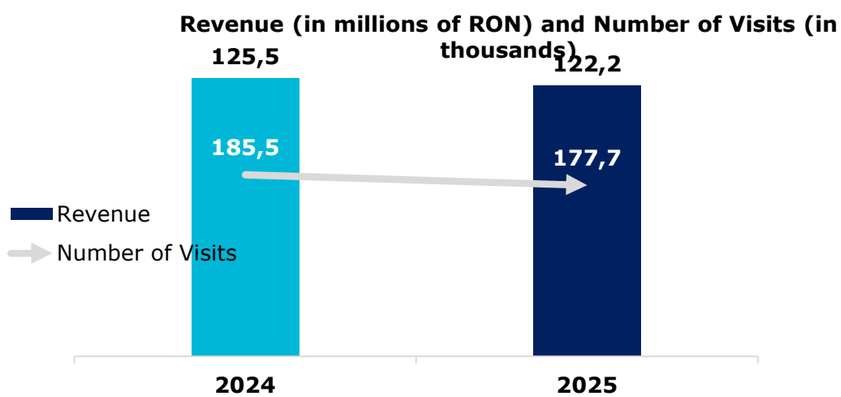


Dentistry

The Group's Dentistry business line offers a full range of services, from medical examinations to surgical procedures, implants, and orthodontic services.

Revenues for the Dentistry business line decreased in 2025 by RON 3,303,380, or 2.6%, from RON 125,518,088 in 2024 to RON 122,214,708 in 2025. The number of visits decreased from 185,582 visits in 2024 to 177,746 visits in 2025, due to more cautious consumer spending, particularly in the premium segment where the Group's Dentistry division operates, a segment that is currently highly competitive. The average fee increased by 1.7%, from 676.3 RON/visit in 2024 to 687.6 RON/visit in 2025.

The Dentistry business line is not subject to reimbursements through the National Health Insurance House (NHIH); all sales in this area are on a fee-for-service (FFS) basis.

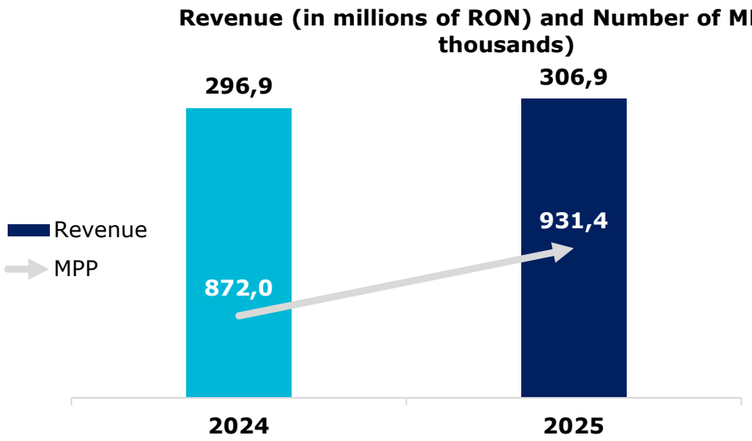


Corporate

The Corporate business line offers subscription-based medical prevention packages, generally to corporate clients, as part of the benefits packages they provide to their employees. These programs, which focus on prevention—such as periodic medical examinations and access to diagnostic services—complement the occupational health services required by law that corporate clients contract from MedLife in the form of the "Standard" MPP.

Revenues for the Corporate business line increased in 2025 by RON 9,954,024, or 3.4%, from RON 296,968,035 in 2024 to RON 306,922,059 in 2025. This growth was driven primarily by the portfolio repositioning strategy implemented in recent years, which is beginning to demonstrate its effectiveness and resulted in a 6.8% increase in the number of subscriptions in 2025 compared to the previous year. Average revenue in 2025 decreased by 3.2%, from 340.6 RON in 2024 to 329.5 RON in 2025.

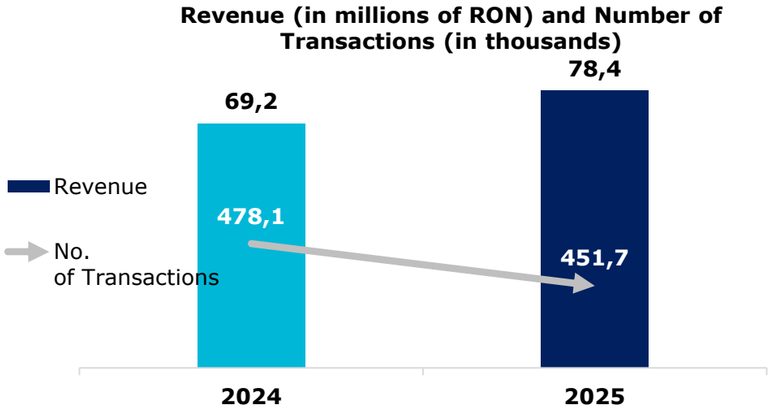
MedLife has developed new programs tailored to the corporate segment, as employers become increasingly concerned about the health of their employees. The Group's expansion of its coverage area beyond Bucharest has enabled access to potential new customers, as the Group's clinics, operating under their own brands, as well as its other facilities, offer a local solution directly under the MedLife brand. Over time, the Group has expanded its regional sales teams to meet the needs of this market.



Pharmacies

In 2010, the Group launched its PharmaLife pharmacy brand with the aim of generating additional revenue from the existing patient flow at the Group's clinics. PharmaLife operates pharmacies within the Group's own facilities, where space, licensing, and sales potential permit, or in the proximity of its facilities.

Revenues for the Pharmacies business line increased in 2025 by RON 9,160,973, or 13.2%, from RON 69,239,459 in 2024 to RON 78,400,432 in 2025, primarily due to an increase in the average receipt value per customer, from RON 144.8 in 2024 to RON 173.6 in 2025. In 2025, 54% of PharmaLife's sales were cash sales, with the remainder consisting of sales subsidized by the National Health Insurance House (NHIH).



Other Revenues

Other revenues include sales brokerage commissions related to insurance policies brokered by the Group's insurance broker, revenues from Stem Cells Bank's stem cell collection, processing, and storage services, revenues from the wholesale company—Pharmachem Distribuție—as well as revenues generated by the SanoPass online platform and the wellness division, Sweat Concept. The "Other Revenue" category remained largely constant in 2025, rising from RON 244,655,964 in 2024 to RON 246,379,977 in 2025.

ANALYSIS OF OTHER ITEMS IN THE INCOME STATEMENT

Other operating income

The Group's other operating income for the 12-month period ended December 31, 2025, was RON 13,006,001, representing a 47% increase compared to the previous year. This category mainly includes revenue from operating subsidies in the amount of RON 3,242,692, as well as other operating revenue in the amount of RON 9,763,308.

Operating Expenses

Operating expenses include fixed and variable expenses, as well as expenses for goods and materials used by the Group to provide services. Operating expenses as a percentage of operating revenue were 94.8% in 2024 and 95% in 2025. The main categories of operating expenses are described below.

Types of Expenses	12 months 2025	12 months 2024	Change
Consumable materials and and repair materials	634,437,273	499,578,757	27.0%
Commodities expenses	209,592,990	226,208,593	-7.3%
Utilities	41,810,529	34,988,497	19.5%
Repairs maintenance	28,330,113	22,419,581	26.4%
Rent	22,065,131	16,481,797	33.9%
Insurance premiums	7,037,609	6,982,497	0.8%
Promotion expense	56,862,084	47,269,456	20.3%
Communications	6,920,119	6,584,857	5.1%
Third party expenses (including doctors agreements)	905,101,423	765,622,489	18.2%
Salary and related expenses	761,818,567	645,609,836	18.0%
Social contributions	28,584,022	23,853,508	19.8%
Depreciation, amortization, and impairment of fixed assets	285,792,831	254,592,721	12.3%
Impairment losses (including reversals of impairment losses)	8,048,303	6,475,319	24.3%
Other administration and operating expenses	31,129,019	27,348,695	13.8%
TOTAL	**3,027,530,014**	**2,584,016,603**	**17.2%**

Consumable materials and repair materials

These expenses include various medical supplies and other materials used by the Group's business lines, including laboratory reagents, chemotherapy drugs, sterile supplies for surgical procedures and consultations, cleaning supplies, and others.

The Group's expenses for consumables and repair materials increased in 2025 by RON 134,858,516, or 27%, from RON 499,578,757 in 2024 to RON 634,437,273 in 2025. This increase is in line with the growth of the Group's operations and reflects an expansion primarily in hospitals, oncology, and laboratory services, which are structurally more intensive in terms of the consumption of medical supplies and materials.

This category of expenses as a percentage of the Group's revenue accounted for 18.4% in 2024 and 20% in 2025.

Salary and related expenses and social contributions

These expenses include gross salary expenses and related payroll contributions for the Group's own staff, including doctors, nurses, laboratory staff, pharmacists, and administrative personnel at headquarters and in operational units. Expenses related to doctors providing services to the Group on a independent basis are included in the category "Third-party expenses (including doctors agreements)," described below.

The Group's expenses for salaries and social contributions increased in 2025 by RON 120,939,245, or 18.1%, from RON 669,463,344 RON in 2024 to 790,402,589 RON in 2025, primarily as a result of the integration of acquired companies and organically developed units during 2025.

This category of expenses accounted for 24.7% of the Group's revenue in 2024 and 24.9% in 2025.

Third party expenses (including doctors agreements)

Expenses for services provided by third parties primarily include expenses for doctors contracted by the Group as independent service providers. Expenses for services provided by third parties also include other types of expenses incurred with third parties, such as cleaning and laundry, waste collection and sanitation, security and safety, IT services, consulting services, legal services, logistics and telecommunications services, accreditations and authorizations, and costs related to the "NetLife" network, which serves the Group's MPP subscribers in areas where the Group does not have a presence.

The Group's expenses for services provided by third parties increased in 2025 by RON 139,478,934, or 18.2%, from RON 765,622,489 in 2024 to RON 905,101,423 in 2025. This category of expenses as a percentage of the Group's revenue represented 28.2% in 2024 and 28.5% in 2025. The increase is in line with the growth in activity across all of the Group's business lines, particularly in Hospitals and Clinics.

Commodities expenses

These expenses primarily include the cost of pharmaceutical products sold by the Group's pharmacies, as well as pharmaceutical products sold by Pharmachem Distribuție. Cost of goods sold decreased in 2025 by RON 16,615,603, or 7.3%, from RON 226,208,593 in 2024 to RON 209,592,990 in 2024.

This category of expenses as a percentage of the Group's revenue accounted for 8.3% in 2024 and 6.6% in 2025, in line with the decline in pharmaceutical distribution activity as a percentage of total revenue driven by a more rapid growth of the main business lines.

Other operating expenses

Other operating expenses include advertising and promotional expenses, maintenance and repair expenses, utilities, rent, insurance premiums, communications, and other administration and operating expenses. Other operating expenses increased in 2025 by RON 32,079,225, or 19.8%, from RON 162,075,380 in 2024 to RON 194,154,604 in 2025.

This category of expenses as a percentage of the Group's sales represented 6.0% in 2024 and 6.1% in 2025.

Depreciation and Amortization

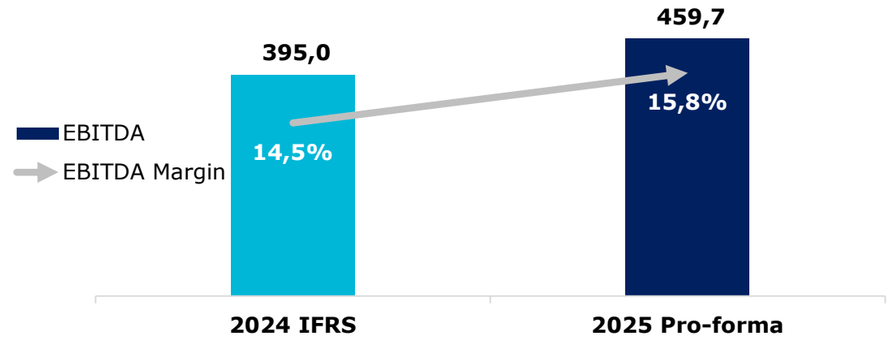
Depreciation and amortization expenses increased in 2025 by RON 31,200,110, or 12.3%, from RON 254,592,721 in 2024 to RON 285,792,831 in 2025. The increase is due to the growth in the Group's assets through both acquisitions and organic growth, as well as the effects of IFRS 16. This expense category as a percentage of the Group's sales represented 9.4% in 2024 and 9.0% in 2025.

Pro-forma EBITDA

Adjusted EBITDA, presented in the Pro-Forma Financial Information statement for the year ended December 31, 2025, increased by 16.4%, or RON 64,727,870, compared to EBITDA for the year ended December 31, 2024, from RON 395,001,092 in 2024 to RON 459,728,962 in 2025.

Further details regarding the pro forma financial information can be found in the appendix "Pro forma financial information for the 12-month period ended December 31, 2025."

Pro-forma EBITDA and EBITDA Margin



Operating Profit

Operating profit increased by 13.2% in 2025 compared to 2024, from RON 140,408,371 in 2024 to RON 158,994,730 in 2025, due to revenue growth, driven by steady demand for medical services at the Group's facilities and the sales mix. Furthermore, the capacity created through organic development projects carried out in 2024 and 2025, as well as acquisitions made over the past two years, have begun to show results.

Despite a significant slowdown in economic growth in Romania over the past two years, persistently high inflation, and a 2025 marked by national fiscal reform, the Group's results demonstrate its ability to maintain the financial and operational performance of its business. Although the pace of acquisitions has slowed, the Group has continued to grow through organic expansion and investments in advanced equipment, new facilities, and highly qualified medical teams. The Group thus currently comprises companies with significant growth potential and the ability to generate margins, and we expect to see clear trends toward margin consolidation in the coming period.

Financial Result

The financial result increased by 38% in 2025 compared to 2024, from a loss of RON 101,339,241 in 2024 to a loss of RON 139,857,083 in 2025. The Group's higher level of financial debt reflects the use of funds to partially finance acquisitions and ongoing investments, as well as the currency impact of the RON's depreciation against the EURO.

Profit before tax

As a result of the factors presented above, profit before tax decreased by RON 19,931,483 in 2025, or 51%, from RON 39,069,130 in 2024 to RON 19,137,647 in 2025.

Income tax expense

Income tax expense increased in 2025 by 671,599 RON, or 3%, from 22,316,702 RON in 2024 to 22,988,301 RON in 2025.

Net result after tax

Net result after tax recorded in 2025 decreased by 123%, from a profit of RON 16,752,428 in 2024 to a loss of RON 3,850,654 in 2025.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table presents the Group's consolidated statement of financial position for the year ended December 31, 2025, and 2024, respectively:

	December 31, 2025	December 31, 2024	Change
ASSETS			
Non-current Assets			
Goodwill	506,141,959	492,034,979	2.9%
Intangible Assets	115,543,351	120,974,820	-4.5%
Property, plant and equipment	1,466,340,590	1,303,969,853	12.5%
Right-of-use asset	388,207,329	386,290,334	0.5%
Other financial assets	81,805,318	54,138,411	51.1%
Total Non-Current Assets	**2,558,038,547**	**2,357,408,397**	**8.5%**
Current Assets			
Inventories	152,897,713	148,798,218	2.8%
Trade Receivables	301,762,702	324,106,860	-6.9%
Other assets	54,736,653	55,880,250	-2.0%
Cash and cash equivalents	176,178,001	112,808,224	56.2%
Prepayments	17,313,081	17,311,896	0.0%
Total Current Assets	**702,888,150**	**658,905,448**	**6.7%**
TOTAL ASSETS	**3,260,926,697**	**3,016,313,845**	**8.1%**
LIABILITIES & SHAREHOLDER`S EQUITY			
Non-Current Liabilities			
Lease Liability	298,868,179	286,025,347	4.5%
Other long-term debt	51,592,328	69,109,053	-25.3%
Interest-bearing loans and borrowings	1,409,725,830	1,135,073,779	24.2%
Deferred tax liability	56,467,607	45,236,597	24.8%
Total Non-Current Liabilities	**1,816,653,945**	**1,535,444,775**	**18.3%**
Current Liabilities			
Trade and other payables	507,050,939	571,552,330	-11.3%
Overdraft	38,485,631	29,076,066	32.4%
Current portion of lease liability	112,051,538	108,288,263	3.5%
Current portion of interest-bearing loans and borrowings	72,208,446	127,417,891	-43.3%
Current tax liabilities	834,764	4,322,327	-80.7%
Provisions	12,285,324	17,409,666	-29.4%
Other liabilities	142,532,566	118,157,796	20.6%
Total Current Liabilities	**885,449,208**	**976,224,339**	**-9.3**
TOTAL LIABILITIES	**2,702,103,153**	**2,511,669,114**	**7.6%**
SHAREHOLDER`S EQUITY			
Share capital and share premiums	132,562,337	132,562,337	0.0%
Treasury shares	(3,227,053)	(1,760,728)	83.3%
Reserves	309,584,384	232,230,657	33.3%
Retained earnings	45,052,047	69,593,507	-35.3%
Equity attributable to Owners of the Group	**483,971,715**	**432,625,773**	**11.9%**
Non-controlling interests	74,851,830	72,018,957	3.9%
TOTAL EQUITY	**558,823,545**	**504,644,730**	**10.7%**
TOTAL LIABILITIES AND EQUITY	**3,260,926,697**	**3,016,313,845**	**8.1%**

ANALYSIS OF THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Non-Current Assets

Non-current assets totaled RON 2,558,038,547 as of December 31, 2025, representing an increase of 8.5% compared to December 31, 2024. The increase is primarily due to acquisitions completed in 2025, generating an additional increase of RON 14,106,980 in recorded goodwill, as well as an increase in property, plant, and equipment of RON 162,370,737 RON, resulting from both the consolidation of acquired companies and organic development projects. In addition, the Group uses a large number of properties under lease agreements that are renewed periodically, with a right-of-use asset of RON 388,207,329 as of December 31, 2025.

The Group's property, plant, and equipment include both owned land and buildings, which were measured at fair value as of December 31, 2025, with a net book value of RON 552,471,828; leasehold improvements in the form of investments in leased premises, with a net book value of RON 232,881,312; vehicles and equipment, with a net book value of RON 638,081,822; as well as construction in progress, with a net book value of RON 42,905,629. Most of the properties owned by the Group are encumbered with real estate mortgages that secure the repayment of loans granted to the Group by the syndicate of banks.

Current Assets

The Group's current assets increased by 6.7% from RON 658,905,448 as of December 31, 2024, to RON 702,888,150 as of December 31, 2025. The increase was in line with the Group's growth, driven primarily by the rise in cash and cash equivalents, against the backdrop of improved operating cash flows and efficient working capital management. At the same time, inventory levels remained relatively stable, with no significant fluctuations, in line with the Group's operational needs. On the other hand, trade receivables decreased as a result of more efficient collection, particularly in relation to the National Health Insurance House, at the end of 2025 compared to the previous year. Overall, the trend in current assets reflects the strengthening of the Group's liquidity position, alongside an improvement in the cash conversion cycle.

Inventories

Inventories are recorded at the lower of cost and net realizable value. The cost of inventories includes all costs incurred to bring the inventories to their current location and condition. Net realizable value represents the estimated selling price of the inventories, less all estimated costs of completion and costs necessary to make the sale. The Group applies the FIFO ("first-in, first-out") method as its inventory valuation method.

	December 31, 2025	December 31, 2024
Consumables	101,860,246	97,599,117
Materials in the form of inventory items	2,637,205	2,030,709
Merchandise	48,400,262	49,168,392
TOTAL	**152,897,713**	**148,798,218**

Trade receivables

Trade receivables are stated in the balance sheet at their estimated realizable value. The Group's receivables cover a wide range of customers. The main customer in the state budget is the National Health Insurance House.

The average collection period for receivables from services rendered is 90 days. No interest is charged on trade receivables during the first 90 days from the invoice date.

	December 31, 2025	December 31, 2024
Trade receivables	357,914,375	370,686,338
Allowance for expected credit losses on receivables	(56,151,673)	(46,579,478)
TOTAL	**301,762,702**	**324,106,860**

Current Liabilities

Current liabilities (excluding interest-bearing debt) decreased by 6.9%, from RON 711,442,119 as of December 31, 2024, to RON 662,703,593 as of December 31, 2025.

The Group's Suppliers

The Group purchases medical and other supplies from leading suppliers in the market, including international firms and prestigious local companies. The Group has entered into procurement contracts with its main suppliers of medical supplies, substances used in laboratory activities, pharmaceuticals, medical equipment, and other non-medical purchases. These contracts are negotiated at the Group level to secure more favorable terms for the Group. The procurement department is an essential element for generating cost synergies, particularly for companies newly integrated into the MedLife Group. The Group selects its suppliers based on criteria of quality, price, and delivery capacity, and seeks to establish solid, long-term relationships with its suppliers.

Interest bearing debt

Interest-bearing debt increased by 14.6%, from RON 1,685,881,346 as of December 31, 2024, to RON 1,931,339,625 as of December 31, 2025. The increase is primarily due to the financing of acquisitions completed during the year, as well as certain organic projects developed in 2025.

The following tables summarize the Group's liabilities under loan and lease agreements as of December 31, 2024, and 2025, respectively:

Financial Liabilities	December 31, 2025	December 31, 2024
Current portion of loans (including overdrafts)	110,694,077	156,493,957
Long-term portion of loans	1,409,725,830	1,135,073,779
TOTAL	**1,520,419,907**	**1,291,567,736**

Lease Liabilities	December 31, 2025	December 31, 2024
Long-term portion	298,868,179	286,025,347
Short-term portion	112,051,538	108,288,263
TOTAL	**410,919,717**	**394,313,610**

Credit facilities

Syndicated loan

On March 25, 2025, the Group increased its existing facilities by EUR 50 million and added an additional "Accordion Facility" of up to EUR 25 million by signing an amendment to the existing syndicated loan agreement.

The five lenders currently comprising the banking syndicate are as follows: Banca Comerciala Romana S.A. (coordinator, lead arranger, documentation agent, facility and security agent, and lender), Raiffeisen Bank, BRD Groupe Societe Generale, Banca Transilvania, and ING Bank N.V. Amsterdam Bucharest Branch (lead arrangers and lenders).

The Group has contracted three credit lines from its financing banks, namely Line A, Line B, and Line C. Line A and Line C are intended to finance capital expenditures as well as company acquisitions, while Line B was contracted to support the Group's working capital needs. Line A represents the initial line granted, which has been fully utilized, with no remaining available limit, while Line C remains active and continues to provide an available limit for future capital investments and acquisitions.

The balance of the syndicated loan as of December 31, 2025, is RON 1,456,219,346 (RON 1,129,646,367 as of December 31, 2024) and is presented in the table below:

				Total Loans as of December 31	
Credit Facility	**Interest Rate**	**Currency**	**Maturity year**	**2025**	**2024**
Facility A	6-month EURIBOR + relevant margin	EUR	2031	1,127,875,209	982,149,692
Accordion Facility	6-month EURIBOR + relevant margin	EUR	2031	100,571,904	-
Facility B	6-month EURIBOR + relevant margin	EUR	2027	72,949,306	51,771,641
Facility B	6-month ROBOR + relevant margin	RON	2027	2,990,000	-
Facility C	6-month EURIBOR + relevant margin	EUR	2031	151,832,927	73,558,630
Facility D	6-month EURIBOR + relevant margin	EUR	2031	-	22,166,404
TOTAL				**1,456,219,346**	**1,129,646,367**

Facility B includes a roll-over option.

As of December 31, 2025, none of the Group's members was in breach of any applicable covenants under the financing facilities.

Bilateral Loans

In addition to the syndicated loan, the Group has also entered into bilateral loans with various financial institutions. These bilateral facilities are presented separately from the syndicated structure and are summarized in the following table:

					Total Loans as of December 31	
Company	**Interest Rate**	**Currency**	**Bank**	**Maturity year**	**2025**	**2024**
Polisano Clinic LLC	3-month ROBOR + relevant margin	RON	CEC Bank	2033	11,676,571	13,287,133
Ghencea Medical Center SA (absorbed by SC Anima Specialty Medical Service SRL)	6-month ROBOR + relevant margin	RON	Banca Transilvania	2028	255,350	343,515
Dent Estet Ploiesti LLC	3-month ROBOR + applicable margin	RON	Banca Transilvania	2028	1,118,651	1,513,502
Pro Life Clinics	3-month ROBOR + applicable margin	RON	Banca Transilvania	2031	2,310,000	-
Provita Diagnostic and Treatment Center	3-month EURIBOR + applicable margin	EUR	BCR Leasing IFN S.A.	2030	769,954	-
Provita Pain Clinic SA	3-month EURIBOR + applicable margin	EUR	BCR Leasing IFN S.A.	2028	344,810	438,743
Euromedica Hospital SA	6-month ROBOR + applicable margin	RON	Banca Transilvania	2028	886,089	1,194,288
Antares Medical Center SRL	3-month ROBOR + applicable margin	RON	Libra Bank	2027	123,999	729,389
Micromedica Roman SRL	6-month ROBOR + applicable margin	RON	Banca Transilvania	2025	-	210,263
Micromedica Medical Center SRL	6-month ROBOR + applicable margin	RON	Banca Transilvania	2025	-	95,419
Pro Life Clinics SRL	3-month ROBOR + applicable margin	RON	Banca Transilvania	2031	-	1,075,695
Medical City Blue SRL	3-month EURIBOR + applicable margin	EUR	Banca Transilvania	2029	-	282,514
Provita Diagnostic and Treatment Center	6-month EURIBOR + applicable margin	EUR	Banca Transilvania	2032	-	103,743,252
Policlinica Union SRL	3-month ROBOR + applicable margin	RON	Libra Bank	2026	-	59,655
Onco Team Diagnostic SRL	6-month ROBOR + applicable margin	RON	Banca Transilvania	2025	-	64,262

Company	Interest rate	Currency	Bank	Maturity year	Total Loans as of December 31 2025	2024
Personal Genetics SRL	Fixed interest rate + relevant margin	RON	Banca Transilvania	overdraft	-	689,371
Provita Pain Clinic SA	6-month ROBOR + applicable margin	RON	Banca Transilvania	overdraft	209,236	-
Cuza Voda Laboratory SRL	6-month ROBOR + applicable margin	RON	Banca Transilvania	overdraft	1,463,395	-
SC Med Life SA	1-month EURIBOR + applicable margin	EUR	Garanti Bank	overdraft	10,197,000	9,948,200
SC Prima Medical SRL	Fixed interest rate + applicable margin	RON	UniCredit Bank	overdraft	800,000	800,000
Polisano Clinic SRL	3-month ROBOR + applicable margin	RON	CEC Bank	overdraft	18,967,396	8,491,416
Pharmachem Distributie SA	3-month ROBOR + relevant margin	RON	Banca Transilvania	overdraft	5,551,428	5,775,645
Routine Med SA	3-month ROBOR + relevant margin	RON	Banca Transilvania	overdraft	1,297,176	-
Medical City Blue SRL	3-month ROBOR + applicable margin	RON	Banca Transilvania	overdraft	-	500,000
Provita Diagnostic and Treatment Center	3-month ROBOR + applicable margin	RON	Banca Transilvania	overdraft	-	2,871,435
TOTAL					**55,971,055**	**152,113,696**

The amounts presented above in the tables as the total of the loans represent the principal portion of the loans. As of December 31, 2025, the accrued interest amounts to RON 8,229,506 (compared to RON 9,807,673 as of December 31, 2024).

Provita SA Diagnostic and Treatment Center refinanced its previous exposure under the syndicated loan using the Accordion facility.

Liquidity and Capital Resources

The following table presents a summary of the Group's consolidated cash flow statement for the periods ended December 31, 2024, and 2025, respectively:

	12 months ended December 31, 2025	December 31, 2024
Operating cash flow before working capital changes	**445,949,572**	**404,066,132**
Cash generated from working capital changes	**(117,162,905)**	**(14,457,386**
Cash generated from operations	**328,786,667**	**389,608,746**
Interest paid	(82,697,212)	(83,880,922)
Interest received	2,291,879	2,175,920
Income tax paid	(25,681,728)	(22,280,461
Net cash from operating activities	**222,699,606**	**285,623,283**
Net cash used in investing activities	**(235,686,489)**	**(307,521,036**
Net cash from financing activities	**76,356,660**	**34,434,884**
Net change in cash and cash equivalents	**63,369,777**	**12,537,131**
Cash and cash equivalents beginning of the period	112,808,224	100,271,093
Cash and cash equivalents end of the period	**176,178,001**	**112,808,224**

Net cash from operating activities

Net cash from operating activities decreased in 2025 by RON 62,923,677, or 22%, from RON 285,623,283 in 2024 to RON 222,699,606 in 2025. The decrease was primarily driven by changes in working capital, mainly related to the timing of payments to suppliers and the dynamics of settlement.

Net cash used in investing activities

Net cash used in investing activities decreased by RON 71,834,547, or 23.4%, from RON 307,521,036 in 2024 to RON 235,686,489 in 2025. Cash outflows from investing activities decreased compared to 2024, reflecting a lower component of acquisitions, while capital expenditures remained high as major organic projects already started in 2024 were completed. Consequently, acquisitions of property, pland and equipment decreased in 2025 to RON 219,179,953, from RON 236,736,304 RON in 2024, with the most significant projects developed by the Group during the year being the completion of the MedLife Hospital in Craiova, the MedLife Hospital in Timișoara, the MedLife hyperclinic in Pitești, and the new Neolife center in Bacău. Investments in business combinations decreased by RON 40,870,731 in 2025 compared to 2024, from RON 51,506,359 in 2024 to RON 10,635,628 in 2025.

Net cash from financing activities

Net cash from financing activities increased by RON 41,921,776 compared to the previous period, from net cash from financing activities of RON 34,434,884 in 2024 to net cash from financing activities of RON 76,356,660 in 2025. Financing activities increased in 2025 as a result of ongoing investments, as well as the transfer of the bilateral exposure of one of the Group's subsidiaries into the syndicated loan, which appears under both the increase in loans and the repayment of loans.

Key financial indicators

1	***Current ratio***	**Period ended at December 31, 2025**		
	Current assets	702,888,150	=	**0.79**
	Current liabilities	885,449,208		

2	***Debt to equity ratio***	**Period ended at December 31, 2025**		
	Long Term Debt	1,760,186,338	=	**315%**
	Equity	558,823,544		
	Long Term Debt	1,760,186,338	=	**76%**
	Capital Assets	2,319,009,882		

3	***Trade receivables turnover (days)***	**Period ended at December 31, 2025**		
	Average receivables	312,934,781	=	**35.50**
	Sales	3,173,518,743		

4	***Fixed assets turnover***	**Period ended at December 31, 2025**		
	Sales	3,173,518,743	=	**1.24**
	Net Fixed Assets	2,558,038,547		

These key financial indicators are monitored on an ongoing basis, including quarterly, by the Group’s management and are integrated into internal reporting and management control processes. The indicators reflect a sustained growth dynamic of the Group’s activities, characterized by significant investments, efficient capital utilization and prudent working capital management, in line with the Group’s growth strategy.

ECONOMIC AND FINANCIAL ANALYSIS OF MED LIFE S.A.

The following analysis of the Company's financial position and operating results as of and for the fiscal years ended December 31, 2024, and 2025 should be read in conjunction with the Separate Financial Statements and the information regarding the Company's operations included in other sections of this Consolidated Directors' Report. The selected financial information in this section has been extracted from the Separate Financial Statements, in each case without material adjustments, unless otherwise noted. Investors should read this Report together with the Separate Financial Statements and the other reports issued by the Company and should not rely solely on the information presented in summary form. The following table presents the statement of profit or loss for the year ended December 31, 2025, and 2024, respectively. All amounts are expressed in RON, unless otherwise specified.

	December 31, 2025	December 31, 2024	Change
Revenue from customer contracts	779,671,690	716,937,391	8.8%
Other operating income	2,338,368	839,144	178.7%
Dividend income	24,943,785	26,421,834	-5.6%
OPERATING INCOME	**806,953,843**	**744,198,369**	8.4%
Consumable materials and repair materials	(98,997,413)	(95,328,405)	3.8%
Third party expenses	(287,112,526)	(259,284,776)	10.7%
Salaries related expenses	(222,798,996)	(203,211,206)	9.6%
Social contributions	(8,520,524)	(7,860,000)	8.4%
Depreciation and amortization	(74,273,059)	(67,686,546)	9.7%
(Impairment) losses (including reversals of impairment losses)	(2,690,986)	(3,132,852)	-14.1%
Impairment of fixed assets	-	(377,870)	-100%
Other operating expenses	(53,009,815)	(44,722,691)	18.5%
OPERATING EXPENSES	**(747,403,319)**	**(681,604,346)**	**9.7%**
OPERATING PROFIT	**59,550,524**	**62,594,023**	**-4.9%**
Finance income	12,899,548	13,005,328	-0.8%
Finance cost	(38,114,774)	(45,812,946)	-16.8%
Other financial expenses	(17,471,236)	(405,508)	4,208.5%
FINANCIAL RESULT	**(42,686,462)**	**(33,213,126)**	**28.5%**
PROFIT BEFORE TAX	**16,864,061**	**29,380,897**	-42.6%
Income tax expense	(8,109,141)	(6,884,566)	17.8%
PROFIT AFTER TAX	**8,754,920**	**22,496,331**	-61.1%
Other comprehensive income items that will not be reclassified to profit or loss			
Revaluation of land and buildings	5,764,642	-	-
Deferred tax on other comprehensive income items	(922,342)	-	-
TOTAL OTHER COMPREHENSIVE INCOME	**4,842,300**	**-**	
TOTAL COMPREHENSIVE INCOME	**13,597,221**	**22,496,331**	**-39.6%**

ANALYSIS OF THE PROFIT OR LOSS STATEMENT

Revenue for the 2025 fiscal year amounted to RON 779,671,690, an increase of RON 62,734,299, or 8.8%, compared to revenue for the 2024 fiscal year. The increase was mainly due to growth across all of the Company's business lines, driven by steady demand for medical services.

The Company's other operating income for the 12-month period ended December 31, 2025, was RON 2,338,368, up from RON 839,144 in 2024.

Operating Expenses

Operating expenses include fixed and variable costs, as well as expenses for goods and materials used by the Company to provide its services. Operating expenses as a percentage of operating revenue were 91.6% in 2024 and 92.6% in 2025. The main categories of operating expenses are described below.

	12 months 2025	12 months 2024	Change
Consumable materials and repair materials	98,997,413	95,328,405	3.8%
Third party expenses	287,112,526	259,284,776	10.7%
Salaries and related expenses	222,798,996	203,211,206	9.6%
Social contributions	8,520,524	7,860,000	8.4%
Depreciation and amortization	74,273,059	67,686,546	9.7%
Impairment losses (including reversals of impairment losses)	2,690,986	3,132,852	-14.1%
Impairment of fixed assets	-	377,870	-100%
Utilities	9,119,640	8,797,143	3.7%
Repairs maintenance	6,752,937	6,245,405	8.1%
Rent	5,874,208	3,709,918	58.3%
Insurance premiums	1,722,572	1,982,223	-13.1%
Promotion expense	18,611,347	15,686,744	18.6%
Communications	2,406,008	2,379,998	1.1%
Other administration and operating expenses	8,523,103	5,921,260	43.9%
TOTAL	**747,403,319**	**681,604,346**	**9.7%**

Consumable materials and repair materials

These expenses include various medical supplies and other materials used by the Company's business lines, including laboratory reagents, medications, sterile supplies for surgical procedures and consultations, cleaning supplies, and others.

The Company's expenses for consumable materials and repair materials increased by RON 3,669,008, or 3.8%, from RON 95,328,405 in 2024 to RON 98,997,413 in 2025. This increase is in line with the growth in the Company's operations across all its facilities.

This category of expenses as a percentage of the Company's revenue accounted for 13.3% in 2024 and 12.7% in 2025.

Salaries and related expenses and social contributions

These expenses include gross salary expenses and expenses related to payroll contributions for the Company's own staff, including doctors, nurses, laboratory staff, and support staff. Expenses related to doctors providing services to the Company on an independent basis are included in the category "Third party expenses (including doctors agreements)," described in the following section.

The Company's expenses for salaries and social contributions increased in 2025 by RON 20,248,314, or 9.6%, from RON 211,071,206 RON in 2024 to 231,319,520 RON in 2025, as a result of the expansion of existing facilities, as well as the opening of the genomics laboratory in Bucharest.

This category of expenses, as a percentage of the Company's revenue, represented 29.4% in 2024 and 29.7% in 2025.

Third party expenses (including doctors agreements)

Expenses for services provided by third parties primarily include expenses for doctors contracted by the Company as independent service providers. Third-party expenses also include other types of expenses incurred with third parties, such as cleaning and laundry, waste collection and sanitation, security and safety, IT services, consulting services, legal services, logistics and telecommunications services, accreditations and authorizations, and costs related to the "NetLife" network, including its subsidiaries, which serve the Company's MPP subscribers in areas where the Company does not have a presence.

The Company's expenses for services provided by third parties increased in 2025 by RON 27,827,750, or 10.7%, from RON 259,284,776 in 2024 to RON 287,112,526 in 2025. This category of expenses as a percentage of the Company's revenue accounted for 36.2% in 2024 and 36.8% in 2025. The increase is in line with the growth in activity across all of the Company's business lines and with intensified efforts in the area of innovation and research.

Other operating expenses

Other operating expenses include promotional expenses, maintenance and repair expenses, utilities, rent, insurance premiums, communications, and other administration and operating expenses. Other operating expenses increased in 2025 by RON 8,287,124, or 18.5%.

This category of expenses as a percentage of the Company's sales represented 6.2% in 2024 and 6.8% in 2025.

Depreciation and Amortization

Depreciation and amortization expenses increased in 2025 by RON 6,586,514, or 9.7%, from RON 67,686,546 in 2024 to RON 74,273,059 in 2025. The increase is due to investments in medical infrastructure made by the Company during the period. This category of expenses as a percentage of the Company's sales represented 9.4% in 2024 and 9.5% in 2025.

Operating profit

Operating profit decreased by 4.9% in 2025 compared to 2024, from RON 62,594,023 in 2024 to 59,550,524 in 2025, due both to increased depreciation and amortization resulting from recent investments and to higher operating costs relative to revenue, in the context of developing strategic projects in the genomics sector, with benefits expected in the coming periods.

Financial result

The financial result increased by 28.5% in 2025 compared to 2024, from a loss of RON 33,213,126 in 2024 to a loss of RON 42,686,462 in 2025. The increase in the loss is the cumulative effect of lower financing costs for ongoing investments and organic growth, combined with the currency impact of the RON's depreciation against the EURO.

Profit before tax

As a result of the factors presented above, profit before tax decreased by 42.6% from RON 29,380,897 in 2024 to RON 16,864,061 in 2025.

Income tax expense

Income tax expense increased in 2025 by 1,224,575 RON, reaching 8,109,141 RON in 2025.

Profit after tax

Profit after tax recorded in 2025 decreased by 61.1%, from a profit of 22,496,331 RON in 2024 to a profit of 8,754,920 RON in 2025.

STATEMENT OF THE COMPANY'S FINANCIAL POSITION

The following table presents the Company's statement of financial position for the year ended December 31, 2025, and 2024, respectively.

	December 31, 2025	December 31, 2024	Change
ASSETS			
Non-Current Assets			
Goodwill	2,317,559	-	100.0%
Intangible Assets	26,807,829	22,636,493	18.4%
Property, plant, and equipment	393,269,961	374,993,545	4.9%
Right-of-use asset	45,483,799	48,844,012	-6.9%
Investments in subsidiaries	558,782,708	507,838,848	10.0%
Other financial assets	17,540,394	16,932,943	3.6%
Total Non-Current Assets	**1,044,202,250**	**971,245,841**	**7.5%**
Current Assets			
Inventories	17,543,742	15,320,875	14.5%
Trade receivables	110,652,961	97,162,994	13.9%
Loans granted to related parties	202,055,486	190,295,292	6.2%
Other assets	30,878,055	25,135,616	22.8%
Cash and cash equivalents	18,652,611	15,335,770	21.6%
Prepayments	2,878,220	3,422,223	-15.9%
Total Current Assets	**382,661,074**	**346,672,770**	**10.4%**
TOTAL ASSETS	**1,426,863,324**	**1,317,918,611**	**8.3%**
LIABILITIES AND SHAREHOLDER`S EQUITY			
Non-Current Liabilities			
Lease Liability	28,898,363	27,066,810	6.8%
Interest-bearing loans and borrowings	665,239,788	582,827,132	14.1%
Deferred tax liability	17,158,204	16,292,837	5.3%
Total Non-Current Liabilities	**711,296,355**	**626,186,779**	**13.6%**
Current Liabilities			
Trade and other payables	231,624,137	207,442,240	11.7%
Overdraft	10,197,000	9,948,200	2.5%
Current portion of lease liability	19,561,979	24,096,539	-18.8%
Current portion of interest-bearing loans and borrowings	32,718,945	58,861,845	-44.4%
Loans received from related parties	27,511,948	18,351,571	49.9%
Current tax liabilities	2,170,523	2,256,090	-3.8%
Provisions	3,050,881	4,769,204	-36.0%
Other liabilities	29,346,850	20,348,388	44.2%
Total Current Liabilities	**356,182,263**	**346,074,077**	**2.9%**
TOTAL LIABILITIES	**1,067,478,618**	**972,260,856**	**9.8%**
SHAREHOLDER`S EQUITY			
Share capital and share premium	132,562,337	132,562,337	0.0%
Treasury shares	(3,227,055)	(1,760,729)	83.3%
Reserves	149,254,871	142,816,514	4.5%
Retained earnings	80,794,553	72,039,633	12.2%
TOTAL EQUITY	**359,384,706**	**345,657,755**	**4.0%**
TOTAL LIABILITIES AND EQUITY	1,426,863,324	**1,317,918,611**	**8.3%**

ANALYSIS OF THE MAIN ELEMENTS OF THE STATEMENT OF FINANCIAL POSITION

Goodwill

Pursuant to the Agreement dated April 25, 2025, the operations of IT Repair were transferred to the Company, resulting in the recognition of goodwill.

Non-current assets

Non-current assets increased by 7.5%, or RON 72,956,409, from RON 971,245,841 as of December 31, 2024, to RON 1,044,202,250 as of December 31, 2025, mainly as a result of increases in property, plant, and equipment (an increase also supported by the fair value revaluation performed as of December 31, 2025) and investments in subsidiaries made during 2025. Property, plant, and equipment totaled RON 393,269,961 as of December 31, 2025, representing a 4.9% increase compared to December 31, 2024, due to investments in medical infrastructure made in 2025.

Investments in subsidiaries increased by 10%, or RON 50,943,860, from RON 507,838,848 as of December 31, 2024, to RON 558,782,708 as of December 31, 2025, and as a result of the conversion of a loan into share capital for one of the Company's subsidiaries.

Current Assets

Current assets increased by 10.4% from RON 346,672,770 as of December 31, 2024, to RON 382,661,074 as of December 31, 2025. The increase was in line with the Company's growth.

Trade receivables

Trade receivables are stated on the balance sheet at their estimated realizable value. The Company's receivables cover a wide range of customers. The main customer in the state budget is the National Health Insurance House. The average collection period for receivables related to services provided is 90 days. No interest is charged on trade receivables during the first 90 days from the invoice date.

	December 31, 2025	December 31, 2024
Trade receivables	144,738,814	128,557,860
Adjustments for expected credit losses	(34,085,853)	(31,394,866)
TOTAL	**110,652,961**	**97,162,994**

Loans granted to related parties

The Company holds significant loans in other companies within the Group. During the reporting period, the following significant increases in loans granted occurred: Provita Diagnostic and Treatment Center and Medicis SA, alongside a decrease in loans to Sweat Concept One (through a 14.95% increase in ownership) and Anima Speciality Medical Services.

Current Liabilities

Current liabilities (excluding interest-bearing debt) increased by 16%, from RON 253,167,493 as of December 31, 2024, to RON 293,704,339 as of December 31, 2025.

Interest-bearing debt

Interest-bearing liabilities increased by 7.7%, from RON 702,800,526 as of December 31, 2024, to RON 756,616,075 as of December 31, 2025

The following tables summarize the Company's liabilities under loan and lease agreements as of December 31, 2024, and 2025, respectively:

Financial Liabilities	December 31, 2025	December 31, 2024
Current portion of interest-bearing loans (including overdraft)	42,915,945	68,810,045
Long-term portion of interest-bearing loans	665,239,788	582,827,132
TOTAL	**708,155,733**	**651,637,177**

Lease Liabilities	December 31, 2025	December 31, 2024
Long-term portion	28,898,363	27,066,810
Current portion	19,561,979	24,096,539
TOTAL	**48,460,342**	**51,163,349**

On March 25, 2025, the Group increased its existing facilities by EUR 50 million and added an additional "Accordion" facility of up to EUR 25 million by signing an amendment to the existing syndicated credit agreement. The syndicate of banks that signed the syndicated loan increase consists of Banca Comercială Română, acting as Mandated Lead Arranger, Documentation Agent, Facility Agent, Security Agent, and Bookrunner, as well as Raiffeisen Bank, BRD Groupe Société Générale, Banca Transilvania, and ING Bank, acting as initial lenders. The outstanding balance of the syndicated loan is RON 696,122,052 as of December 31, 2025.

Liquidity and Capital Resources

The following table presents a summary of cash flows for the periods ended December 31, 2024, and 2025, respectively:

	12 months ended	
	December 31, 2025	**December 31, 2024**
Operating cash flow before working capital changes	**111,300,361**	**96,644,724**
Cash generated from working capital changes	**7,821,314**	**31,853,930**
Cash generated from operations	**119,121,674**	**128,498,655**
Dividends received from subsidiaries	4,459,492	1,399,080
Interest paid	(33,161,224)	(39,523,222)
Income tax paid	(8,251,684)	(5,339,059)
Net cash from operating activities	**82,168,259**	**85,035,454**
Net cash used in investing activities	**(101,444,591)**	**(61,250,343)**
Net cash from/(used in) financing activities	**22,593,173**	**(18,650,857)**
Net change in cash and cash equivalents	**3,316,841**	**5,134,254**
Cash and cash equivalents beginning of the period	15,335,770	10,201,516
Cash and cash equivalents end of the period	**18,652,611**	**15,335,770**

Net cash from operating activities

Net cash from operating activities decreased in 2025 by RON 2,867,195 (3.4%), from RON 85,035,454 in 2024 to RON 82,168,259 in 2025, primarily driven by changes in working capital. At the same time, operating performance improved, as reflected in the increase in cash flows from operating activities before changes in working capital, which reached RON 111,300,361 in 2025, compared to RON 96,644,724 in 2024.

Net cash used in investing activities

Net cash used in investing activities increased by 65.6% in 2025 compared to 2024, rising from RON 61,250,343 in 2024 to RON 101,444,591 in 2025, primarily as a result of new acquisitions and loans granted to entities within the Group.

Net cash from / (used in) financing activities

Net cash from financing activities increased by RON 41,244,030 compared to the previous period, from a net cash outflow of RON 18,650,857 in 2024 to a net cash inflow of RON 22,593,173 in 2025, primarily driven by higher drawdowns of financing compared to repayments made to credit institutions.

Key financial indicators

1	***Current ratio***	**Period ended at Dec 31, 2025**		
	Current assets	382,661,075	=	**1.07**
	Current liabilities	356,182,263		

2	***Debt to equity ratio***	**Period ended at Dec 31, 2025**		
	Long Term Debt	694,138,151	=	**193%**
	Equity	359,384,706		
	Long Term Debt	694,138,151	=	**66%**
	Capital Assets	1,053,522,857		

3	***Trade receivables turnover (days)***	**Period ended at Dec 31, 2025**		
	Average receivables	103,907,978	=	**47.98**
	Sales	779,671,690		

4	***Fixed assets turnover***	**Period ended at Dec 31, 2025**		
	Sales	779,671,690	=	**0.75**
	Net Fixed Assets	1,044,202,250		

These key financial indicators are monitored on an ongoing basis, including quarterly, by the Company’s management and are integrated into reporting and management control processes. Overall, the indicators reflect a stable financial position, supported by solid operating performance and an investment strategy focused on medium- and long-term growth.

The Committee’s findings regarding the independence of the external auditor

Starting in 2024, the audit services for the Group’s consolidated financial statements, the separate financial statements of Med Life S.A. and its subsidiaries, as well as non-audit services related to the Sustainability Statement, are performed by the external auditor, Deloitte Audit SRL.

The Audit Committee established within the Company’s Board of Directors continuously monitors the independence and objectivity of the external auditor, in accordance with applicable legal provisions and those of the Bucharest Stock Exchange’s Corporate Governance Code. Based on the assessments conducted throughout 2025, the Audit Committee did not identify any situations that would affect the independence or objectivity of the external auditor.

RISK MANAGEMENT

Risk Exposure and Risk Management

The Board of Directors has overall responsibility for establishing and overseeing the risk management framework within the organization. Risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and compliance with limits. The Audit Committee is responsible for monitoring and addressing issues regarding the effectiveness and efficiency of internal controls, in accordance with regulations and risk management.

In the course of its business, the Group is exposed to a range of risks structured into categories: market and financial risks, operational risks, and strategic risks. The Group's objectives, policies, and processes for managing these risks, as well as the methods used to measure risks, are presented later in this chapter.

The Group's risk management processes focus on identifying, analyzing, and assessing these risks and their impact on the organization's financial stability and profitability, as well as on mitigation measures. The objective of these activities is to actively manage risks within the context of MedLife's risk appetite and in accordance with the principles of the Risk Management Policy approved by the Board of Directors, in order to achieve the Group's long-term strategic objectives.

Identification, Assessment, and Measurement

The risk identification process is carried out systematically by operational risk managers, with the support of the dedicated risk management function. The primary goal is to conduct a comprehensive inventory of all risks that may affect the Group. Once identified, each risk is analyzed to determine its nature and relevance, including its causes and how it becomes significant, taking into account both the interdependencies between risks and the specific context in which they arise. Based on the available information, risks are assessed and classified according to their likelihood of occurrence and potential impact. The result of this initial stage is an aggregate score for inherent risk.

Management and Mitigation

The inherent risk score serves as the foundation for defining and implementing mitigation measures. Controls and actions are introduced to reduce both the probability and the impact of the identified risks. These measures are continuously reviewed and adjusted in line with changes in the business environment and the emergence of new threats. The application of these actions results in a residual risk score, which is compared to the Company's accepted risk level to prioritize major risks and those that exceed the organization's risk appetite. Executive management, together with the risk management function and in collaboration with operational units, periodically assesses the need to implement additional measures to strengthen the Group's overall risk position.

Monitoring

Risk evolution and management are continuously monitored. As the risk environment changes, new risks are integrated into the portfolio as soon as they are identified and reported, and those that are no longer relevant are removed or reclassified. The risk management function regularly monitors both the internal and external environments and maintains a constant dialogue with relevant stakeholders to ensure the risk register is kept up to date. Risks classified as "high" or "critical" at the residual level are reported to executive management and the Board of Directors, both to raise awareness and to initiate proactive mitigation measures. This structured process ensures that both periodic and ad hoc risk reports are provided to management.

The main risks identified are presented below:

Ability to recruit and retain staff

The risk that the MedLife Group, in certain geographic areas, may face a shortage of suitable staff and high staff turnover due to reduced funding for education, the emigration of qualified staff, and competition for available staff with other private and state providers, as well as with organizations in other industries for support roles. This drives up wage inflation, particularly for clinical staff, and puts greater pressure on margins. Persistently high levels of inflation exert additional pressure on overall labor costs, further affecting the ability to recruit and retain staff.

MedLife Group aims to provide a workplace where all employees feel respected and valued, as well as an environment where professional aspirations can be fulfilled. This is achieved through investments in systems that facilitate professional work, in continuous training and professional development, as well as through networks of colleagues who offer support and guidance. The Group's ongoing efforts in the areas of digitization and automation ensure a more efficient use of clinical staff's time and a safer work environment, enabling staff to provide care to a greater number of patients. MedLife strives to keep employees satisfied, motivated, and productive, aiming to offer competitive, market-based compensation and maintain its reputation as a respected employer. Salary review processes include a comparison with the sector market to evaluate benchmarks across numerous markets.

Geopolitical Risk

Geopolitical risk for the healthcare sector in Romania is primarily driven by the proximity of the conflict in Ukraine and regional instability in the Middle East, which may have indirect effects on the functioning of the healthcare system. These include disruptions to supply chains for medicines and equipment, rising operational costs (particularly energy and wages), as well as additional pressures on the public system in the context of population flows or the reallocation of budgetary resources to other strategic priorities. At the same time, the migration of medical personnel to more stable and better-paying markets remains a critical factor, amplified by geopolitical uncertainties.

As a healthcare provider, in most conflict situations, MedLife Group's facilities and staff are not directly targeted. Furthermore, medical activities are almost always exempt from embargoes and sanctions. This mitigates risks to some extent.

Clinical licenses, certifications, and accreditations

The risk relates to non-compliance with legal requirements, failure to recertify or reaccredit. The lack of relevant quality improvement programs, the implementation/monitoring of the effectiveness of corrective and preventive actions, as well as audit programs that support quality management processes increases this risk.

The organization has a well-organized quality control system that ensures constant monitoring of compliance with internal and external requirements, which allows for the maintenance or achievement of new certifications confirming compliance with the highest standards. Periodic compliance and clinical quality audits are conducted in accordance with the developed and approved audit plan. All activities are recorded and analyzed to improve processes. All post-audit recommendations and corrective or preventive actions taken are monitored, and their results are evaluated and analyzed.

Clinical Quality

The risk relates to the provision of services that do not comply with applicable standards of medical care, healthcare, and other clinical and diagnostic services, in accordance with evidence-based medicine. Non-compliance with MedLife's clinical governance policies, Code of Conduct, and Code of Medical Ethics may lead to the provision of unsafe, inadequate, or ineffective medical and diagnostic services.

MedLife has a strong reporting culture and a structure that enables monitoring of compliance with high clinical standards. There are integrated reporting systems for key performance indicators and clinical quality indicators. Policies, standards, and algorithms of conduct are reviewed and updated periodically, in accordance with the latest recommendations from international organizations and national government agencies.

Data protection

The loss or compromise of patients' private data poses a risk of losing control over sensitive data. This can involve data loss, data leaks, unauthorized use of data, or data unavailability. This can lead to operational issues or serious clinical complications, as well as impacts on compliance, contracts, and reputation.

MedLife has several control measures in place to protect against data loss, specifically: periodic testing of internet-connected applications and the use of a web application firewall to protect critical internet-connected systems, hard drive encryption for laptops, encryption of data in transit, data loss prevention systems in larger facilities, encryption of stored data for the Clinical Management System (CMS) database, and others. All control measures are complemented by data protection policies and rigorous testing to ensure data availability and protection.

Cybersecurity

There is a risk that IT systems may suffer outages or disruptions as a result of hacker attacks, breaches, computer viruses, bugs, technological failures, or other factors, which could lead to unavailability, interruption, or unauthorized access to sensitive information. Any malfunction of IT systems may prevent staff from providing medical services and may result in data loss or corruption. It could also lead to reputational damage.

MedLife integrates redundancy and robustness into its IT systems, paying particular attention to security and protection against external and internal threats. Periodic penetration tests of IT systems (disaster recovery tests, security tests) and processes are conducted to ensure the contingency and effectiveness of backup plans. MedLife continuously updates and invests in IT system equipment and software solutions to maintain an environment capable of withstanding new and evolving threats. Key measures implemented include security policies, ISO 27001 certification, incident response plans, endpoint detection and response, firewalls, privileged access management, vulnerability management and security testing, backup, email filtering software, and data leak prevention.

Market Risk

Economic factors are a key driver of demand and pricing for services. Within healthcare services, employer-sponsored health care plans represent a significant source of revenue. A competitive labor market supports demand for employment-related benefits and retention tools, such as health care plans. Furthermore, economic growth increases disposable income and the ability to afford healthcare services. A reform of public tariffs affecting the field of medical consultations and related services was published in 2025 and took effect in January 2026. High inflation poses a significant risk to the Group regarding its ability to pass on additional costs to customers without delay or without losing market share.

MedLife Group has grown over more than 30 years of activity and expansion and, has developed the ability to manage such economic cycles. The organization's approach is to maintain the affordability of its services to align with the ability to pay if the local markets.

Economic crises also affect public healthcare funding, leading to a greater or lesser number of people seeking treatment from private providers, as healthcare is an inelastic expense, which mitigates the impact of economic recessions on the Group. It has also diversified its revenue sources to avoid excessive dependence on public payers or employer-funded segments.

Acquisitions

Growth through acquisitions is important for the Group's development. An inadequate due diligence process during the acquisition process can lead to erroneous conclusions and inappropriate decisions. Additionally, MedLife may be exposed to unforeseen liabilities or issues within the acquired companies.

MedLife exercises centralized oversight over all acquisition processes and has experienced teams that execute acquisitions. The Company conducts a thorough due diligence process when making acquisitions.

In many cases, the organization mitigates risk by linking the purchase price to the future development and performance of the acquired target. The acquired businesses operate in markets that the Group knows well or has carefully analyzed in advance. For larger transactions, external consultants are engaged to perform additional due diligence, thereby minimizing the risk of inadequate due diligence.

Post-acquisition integration

There is a risk that the acquired operations may not be integrated as planned, which would result in higher-than-expected costs or prevent the full realization of synergies or their realization within the anticipated timeframe. In addition, there is a risk of a lack of controls and procedures within the acquired businesses that are not aligned with existing Group-level controls, which increases subsequent risk management/reporting efforts and requires additional investments to bring standards up to date.

MedLife establishes a detailed integration plan for each acquisition, within which the risk of increased integration-related costs is measured and managed. If necessary, specific individuals are designated to oversee the integration. The Board of Directors reviews major acquisitions to assess performance against initial projections.

Credit risk

Credit risk is the risk of loss if a counterparty fails to meet its obligations. The credit risk to which the Group is exposed relates primarily to unpaid trade receivables and assets held by counterparties that are unpaid or unrecoverable, including credit risk associated with the National Health Insurance House (CNAS) with which the organization collaborates.

Customers' compliance with agreed credit terms is closely monitored. A broad diversification of customers reduces the relative size of outstanding balances for any individual customer. The Group derives only 34% of its sales in 2025 from the treatment of CNAS-insured patients (credit risk concentration).

The Group has also developed specific procedures for evaluating legal entities as clients prior to signing contracts for the provision of healthcare packages and for monitoring their ability to make payments throughout the term of the contracts. In addition, the Group has established an internal Collections Department that actively monitors collections received from customers. Other long-term receivables for stem cell processing are presented net of the allowance for expected credit losses.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will fluctuate as a result of changes in foreign exchange rates. The Group's exposure to foreign exchange rate risk relates primarily to loans denominated in EUR, reflecting the Group's financing structure.

At the operational level, the Group benefits from natural risk hedging, as a portion of its revenues—particularly from medical prevention and prophylaxis packages—are denominated in EUR, while most operating expenses are denominated in RON, with limited exposure to EUR through certain consumables and materials. The Group is primarily exposed to fluctuations in the RON/EUR exchange rate. Management performs a sensitivity analysis using a 10% increase/decrease in the RON against the EUR and monitors it periodically. This assumption has not changed from previous years and represents a stress scenario used for internal risk assessment purposes and reflects a conservative assumption applied by management in assessing currency risk exposure. The sensitivity analysis includes only monetary items denominated in foreign currency and adjusts their translation at the end of the period for a 10% change in exchange rates.

Interest Rate Risk

The Group is exposed to interest rate risk because it borrows funds at variable interest rates. The greatest risk derives from funds borrowed in the local currency, as interest rates are periodically adjusted based on changes in the index.

Rental agreements denominated in the local currency are also exposed to risk due to the aforementioned adjustment process, as the adjustment rate in this case is linked to domestic borrowing rates for funds raised in the local currency.

The Group monitors interest rate projections to make decisions regarding investments and acquisitions, as well as how these will be financed in the future. It continuously analyzes existing and future credit facilities based on current market conditions and intensifies its efforts to accurately forecast and finance future needs.

Interest rate sensitivity analysis is performed by management using a 10% increase/decrease in interest rates and is monitored periodically. This assumption has not changed from previous years and represents management's assessment of a reasonable possible change in interest rates.

Liquidity and refinancing risk

Liquidity risk refers to the ability to pay obligations as they fall due, and refinancing risk refers to the ability to refinance loans or other debts as they fall due.

The Group minimizes liquidity risk by maintaining a sufficient cash position, through centralized cash management, by investing in liquid securities, and by holding sufficient credit lines to cover potential financing needs. The Group is in a position where it has no significant debt maturing in a particular concentration, and the majority of the debt portfolio relates to long-term maturities.

Climate Change

The Group's environmental impact derives primarily from energy consumption in clinics, laboratories, and hospitals, as well as from the use of pharmaceuticals and chemicals in medical and diagnostic services. Another area of impact is waste and water management.

Climate change, in the form of shifts in temperature or pollution levels, could lead to changes in disease patterns, requiring the organization to adapt and offer new services, expand its capacity, or develop new capabilities. To mitigate any negative impacts, MedLife is working to improve its energy and resource efficiency. MedLife Group measures and reports its carbon footprint across the three scopes of the Greenhouse Gas Protocol (GHG Protocol). The Group transparently monitors and reports on progress toward reducing its carbon footprint as a signatory to the UN Global Compact. Regarding waste and water management, the organization fully complies with applicable laws and regulations in the countries where it operates.

Natural Disasters

The risk of natural disasters refers to the potential for significant disruptions to the Group's operations caused by acute physical risk events. These events include floods, earthquakes, severe heat waves, etc. Such disasters can lead to damage to physical assets, supply chain disruptions, loss of critical infrastructure, and threats to employee safety. The risk is higher in operational facilities (e.g., hospitals) where business continuity and physical presence are essential and cannot be replaced by remote work. There is an "all risks" insurance policy that effectively covers the financial costs of any damage to property in the event of losses caused by a natural disaster.

Given the critical nature of most of the Group's operations, the main facilities located in areas with a high risk of earthquakes are designed to ensure business continuity. Cloud-based servers and data storage ensure that any destruction of local IT facilities will not result in data loss or the inability to operate. Power generators are installed where deemed necessary to support operations in the event of a power outage.

Litigation

The Group is involved in various legal disputes as part of the normal course of business. Management has assessed the legal status in consultation with the Group's legal counsel, and all necessary adjustments have been recorded in the consolidated financial statements.

Off-balance-sheet commitments

As at 31 December 2025, the Group was not a party to any other off-balance-sheet obligations or commitments.

Changes in accounting policies

To the best of the Company's knowledge, there are no material accounting standards applicable to the Group that would require a prospective change to any of the Group's accounting policies.

Material accounting policies

Details regarding the material accounting policies and methods adopted, including recognition criteria, measurement basis, and the basis on which revenue and expenses are recognized, for each class of financial assets, financial liabilities, and equity instruments are presented in the Consolidated Financial Statements.

EVENTS AFTER THE BALANCE SHEET DATE

Completion of the Medstar Acquisition

On February 3, 2026, MedLife announced the completion of the full acquisition of the Medstar group of clinics in Cluj-Napoca, an acquisition that began in June 2025. With the completion of the transaction, Medstar becomes part of the Sfânta Maria network, which thereby strengthens its presence in the Transylvania region and expands patients' access to quality medical services under the CAS system.

MedLife Genesys Clinic in Arad

MedLife has expanded its presence in Arad and opened its fourth medical facility in Arad in January 2026. The new clinic offers patients over 17 medical specialties, comprehensive medical testing services, as well as an innovative concept for the local market: the Longevity Center.

The Longevity Center offers a modern, integrated approach to health, focused on prevention and optimizing quality of life. The Menopause Center will also operate within the Longevity Center, dedicated to supporting women's health through personalized assessments and treatments.

Geopolitical context – Conflict in Iran

At the beginning of 2026, the international geopolitical environment remained characterized by uncertainty, including as a result of developments in the Middle East, particularly in relation to Iran. The Group is closely monitoring the situation and the potential indirect effects on its operations, including impacts on supply chains, operating costs and inflation dynamics.

Based on the information available at the date of approval of the financial statements, these developments have been considered non-adjusting subsequent events in accordance with IAS 10 and do not have a significant impact on the financial statements for the financial year ended 31 December 2025.

Notice of Annual General Meeting

On March 27, 2026, the notice of the Annual General Meeting of Shareholders was published for April 30 / May 4, 2026. The main items subject to approval by MedLife shareholders are:

- The audited annual financial statements for 2025, on an individual and consolidated basis;
- The MedLife Group's annual report;
- Discharge of the members of the Board of Directors;
- The income and expense budget for 2026, at both the individual and consolidated levels;
- The Remuneration Report, subject to a consultative vote by shareholders.

Shareholders registered in the shareholder register maintained by Depozitarul Central S.A. as of the close of business on April 21, 2026, established as the Record Date for the AGOA, are entitled to vote at this Annual General Meeting.

There were no other significant events after December 31, 2025.

DIVIDEND POLICY

The shares held by the Company's shareholders, other than treasury shares held by the Company, carry equal and full rights with respect to dividends.

The Company's fiscal year begins on January 1 and ends on December 31. In accordance with the Companies Act, dividends may be distributed only if the Company records a profit, optionally on a quarterly basis based on interim financial statements and annually, following the adjustment made through the annual financial statements, approved by the General Meeting of Shareholders. The Company's profit after payment of income tax will be distributed in accordance with the resolution of the General Meeting of Shareholders. The Company is required to establish reserves and other funds as provided by applicable laws.

The Company's General Meeting of Shareholders is free to decide on the distribution of dividends, based on the proposal of the Board of Directors. In the absence of a proposal from the Board of Directors, shareholders who individually or collectively hold at least 5% of the voting rights in the Company may also request that the meeting's agenda be supplemented with a new item regarding the distribution of dividends, specifying the distribution ratio. Dividends may be distributed only from profits determined in accordance with the law, in proportion to the shareholding in the paid-in share capital, optionally on a quarterly basis based on interim financial statements and annually, following the adjustment made through the annual financial statements.

The General Meetings of Shareholders, which approve the annual financial statements, also determine the gross amount of the dividend per share, as well as the payment process. According to Law 24/2017 on issuers of financial instruments and market operations, the General Meeting of Shareholders that approves the distribution of dividends must also decide the date on which the dividends will actually be paid to shareholders. This date shall not be set later than 6 months from the date of the General Meeting of Shareholders that determines the dividends. If the General Meeting of Shareholders does not make a decision regarding the dividend payment date, the dividends shall be paid within 30 days of the date of publication of the resolution of the General Meeting of Shareholders establishing the dividends in the Official Gazette of Romania, Part IV. Upon the expiration of this period, the Company is deemed to be in default by operation of law.

Dividends may optionally be paid quarterly within the timeframe established by the General Meeting of Shareholders, with any differences resulting from the distribution of dividends during the year to be adjusted in the annual financial statements. Payment of the differences resulting from the adjustment shall be made within 60 days from the date of approval by the General Meeting of Shareholders of the annual financial statements for the fiscal year ended. Otherwise, the Company or the shareholders, depending on the result of the adjustment, shall owe penalty interest after this deadline, calculated in accordance with applicable legal provisions, unless the resolution of the General Meeting of Shareholders that approved the financial statements for the completed fiscal year established a higher interest rate. In the event of a partial distribution of dividends among shareholders during a financial year, the annual financial statements shall reflect the partially distributed dividends and adjust the resulting differences accordingly.

Dividends are paid only to shareholders registered in the Company's shareholder register on the record date, which is set by the General Meeting of Shareholders approving the distribution of dividends. The record date must be set at least 10 business days after the date of the General Meeting of Shareholders. Furthermore, Romanian law provides that the payment date set by the General Meeting of Shareholders must be set so as to be no more than 15 business days after the record date, but no later than six months from the date of the General Meeting of Shareholders approving the distribution of dividends.

In accordance with applicable regulations, the Company must publish, prior to the dividend payment date, a press release, which it shall submit to the ASF and the market operator, specifying at least (i) the dividend amount per share, (ii) the ex-dividend date, (iii) the record date, and (iv) the dividend payment date, as approved by the General Meeting of Shareholders, as well as (i) the method of dividend payment and (ii) the identifying information of the paying agent.

Dividends that are not claimed within three years of their payment due date may be retained by the Company.

Under the Companies Act, the distribution of dividends from fictitious profits or from sources that cannot be distributed, during the fiscal year based on the interim and annual financial statements, based on the annual financial statements, or contrary to what is shown therein, shall result in criminal liability for the administrators, directors, members of the management board or supervisory board, or the legal representatives of the Company, and shall be punishable by imprisonment for a term of one to five years. Furthermore, if the Company records a loss of net assets, the share capital must be replenished or reduced before any profit allocation or distribution can be made. Additionally, if the Company has accumulated losses, it may not pay dividends until such losses are covered.

The Board of Directors' objective is to create value for the Company's shareholders. To maintain the current growth trajectory, the Group requires both internal and external resources. Thus, the Board of Directors, focused on the continued expansion of the Group and its profitability for the benefit of shareholders, intends to propose not distributing dividends to shareholders as long as the Group's growth rate is in line with historical trends.

Should the Board of Directors propose the distribution of dividends in the future, several factors must be taken into account, namely: general business conditions, the Group's financial results, investment requirements, legal and contractual restrictions on dividend payments, and any other factors the Board of Directors may deem relevant. Any portion of profits not allocated to the Company's growth plans or not subject to contractual, legal, or other restrictions will, in principle, be paid out as dividends to shareholders, unless required for any other corporate purpose, including investments in profit-growth opportunities.

To the best of our knowledge, the Consolidated Financial Statements of the MedLife Group as of December 31, 2025, which were prepared in accordance with Order No. 2844/2016 of the Minister of Public Finance approving accounting regulations in accordance with International Financial Reporting Standards, present a true and fair view of the assets, liabilities, financial position, statement of comprehensive income, and cash flows of the issuer and its subsidiaries included in the consolidation of the financial statements as of December 31, 2025, and present fairly and completely the information about the issuer for the twelve-month period ended on that date.

ABBREVIATIONS AND DEFINITIONS

Abbreviation	Definition
ARIR	Romanian Investor Relations Association
BET	the market reference index of the Romanian capital market
BET-TR	the total return version of the Romanian market reference index BET
BSE	Bucharest Stock Exchange
CEO	Chief Executive Officer
CFO	Chief Financial Officer
EBITDA	Operating profit before interest, corporate income tax, depreciation and amortization
EBITDA Pro-forma	EBITDA adjusted for the acquisition of Companies, as if the acquisition had taken place on 1 January 2025, by combining the financial results of the Acquired Companies for this period with those of the Group and eliminating certain expenses included in EBITDA which the Group's management considers to be non-operational and/or non-recurring in nature
EGMS	Extraordinary General Meeting of Shareholders
ESG	Environmental, Social and Governance
EU	European Union
EURIBOR	Euro Interbank Offer Rate – the reference rate for European banks in interbank loans denominated in EUR
EURO, EUR	the single European currency
FFS	Fee for service
FSA	Financial Supervisory Authority
GMS	General Meeting of Shareholders
HPP	health prevention package
HUF	Hungarian forint
ICU	Intensive care unit
IFRS	International Financial Reporting Standards
KPI	Key performance indicators
MedLife Group, the Group	Med Life S.A together with its subsidiaries
MedLife, the Parent Company, the Company	Med Life S.A
NHIH	National Health Insurance House
NPS	net promoter score
OGMS	Ordinary General Meeting of Shareholders
PPS	price per service
RENAR	the Romanian Accreditation Association for Laboratories
ROBOR	Romanian Interbank Offer Rate – the reference rate for Romanian banks in interbank loans denominated in RON
RON	Romanian leu
SOP	Stock Option Plan

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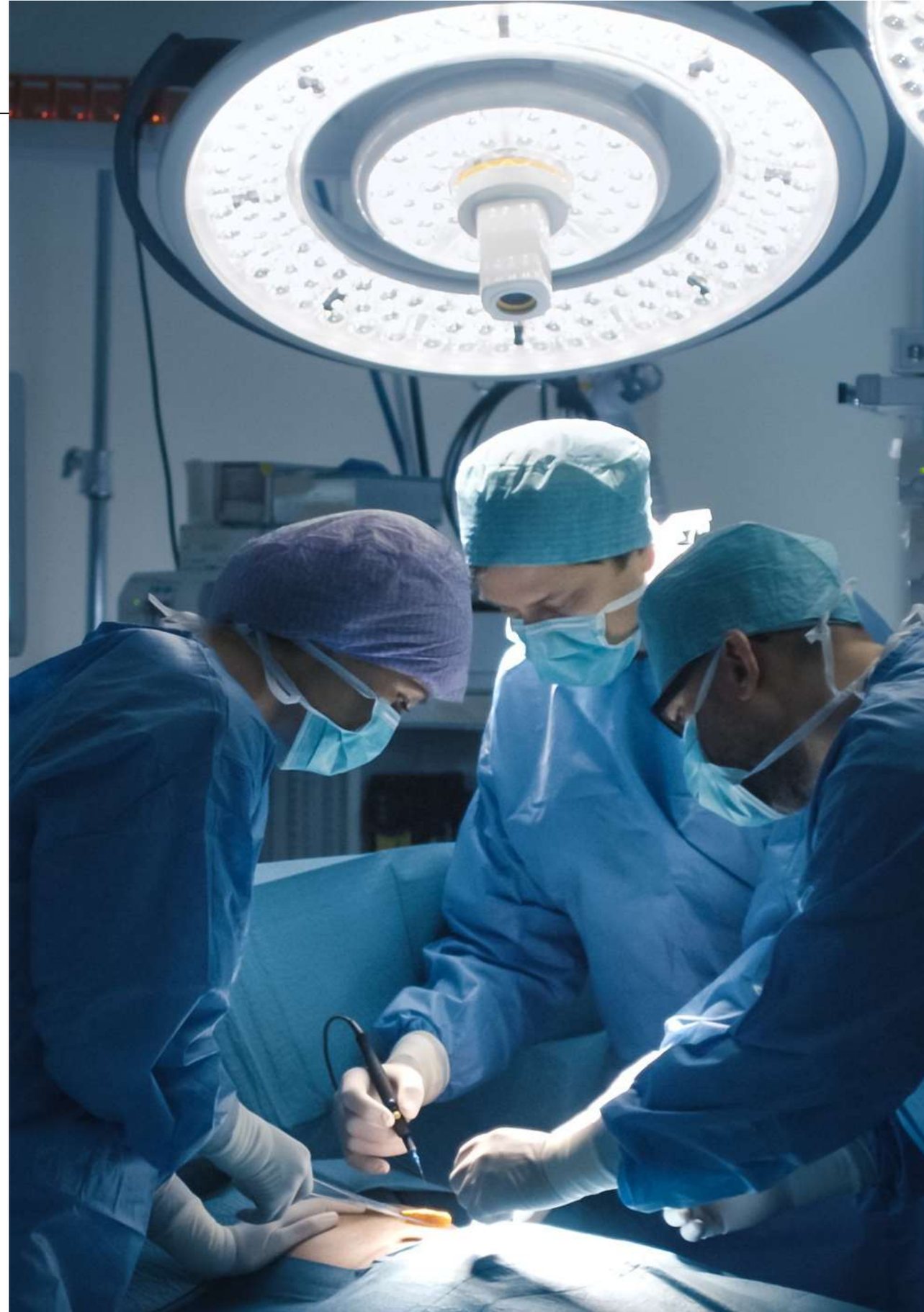
SUSTAINABILITY REPORT
MEDLIFE GROUP 2025



CONTENTS

ESRS 2 – GENERAL INFORMATION

[BP-1] – GENERAL BASIS FOR PREPARING THE SUSTAINABILITY STATEMENT

In this document, the term 'sustainability' is used in place of the term 'durability', and "materiality/material" in place of the term "significance/significant", when they appear in the expressions "double significance analysis" and "significant impacts, risks and opportunities", in accordance with the terms set out in In the Order of the Minister of Finance No. 2844/2016, as subsequently amended, Chapter 7, Section 7.3 implementing Article 29(a) of Directive 2013/34/EU and the European Sustainability Reporting Standards (ESRS), adopted through Commission Delegated Regulation (EU) 2023/2772, under the Corporate Sustainability Reporting Directive (CSRD).

The Sustainability Statement for 2025 has been prepared on a consolidated basis, covering the parent company, Med Life S.A., and all its subsidiaries. As in 2024, Med Life S.A. is the only entity within the Group that falls under the scope of the CSRD ('Corporate Sustainability Reporting Directive') on an individual basis for the 2025 financial year, being a large listed company (i.e. a public-interest entity). The other companies in MedLife Group do not have an individual reporting obligation for the 2025 financial year, as they are not public-interest entities. Med Life S.A., as the parent company of a large Group, prepares consolidated annual financial statements. Furthermore, from the financial year 2024, it is required to prepare a consolidated sustainability statement, which forms part of the Annual Report prepared at consolidated level. With regard to the consolidation of the sustainability information presented, this is consolidated in accordance with the same principles as the financial statements, unless otherwise specified. The complete list of subsidiaries included in the Sustainability Statement in *Note 1 'Description of Activities' in the Consolidated Financial Statements of MedLife Group.*

The Group's Sustainability Statement prepared for the period 1 January – 31 December 2025 includes comparative data with previous periods, namely 2024. The statement also integrates the upstream and downstream value chains into the process of assessing the significance of the impacts, risks and opportunities (IRO) identified in these segments. Where the company's policies and actions extend to the value chain, this is explicitly stated in the relevant reporting requirements of the ESRS thematic standards and in the MRD in accordance with ESRS 2. With regard to indicators, information relating to the value chain refers exclusively to greenhouse gas (GHG) emissions, in accordance with the provisions of ESRS E1-6.

The Group has not exercised the option to omit information relating to intellectual property, know-how or the results of innovation, as provided for in section 7.7 of ESRS 1 on classified and sensitive information. Furthermore, the company has not made use of the exception provided for in Article 19a(3) or Article 29a(3) of Directive 2013/34/EU, as transposed by Ministry of Public Finance Order No. 85/2024, which allows for the exclusion of information relating to imminent developments or matters under negotiation. Consequently, the Group's Sustainability Statement covers the upstream and downstream value chain in line with the requirements of ESRS 1, Section *5.1 'The reporting entity and the value chain'.*

Accounting policies have been applied consistently in line with the 2024 financial year and are included in detail within this Sustainability Statement. The Company will periodically reassess the use of estimates and judgements made based on experience regarding the application of accounting policies, the development of sustainability reporting and other factors. Changes in the preparation or presentation of sustainability information are recognized in the period in which the relevant estimate is revised. For further information on the key estimates, judgements and assumptions applied, please refer to the pages containing the tables of quantitative data on sustainability information within this statement.

[BP-2] – DISCLOSURES RELATING TO SPECIFIC CIRCUMSTANCES

The Group has adopted the short-, medium- and long-term time horizons as defined in section 6.4 of ESRS 1, without deviating from them. In accordance with these standard definitions, the short term is considered to be up to one year, similar to the reporting period used for financial statements; the medium term extends from the end of the short-term reporting period to five years; and the long term covers a period exceeding five years. These timeframes have been consistently used in reporting, reflecting a standardized approach aligned with the requirements of ESRS 1, without the need for adjustment.

The indicator reported for the upstream and downstream value chain refers exclusively to Scope 3 GHG emissions. This is the only indicator used to reflect the impact on the value chain, in accordance with established reporting standards. Estimates of Scope 3 GHG emissions were carried out in accordance with the GHG Protocol, using indirect sources such as sectoral average data or other relevant sources of information that reflect activities within the value chain. These estimates are based on standardized methodologies that enable the assessment of the indirect impact of the company's activities. Scope 3 emissions estimates were carried out with a level of accuracy considered adequate, in accordance with the GHG Protocol (revised 2015). However, given that they are based on indirect sources and sectoral average data, there is a certain degree of uncertainty associated with these estimates. Their level of accuracy is clearly specified in the Sustainability Statement under reporting requirement E1-6 of the ESRS E1 standard. To improve the accuracy of Scope 3 emissions estimates, the company will work more closely with suppliers and partners in the value chain to obtain direct and precise data, rather than relying solely on sectoral averages. The implementation of these actions will, of course, be subject to the Omnibus regulations.

At the same time, the Group used estimates to calculate the following quantitative indicators and monetary values: the amount of municipal waste presented in E5-5, the weight of resources inputs presented in E5-4, the quantity of pollutants in water, and the amount of microplastics generated, as presented in E2-4. Information regarding sources of uncertainty, assumptions, approximations and the reasoning applied by the Group in the process of measuring these indicators is detailed within each relevant thematic standard that includes such quantitative data.

Where there are changes in the preparation and presentation of sustainability information compared to previous reporting periods, the company explains the nature of these changes and the reasons for them, including the rationale for the increased relevance of the replacement metrics. Revised comparative figures are also presented, except where their adjustment is impracticable, in which case this is explicitly stated. Furthermore, the difference between the figure reported in the previous period and the revised comparative figure is disclosed. The information relating to this requirement is detailed in the Sustainability Statement under reporting requirement E1-6 of the ESRS E1 standard.

In the Sustainability Statement, the Group has included the following additional information derived from other legislation requiring the reporting of sustainability information or from generally accepted reporting standards and frameworks, in addition to the ESRS requirements, as follows:

Additional information	Standard	Location
GRI 202-2 Proportion of senior management recruited from the local community **GRI 201-1** Direct economic value generated and distributed	GRI Standards	ESRS S3 - [S3] - Disclosure of Group-specific information - Market presence - Economic value generated and distributed
HC-DY-270a.1. Description of policies or initiatives to ensure that patients are adequately informed about pricing before undergoing a procedure	SASB	ESRS G1 [G1] - Disclosure of Group-specific information: - *pricing and billing transparency* - *fraud and unnecessary procedures* - *competitive behaviour*
HC-DY-270a.2. Discussion of how information regarding service prices is made public		
HC-DY-510a.1. Total financial losses resulting from legal proceedings related to medical fraud		
GRI 206-1 Legal actions for anti-competitive behavior, antitrust and monopolistic practices		

The following information is included by reference to other sections of this Sustainability Statement and the 2025 Consolidated Financial Statements:

Information included by reference	Location of reporting	Page
ESRS 2 BP-2 points 10(b) and (c)	E1-6 within ESRS E1	30
ESRS 2 BP-2 11(b)(i), (ii)	E2-4 within ESRS E2	36
	E3-4 of ESRS E3	39
	E5-4 within ESRS E5	41
	E5-5 within ESRS E5	43
E1 GOV 3	GOV 3 within ESRS 2	7
G1 GOV 1	GOV 1 from ESRS2	4
SBM-1 40 b)	Note 19 Revenue from contracts with customers	
SBM-3 48 d)	E2.IRO-1 within E2	34
SBM-3 48 d)	E3.IRO-1 within E3	38
SBM-3 48 d)	E5.IRO-1 within E5	40
SBM-3 48 d)	S1.SBM-3 within S1	44
SBM-3 48 d)	S4.SBM-3 within S4	62
E2.IRO-1	E2.IRO-1 within E2	34
E3.IRO-1	E3.IRO-1 within E3	38
E3.IRO-1	E5.IRO-1 within E5	40
G1.IRO-1	G1.IRO-1 within G1	73
S1.SBM-3	S1.SBM-3 within S1	44
S2.SBM-3	S2.SBM-3 within S2	54
S3.SBM-3	S3.SBM-3 within S3	59
S4.SBM-3	S4.SBM-3 within S4	62
MDR-P 65 a) regarding the monitoring mechanism, c), d), e) and f) regarding the Sustainability Policy in sections ESRS E2, E2-1	E1-2 within ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), d), e) and f) regarding the Sustainability Policy in sections ESRS E3, E3-1	E1-2 within ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), d), e) and f) regarding the Sustainability Policy in sections ESRS E5, E5-1	E1-2 within ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), e) and f) regarding the Sustainability Policy in sections ESRS S1, S1-1	E1-2 within the ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), e) and f) regarding the Sustainability Policy in sections ESRS S2, S2-1	E1-2 within the ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), d) and f) regarding the Sustainability Policy in sections ESRS S2, S2-1	S1-1 within ESRS S1	45
MDR-P 65 a) regarding the monitoring mechanism, c), d) and f) regarding the Sustainability Policy in sections ESRS S3, S3-1	E1-2 of the ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), e) and f) regarding the Sustainability Policy in sections ESRS S4, S4-1	E1-2 of the ESRS E1	28
MDR-P 65 a) regarding the monitoring mechanism, c), d), e) and f) regarding the Sustainability Policy in sections ESRS G1, G1-1	E1-2 of the ESRS E1	28
G1-3	Reported in G1-1	74

The Sustainability Statement has been subject to a limited assurance review carried out by the Company's auditor, Deloitte Audit SRL. Please refer to the Limited Assurance Report, which includes a description of the assurance activities performed by the external auditor.

[GOV-1] – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Board of Directors

In accordance with the Company's Articles of Association, Med Life S.A. is managed under a unitary system by a Board of Directors comprising seven members appointed by the Ordinary General Meeting of Shareholders for a term of four years, with the possibility of re-election for subsequent four-year terms. CVs detailing the professional experience and qualifications of the members of the Board of Directors are published on the company's website (www.medlife.ro) and made available to the public and all stakeholders.

Table of information regarding the composition, diversity and expertise of the Board members

Member	Gender	Role on the Board	Role	Expertise in sustainability		
				E E1, E2, E3, E5	S S1, S2, S3, S4	G G1
Mihail MARCU	M	Chairman of the Board	Executive	✓	✓	✓
Nicolae MARCU	M	Board Member	Executive	✓	✓	✓
Dorin PREDA	M	Board Member	Executive	✓	✓	✓
Dimitrie PELINESCU-ONCIUL	M	Board Member	Non-exe			✓
Ana Maria MIHĂESCU	F	Board Member	Indep	✓	✓	✓
Voicu CHEȚA	M	Board Member	Indep non-exec			✓
Ovidiu FER	M	Board Member	Indepe non-exec			✓

Category	Female	Men	Independent
Gender representation and independent members	14%	86%	43

In 2025, there were no changes to the structure or composition of the Company's Board of Directors. MedLife Group takes gender diversity into account in the composition of the Board of Directors, calculating the percentage as the average ratio of female to male members of the Board. Furthermore, the percentage of independent members of the Board of Directors is an important indicator, calculated as the proportion of independent members of the Board. This percentage refers to non-executive members of the Board.

With regard to the representation of employees and other workers on the Board of Directors, in the current structure of the Board there are no members specifically appointed to represent employees or other categories of workers. Under Romanian law, there is no legal obligation to include employee representatives on the Board of Directors of a private company. MedLife remains committed to complying with the applicable legal requirements and will take all necessary steps to adapt its management structure should such requirements become applicable in the future.

At Board level, two advisory committees have been established: **the Remuneration Committee** and **the Audit Committee**.

The Remuneration Committee has the following main responsibilities:

- Decisions regarding the remuneration of members of the Executive Committee and other non-executive directors. In making such decisions, the Remuneration Committee must take into account the long-term interests of shareholders, investors and other stakeholders in MedLife's business;
- Implementing the resolutions of the Board of Directors that fall within the Committee's remit.

The **Audit Committee**, which supports the work of the Board of Directors, is assigned responsibilities relating to the oversight of financial matters, internal control, risk management, compliance and ethics. These activities also indirectly include the management of financial risks associated with sustainability issues.

Responsibility for the Group's operational activities is delegated to the Executive Committee, in accordance with the limits and regulations set out in the Company's Articles of Association and the Board of Directors' Internal Regulations.

Executive Committee

In accordance with the Articles of Association, the Board of Directors appoints a maximum of ten directors for a term of four years, who are to exercise the duties and assume the responsibilities specific to their respective roles, carrying out their activities within the Executive Committee.

In 2025, there were no changes to the structure or composition of the Company's Executive Committee. The current structure of the Committee, as well as the four-year term valid until 20 October 2028, were determined by the Board of Directors' decision in October 2024.

Table of information regarding the composition, diversity and expertise of the Executive Committee

Member	Gender	Role on the Executive Committee	Sustainability expertise		
			E E1, E2, E3, E5	S S1, S2, S3, S4	G G1
Mihail MARCU	M	Chief Executive Officer (CEO)	✓	✓	✓
Nicolae MARCU	M	Director of Health and Operations	✓	✓	✓
Dorin PREDA	M	Deputy Director General	✓	✓	✓
Oana-Alina Irinoiu	F	Finance Director			✓

Category	Female	Male
Gender representation	25%	75%

The Executive Committee is supported by the Operational Executive Committee (a team of senior and functional managers), which plays a key role in implementing operational and financial plans, monitoring performance and managing operational risks, including sustainability issues. In addition, this structure is supported by a medical management system designed to ensure service quality and manage medical risks, thereby addressing the actual or potential impacts of medical services on the Group's patients.

Competencies and expertise

MedLife Group is committed to maintaining a balanced structure of the Board of Directors, the Advisory Committees and the Executive Committee, thereby ensuring both relevant skills and a level of experience, as well as an appropriate degree of independence. All members of these bodies have experience in the geographical areas where the Group operates, and some of them also have experience in other parts of Europe. Within MedLife's Board of Directors, Mr Nicolae Marcu and Prof. Dr Dimitrie Pelinescu-Onciul are the two members who bring specific expertise and qualifications in the medical sector, possessing solid academic training and direct experience in the healthcare field. Furthermore, their presence on the Board of Directors ensures compliance with legal requirements regarding the presence of a minimum number of doctors on the Board.

Mihail Marcu is a successful leader with extensive experience in corporate management and administration, having played a key role in the development of MedLife. He is currently a Member and Chairman of the Board of Directors of MedLife, as well as the company's Chief Executive Officer. Previously, he served as Chief Executive Officer of MedLife between 2004 and 2006 and held senior positions in the banking sector, including Vice-Chairman of RoBank S.A. (former OTP Bank Romania S.A.). He is also the founder of the Romanian

Business Leaders Foundation, actively contributing to the development of the business environment in Romania.

Under his leadership, MedLife has expanded considerably, becoming the leader in the private healthcare market in Romania. He has overseen growth strategies, acquisitions and technological innovations, modernized services and improving the patient experience. Through his vision, Mihail Marcu has had a major impact on the consolidation and expansion of MedLife, both nationally and internationally.

Dr Nicolae Marcu is a specialist in psychiatry with over 20 years' experience, having had a remarkable career in both medical practice and healthcare management. A graduate of the 'Carol Davila' University of Medicine and Pharmacy in Bucharest, he has been involved in academic activities, international clinical trials and specialist publications. Between 2005 and 2016, he served as Chief Executive Officer of MedLife S.A., playing a key role in developing the company into Romania's largest private healthcare provider. He contributed to the expansion of the network of clinics, hospitals and laboratories, implementing standards of excellence and innovative services.

Dorin Preda is a financial leader with over 25 years' experience in the banking and healthcare sectors, specializing in growth strategies, financial management and mergers and acquisitions (M&A). He is currently Deputy CEO of MedLife and a member of the Board of Directors, playing a key role in the company's expansion through organic growth and strategic acquisitions. Previously, he held senior management positions at HVB Bank and Banca Comercială Ion Țiriac, contributing to the growth of the corporate and SME client portfolios, as well as to the merger process between the two institutions. He also had a significant impact on the development of financial products for SMEs at Raiffeisen Bank. Through his strategic expertise and ability to manage relationships with investors and financial institutions, Dorin Preda has been a key factor in consolidating MedLife's position as a leader in the private healthcare market in Romania.

Prof. Dr. Dimitrie Pelinescu-Onciul is a renowned specialist in obstetrics and gynecology, with a distinguished career in medical practice, academic work and the development of healthcare services. A graduate of the "Carol Davila" University of Medicine and Pharmacy in Bucharest, he completed his training with a PhD in Medical Sciences and international courses in ultrasonography, gynecological oncology and maternal-fetal medicine. A university professor and mentor to numerous generations of doctors, he has published over 150 scientific papers and contributed to the drafting of reference textbooks. She has been a leader in multiple scientific societies and the national coordinator of obstetric ultrasound training for over a decade. As a consultant at Life Memorial Hospital and a member of the Board of Directors of MedLife S.A., he has significantly influenced standards of care, the development of innovative programs and the expansion of the private medical services offered by the Company.

Ms Ana-Maria Mihăescu is a leading professional in the financial and banking sector and a recognized leader in corporate governance, ESG and sustainability. With a career spanning over three decades, she has made a significant contribution to the development of key financial institutions, including Eximbank and the World Bank Group. She played a pivotal role in the establishment of Eximbank, where she held senior positions such as director, vice-president and president, developing instruments to support Romanian exporters. This was followed by a 25-year period with the World Bank Group, where she was involved in various strategic projects and initiatives in the fields of finance, education and corporate governance. Since 2017, she has focused on leadership roles on boards of directors, serving as a non-executive director and chair of the Audit Committee at MedLife SA, where she contributed to corporate governance and the integration of ESG principles. She has also served as Chair of the Board of Directors of the OMV Petrom Foundation, supporting initiatives in education, health and the environment. Through her expertise in ESG risk management and sustainability, Ana-Maria Mihăescu promotes the integration of social responsibility and environmental protection into corporate strategy, having a significant impact on the sustainable development of the business environment in Romania and the region.

Voicu Cheța is a lawyer with over 20 years' experience in the field and a specialist in corporate governance, risk management and development strategies. Throughout his career, he has held positions on the boards of directors of major companies, both listed and unlisted, having a significant impact on their direction and success. Since 2020, he has been a member of the Board of Directors of MedLife SA, where he contributes his legal expertise to strategic decision-making, the company's expansion and the strengthening of investor relations. Through his ability to manage complex legal challenges and implement effective solutions, Voicu Cheța makes a valuable contribution to the sustainable growth and corporate governance of the organizations he supports.

Ovidiu Fer is an expert in investment and capital markets, with over 15 years' experience in fund management and strategic consultancy. He is currently co-founder and CEO of Alpha Quest Funds Sicav, managing assets of approximately €150 million, and a member of the Advisory Board of the GapMinder VC Fund, a €40 million venture capital fund. Since 2022, he has been a member of the Board of Directors of MedLife SA, contributing to the Group's strategic direction and development. Previously, he was involved in the management of IJC Funds, facilitating a successful exit with a return of 33% over 20 months. He also held key roles at WOOD & Company and led major transactions on the Romanian capital market, including secondary public offerings for Transgaz and OMV Petrom. Ovidiu Fer holds an MBA from INSEAD, with further studies at Harvard Business School and Wharton. He is an active investor in start-ups in fintech, medical technology and RPA. In addition, he is the founder of the Education through Rugby Foundation, which supports disadvantaged children, and a supporter of capital market regulation through the OPPC.

The seven members of the Board of Directors were elected by the General Meeting of Shareholders on 21 November 2024 for a new four-year term commencing on 22 December 2024.

The Executive Committee includes both individuals with education and experience in the healthcare sector gained both within the Group and in the public healthcare sector (Dr Nicolae Marcu), as well as individuals with financial and managerial education and experience gained within the Group, as well as within international financial, banking and audit institutions (Mr. Mihail Marcu, Mr. Dorin Preda and Ms. Alina-Oana Irinoiu).

Ms Oana-Alina Irinoiu has been the Chief Financial Officer of MedLife Group and a member of the Executive Committee since October 2022. A graduate of the Bucharest Academy of Economic Studies, Faculty of International Economic Relations, Alina has extensive experience in financial auditing, mergers and acquisitions (M&A) and investor relations. Between 2018 and 2022, she led the Investor Relations function at MedLife, playing a key role in strengthening the company's relationships with investors and financial analysts, ensuring transparent communication regarding the Group's financial performance. At the same time, she was actively involved in the Group's M&A activities, contributing to its accelerated growth, the evaluation of opportunities and post-acquisition integration, and having a significant impact on the expansion of MedLife's portfolio. Previously, Alina worked for five years in financial auditing, specializing in the analysis of financial institutions' performance and the audit of complex transactions. This experience strengthened her analytical and strategic skills, which are essential in her current role. As MedLife's Chief Financial Officer, Alina contributes to the development and implementation of the Group's financial strategies, playing a key role in supporting the company's sustainable growth and expansion in the local and international markets.

The Board of Directors conducts an annual self-assessment process, based on a guide setting out the purpose, criteria and frequency of this assessment. The level of independence of Board members is assessed in accordance with the criteria set out in the Bucharest Stock Exchange's Corporate Governance Code in force for the year 2025. Furthermore, to ensure continuous professional development and training, with direct benefits for the activities and roles held within the Group, Board members have access to training and development programs in their areas of responsibility, to specialist events and conferences, and to the expertise of external consultants, where appropriate.

Roles and responsibilities in the field of sustainability

The Board of Directors, together with its advisory committees, plays a key role in setting the business and sustainability strategy, including long-term objectives and the necessary resources, as well as in ensuring good corporate governance at Group level.

Thus, the Board of Directors, pursuant to the Articles of Association, bears overall responsibility for the management of the Group, including its subsidiaries and investments. This responsibility also includes the oversight of sustainability-related material issues, as these have the potential to influence the Group's overall

performance and strategy. In carrying out its duties, the Board of Directors ensures that sustainability issues are taken into account, including IROs arising from its own activities and the value chain.

The Board of Directors is responsible for approving the results of the Double Materiality Analysis and the Sustainability Report, which is included in the company's Annual Report. The Annual Report is subsequently submitted for approval to the Annual General Meeting of Shareholders (AGM), together with the annual financial statements.

Sustainability-related responsibilities are managed, by extension, by the Executive Committee, as well as by the Operational Executive Committee.

From 2025, MedLife has established a Coordination and Monitoring Structure (CMS) with dedicated responsibilities for managing sustainability issues. The Coordination and Monitoring Structure actively contributes to the management of sustainability issues and the integration of sustainability objectives into the company's operational strategy, ensuring their alignment with the Group's commitments.

The CMO's structure reflects commitment at the highest level, being chaired by MedLife's Deputy General Manager (Board Member), alongside permanent members: the Human Resources Director, the Health and Operations Director (Board Member), the Finance Director (CEX Member) and the Group Sustainability Manager.

The Coordination and Monitoring Structure delegates operational responsibility to the Sustainability Department, which is responsible for overseeing the implementation and progress of ESG (environmental, social, governance) initiatives.

This structure ensures the cross-functional integration of sustainability into all strategic decisions. The SCM meets quarterly, or whenever necessary, to ensure the achievement of strategic objectives and to proactively address identified challenges.

The SCM is responsible for identifying environmental, social and governance (ESG) impacts, risks and opportunities, as well as for establishing the strategies, policies, actions and objectives necessary to manage and capitalize on them.

Following the completion of the Double Materiality Analysis, in accordance with the ESRS Standards, material impacts, risks and opportunities (IROs) were identified. These are integrated into the company's risk management process and reflected in the Risk Register, with specific targets to be monitored for the relevant material issues.

Furthermore, in 2026, targets for ESG indicators will be defined, and performance in achieving these will be monitored and reported annually in the Sustainability Report.

The monitoring and management of environmental, social and governance impacts are integrated into the company's internal processes and within the risk management system through:

- **Internal controls and procedures** – The company applies, through internal procedures regarding Risk Register management, control mechanisms for identifying, assessing and managing risks, including those related to sustainability, with the involvement of internal control and internal audit functions.
- **Integration into risk management** – the impacts, risks and opportunities identified through the Double Materiality Analysis are linked to existing risk management processes to ensure an integrated approach to ESG risks within the company's governance framework.
- **Reporting lines** – Designated officers report regularly to management on progress towards sustainability objectives and on the evolution of associated risks.

The company ensures access to expertise in the field of sustainability through:

- **Dedicated training programs** – During 2024, members of the management team attended training sessions on sustainability issues in the context of the CSRD. In addition, the internal team organized a series of workshops focusing on the Group's material issues, such as the EU Taxonomy, climate change, the environment, social issues and corporate governance. Throughout 2025, the Executive Committee benefited from internal training sessions on sustainability-related topics. The purpose of these sessions is to strengthen members' expertise and skills regarding sustainability issues.
- **External consultancy** – The company collaborates with external sustainability experts to ensure compliance with regulatory requirements and the integration of best practices into its activities.

Reporting on progress in managing sustainability issues takes place at several organizational levels, ensuring transparency and accountability in the decision-making process:

- Operational structures and support functions provide the data required to calculate performance indicators and make strategic decisions;
- The Sustainability Department validates and consolidates the collected data, reports on performance indicators and proposes action plans where appropriate;
- The Coordination and Monitoring Structure analyses performance, validates action plans and informs the Board of Directors regarding strategic issues and relevant situations.

With regard to the sustainability governance framework, in 2025, key documents were updated and supplemented, including the Code of Ethical Conduct, the Supplier Codes of Conduct, the Anti-Corruption Policy and the Sustainability Policy.

Responsibility for implementing the Code of Ethics is shared across all organisational levels, with each department having a role in ensuring that these principles are respected and applied. High ethical standards are an integral part of the Group's strategy, being applied both in day-to-day operations and in long-term objectives, to ensure a responsible and transparent business environment.

The Executive Committee and the Operational Executive Committee are responsible for implementing and monitoring compliance with MedLife's Code of Ethics and Conduct, Sustainability Policy, Risk Management Policy, Social Responsibility Code, Policy on the protection of whistleblowers in the public interest, Remuneration Policy, the Internal Regulations, the Policy on the Prevention and Combating of Discrimination and Harassment in the Workplace, and the Occupational Health and Safety Management Policy and Plan, thereby ensuring rigorous management of sustainability aspects and IROs. They ensure that these principles are adhered to, maintaining constant communication with the Board of Directors and the advisory committees.

Currently, MedLife Group has not set specific targets for all material IROs associated with sustainability issues. However, the existing governance structures – the Board of Directors, the Audit Committee and the Executive Committee – have roles and responsibilities that create the necessary framework for setting and monitoring these targets in the future.

[GOV-2] – INFORMATION PROVIDED TO THE COMPANY'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND THE SUSTAINABILITY ISSUES ADDRESSED BY THEM

Medlife Group has implemented a formal mechanism through which the administrative, management and supervisory bodies are regularly informed of the significant impacts, risks and opportunities associated with its activities, as well as the implementation of due diligence processes. This process enables the monitoring of the effectiveness of the policies, actions, indicators and objectives established in the field of sustainability.

Reporting is carried out through an interdepartmental process, in which each relevant department monitors and evaluates the implementation of policies and measures within its area of responsibility.

- Medical and Quality: Monitors and reports on indicators relating to the safety and quality of services, the management of patient complaints and feedback, as well as the measures implemented to continuously improve quality standards and the patient experience.
- Human Resources reports on trends in workforce indicators, as well as aspects relating to health and safety at work.
- The Administration department monitors environmental impacts, waste management, water usage and compliance with environmental regulations.

- The Finance Department monitors significant financial and non-financial risks, including emerging risks, analyses the financial impact of sustainability initiatives, and assesses their associated costs and benefits.

The Sustainability Department collates the information provided by the relevant departments, verifies data consistency and prepares consolidated reports on the company's sustainability performance. These reports are submitted to and discussed by the Management Board for analysis and decision-making.

Management is informed through:

- quarterly reports, which include an assessment of progress in implementing policies and achieving set objectives;
- ad hoc reports, produced in the event of emerging risks, legislative changes or other relevant events.

The CMS periodically reviews the consolidated reports to assess the effectiveness of the measures implemented, progress towards achieving objectives, and the need for corrective actions or strategic adjustments.

At the same time, sustainability-related risks are integrated into the company's overall risk management framework, ensuring that strategic and investment decisions are aligned with their long-term impact on the organization's performance.

During the reporting period, the company's management continuously analysed the impacts, risks and opportunities relevant to its operations and to the sustainability context within the healthcare sector. These were integrated into risk management processes and operational decisions.

As part of the double materiality analysis, the company has drawn up a formal list of impacts, risks and opportunities (IROs) considered significant for its operations. This list is currently being integrated into the company's strategy and will be reviewed periodically by the relevant management bodies and committees to ensure continued alignment with sustainability requirements and stakeholder expectations.

CMS presented to the Board of Directors the policies, action plans, indicators and future targets necessary for the effective management of the selected IROs identified as relevant.

MedLife Group updated the DMA process in the second half of 2025. The results of this process were presented to the Audit Committee and the Board of Directors, including the revised list of IROs (as presented in section ESRS 2 *SBM3*). The DMA report and the list of IRO were reviewed and approved by the Board of Directors.

[GOV-3] – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE INTO INCENTIVE SYSTEMS

During the 2025 financial year, MedLife did not have any incentive schemes linked to sustainability aspects in place for members of the Board of Directors.

Furthermore, at Group level, there is no specific mechanism whereby the remuneration of members of the administrative and management bodies is directly linked to greenhouse gas (GHG) emission reduction targets.

Key features of the incentive schemes in place at MedLife

From 2024, a new Remuneration Policy ('Amended Remuneration Policy') has been approved, designed to contribute to MedLife's business strategy, as well as to the Groups' sustainability and long-term interests. This policy is drawn up by the Board of Directors on the recommendation of the Remuneration Committee. This objective is achieved by establishing, within the Remuneration Policy, a set of clear and transparent rules that the Company will adhere to regarding remuneration, so as to ensure an appropriate and competitive remuneration system that attracts, retains, stimulates performance and motivates the Company's management.

Members of the Board of Directors receive a fixed remuneration component in the form of a fixed monthly allowance, which is determined by the MedLife AGM. Directors do not receive any form of variable remuneration, whether based on financial criteria or sustainability criteria. The remuneration of the CEX and CEXO is determined by the Board of Directors, subject to the overall remuneration cap for Directors previously approved by the AGM. The remuneration package includes:

- a fixed remuneration component in the form of a fixed monthly allowance;
- a variable remuneration component;
- other benefits.

The fixed monthly allowance is determined for each Director individually, based on relevant professional experience, organizational responsibility, the complexity of duties, the comparative level for similar roles in the market, the specific nature of the company and similar listed entities.

As regards to the variable remuneration, this comprises:

- a short-term incentive component – annual performance bonus;
- a long-term incentive component, consisting in the grant of MedLife shares; the actual grant of these components being subject to the fulfilment of certain specific conditions.

The short-term incentive component aims to ensure that each Director has a direct stake in achieving the Company's short-term objectives and to encourage the performance of duties to a high standard. At CEX level, the performance indicators used for the award of the annual bonus can be grouped into three categories: financial indicators, operational indicators and non-financial indicators. The Director of Health and Operations has a non-financial performance target in sustainability linked to improving the quality of services and the patient experience.

The long-term incentive component involves the grant of MedLife shares, based on an appropriate plan approved by the Board of Directors, at the end of each interim investment period, as well as at the end of the total investment period. The sustainability indicator determining the granting of these long-term benefits focuses on improving service quality and the patient experience, up to a maximum of 25% for each member of the CEXO.

[GOV-4] – STATEMENT ON THE DUE DILIGENCE PROCESS

The mapping of the information provided in the Sustainability Statement regarding the due diligence process is described in the table below. The mapping explains how and where the application of the main aspects and stages of the sustainability due diligence process is reflected in the Group's sustainability reporting.

Table on the key elements of the due diligence process

Key elements of the Due Diligence Process	Sustainability Statement
A) Integration of the due diligence process into governance, strategy and the business model	ESRS 2 GOV-2
	ESRS 2 GOV-3
	ESRS 2 SBM-3
B) Engagement with affected stakeholders at all key stages of the due diligence process	ESRS 2 GOV-2
	ESRS 2 SBM-2
	ESRS 2 IRO-1, ESRS G1 G1-1, ESRS G1 G1-2
	ESRS E1 E1-1, ESRS E2 E2-1, ESRS E3 E3-1, ESRS E5 E5-1
	ESRS S1 S1-1, ESRS S1 S1-2, ESRS S1 S1-3, ESRS S2 S2-1, ESRS S2 S2-2, ESRS S2 S2-3
C) Identification and assessment of negative impacts	ESRS S3 S3-1, ESRS S3 S3-2, ESRS S3 S3-3, ESRS S4 S4-1, ESRS S4 S4-2, ESRS S4 S4-3
	ESRS 2 IRO-1
D) Taking measures to address these negative impacts	ESRS 2 SBM-3
	ESRS E1 E1-1, ESRS E1 E1-3, ESRS E2 E2-2, ESRS E3 E3-2, ESRS E5 E5-2
E) Monitoring the effectiveness of these efforts and communicating	ESRS S1 S1-4, ESRS S2 S2-4, ESRS S3 S3-4, ESRS S4 S4-4, ESRS G1 G1-2, ESRS G1 G1-3
	ESRS E1 E1-4, ESRS E1 E1-5, ESRS E1 E1-6, ESRS E2 E2-3, ESRS E2 E2-4, ESRS E2 E2-5, ESRS E3 E3-3, ESRS E3 E3-4, ESRS E5 E5-3, ESRS E5 E5-4, ESRS E5 E5-5

Key elements of the Due Diligence Process	Sustainability Statement
	ESRS S1 S1-5, ESRS S1 S1-8, ESRS S1 S1-9, ESRS S1 S1-10, ESRS S1 S1-14, ESRS S1 S1-16, ESRS S1 S1-17

[GOV-5] – MANAGEMENT OF RISKS AND INTERNAL CONTROLS RELATING TO SUSTAINABILITY REPORTING

Risk management and internal control processes and systems relating to sustainability reporting

During the reporting year, MedLife Group continued to strengthen its governance framework, risk management processes and internal control systems applicable to sustainability reporting, with a view to align with the requirements of CSRD and ESRS standards. The Sustainability Statement is integrated into the Consolidated Annual Report, alongside the consolidated financial statements, and the review and approval process follows the same principles of rigor, transparency and accountability applied to financial reporting.

At the governance level, the Board of Directors reviews and approves the Sustainability Statement, based on the analysis carried out by the Executive Committee and the internal control and monitoring mechanisms. The Coordination and Monitoring Structure (CMS) oversees the sustainability reporting process and the effectiveness of internal control systems, ensuring the integration of sustainability aspects into operational processes and the Group's overall risk management framework.

At an operational level, the Group has formalized a structured process for the collection, verification and validation of data used in sustainability reporting. Responsibilities for providing and verifying information are distributed among the relevant departments, and the process is coordinated by the Sustainability Manager, with the support of the sustainability team and an extensive network of internal representatives. The process includes internal controls regarding the quality and traceability of reported data, as well as internal review mechanisms prior to the consolidation of information at Group level.

The material impacts, risks and opportunities identified during the double materiality assessment process are integrated into the Group's overall risk management framework. Relevant risks are monitored within existing risk management processes, and the responsible departments implement control measures and action plans to manage them.

In accordance with its responsibilities, the Audit Committee monitors the integrity of the reporting process and the effectiveness of internal control systems, including in relation to non-financial reporting. Both the consolidated financial statements and the Sustainability Statement are subject to an independent review carried out by an external auditor, and the auditor's conclusions are presented to the Board of Directors.

Through these mechanisms, MedLife Group aims to ensure the consistency, accuracy and comparability of the sustainability information reported, as well as the progressive integration of ESG aspects into governance, risk management and internal control processes.

Risk assessment and prioritization methodology

During the reporting year, MedLife Group continued to strengthen its governance framework by implementing the Risk Management Policy. The process of identifying, assessing and managing risks associated with sustainability reporting is integrated into the Group's overall risk management framework, governed by the Risk Management Policy. This policy sets out the principles, responsibilities and methodology applicable to the identification and monitoring of risks at an organizational level, including operational, financial, compliance and sustainability risks.

Risks are assessed using standardized criteria, such as the likelihood of occurrence and the potential impact on the Group's operations, including financial, operational, reputational or regulatory compliance impacts. This approach enables a consistent and comparable prioritization of risks at an organizational level and facilitates the integration of sustainability aspects into the overall risk management framework.

Details regarding the impacts, risks and opportunities identified following the double materiality assessment process are presented in section *IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities.*

The methodology used integrates several complementary elements, including:

- Contextual analysis – the process takes into account both the operational specifics of the Group's activities and developments in the external environment, including regulatory changes, technological developments and sustainability trends.
- Professional expertise – risk assessment is based on the knowledge and experience of the responsible teams, who monitor economic and legislative developments and trends relevant to the Group's sector of activity.
- Professional judgement – risk prioritization involves a combination of qualitative analysis and professional judgement, taking into account the potential economic, social and environmental implications of the Group's activities.
- Working assumptions – risk assessment is based on informed assumptions regarding economic developments, legislative changes and the dynamics of the medical and healthcare services sector.

The assessment of sustainability-related impacts, risks and opportunities is carried out by the sustainability team, in collaboration with the relevant departments within the Group. This process takes place after identifying material impacts, dependencies and relevant external factors, and examines how these may influence the Group's financial performance, financial position, cash flows or access to capital.

Risks associated with sustainability reporting and mitigation measures

To ensure a rigorous sustainability reporting process that complies with applicable requirements, MedLife Group monitors the main risks associated with the collection, verification and consolidation of sustainability data. Relevant risks include potential inconsistencies or inaccuracies in data collected from different departments or companies within the Group, methodological differences in the calculation of indicators, or limited availability of certain data within the value chain.

To manage these risks, the Group has implemented a structured process for the collection and verification of sustainability data, which includes:

- establishing responsibilities for data provision at the level of the relevant entities or departments;
- internal checks on the consistency and completeness of the reported information;
- the use of standardized methodologies for calculating indicators;
- centralized coordination of the reporting process by the Sustainability Manager.

To ensure the monitoring of the effectiveness of internal control mechanisms and identified risks, relevant information is communicated periodically to the SCM. The Sustainability Manager and the sustainability team provide the SCM with information on the progress of the reporting process, any identified risks and the measures implemented to manage them.

[SBM-1] – STRATEGY, BUSINES LINES AND VALUE CHAIN

MedLife operates in the private healthcare market in Romania, owning the largest number of medical facilities in the country. In addition to its local presence, the company has expanded internationally, operating in Hungary and, from 2025, in the Republic of Moldova. The Group provides medical services both to individuals – including patients paying per service, patients with individual subscriptions and patients receiving services through the National Health Insurance Fund (CNAS) – and to businesses – including mandatory occupational health services, as well as prevention-focused health plans provided by companies to their employees.

Key product and service groups offered by MedLife Group:

- **Medical consultations** – consultations with general practitioners and specialists, provided through an extensive network of clinics and hyper-clinics.
- **Imaging services** – comprehensive, top-quality imaging services, ranging from radiology, ultrasound and endoscopy to MRI, CT scans and mammography, provided within hyper-clinics and hospitals.
- **Laboratory tests** – highly accurate analyses, certified to international quality standards, offered to assist clinicians in facilitating diagnosis and selecting the optimal treatment for patients.
- **Medical treatments and procedures** – including complex surgical procedures in the Group's hospital facilities.
- **The sale of prescription pharmaceuticals**, OTCs, laboratory-prepared products and other related medical products through our own pharmacies, as well as **the distribution of pharmaceutical products** through Pharmachem.
- **Telemedicine consultations** – offered via digital platforms, expanding access to medical services.
- **Wellness services** – through the Sweat chain of gyms.
- **Stem Cell Bank** – offers advanced technologies for the processing and storage of stem cells.
- **Sanopass** – An integrated platform for health and fitness services.
- **Medical optical services and products** – ophthalmological consultations, surgical procedures, optometric consultations, medical optics and the sale of spectacles.

There were no changes to the categories of products or services offered during 2025 as compared to the previous reporting year.

MedLife Group does not operate in the sectors mentioned in the ESRS standards in reporting requirement 40(d). Specifically, MedLife does not generate revenue from the fossil fuels sector, including exploration, mining, extraction, production, processing, storage, refining or distribution thereof (coal, oil and natural gas), nor from economic activities aligned with the taxonomy relating to fossil fuels, in accordance with the applicable provisions. Furthermore, MedLife Group does not carry out activities in the chemical manufacturing sector falling under Division 20.2 of Annex I to Regulation (EC) No 1893/2006 and is not involved in the field of controversial weapons, such as anti-personnel mines, cluster munitions, chemical or biological weapons, nor in the tobacco cultivation or production sector.

All revenue generated by MedLife Group (3,173,519 kRON as at 31 December 2025 and 2,715,575 kRON as at 31 December 2024) derives exclusively from activities aligned with its core business, namely medical, pharmaceutical and related services, and does not include any of the sectors mentioned above, as presented in the consolidated financial statements for the year ended 31 December 2025.

Table showing significant customer groups served

Customer Category	Description
Company employees	Beneficiaries of PPM packages and corporate services.
Individual patients	Access consultations, investigations and treatments via direct payment, subscriptions or the National Health Insurance Fund (CNAS).
Families	Clients of stem cell banking and maternity services.
Clients interested in prevention and wellness	Access nutrition, fitness and wellness services.
Customers in the medical optics market	Purchase glasses and access eye tests.

Table showing significant changes in the reporting period regarding markets and customers served:

Aspect	Description
Increase in the number of corporate customers	Diversification of employee benefits packages.
Expansion of access for individual patients	Launch of new hyperclinics and clinics in smaller towns and internationally (Republic of Moldova)

Table showing the number of employees by geographical region:

Region	31 December 2025
Romania	7,682
Hungary	63
Republic of Moldova	61

Development Strategy

MedLife Group focuses its development strategy on consolidating its leading position in the Romanian private healthcare market and expanding its presence both nationally and internationally. The strategy is structured around the following key areas:

- **Continuous improvement of patient safety and service quality.** The Group remains committed to providing safe, high-quality medical care. It ensures a balance between medical risks and opportunities and commercial objectives by: creating medical prevention and prophylaxis programs; optimizing services to meet patients' individual needs, thereby promoting their satisfaction and loyalty.
- **Expanding geographical coverage and diversifying services.** MedLife aims to expand its network of facilities and services, ensuring profitable national coverage. The Group's strategy focuses on: consolidating its presence in large cities (with over 150,000 inhabitants) and expanding into medium-sized and small towns through its two brands, MedLife and Sfânta Maria; developing its core business lines – clinics, laboratories, hospitals, dental centers and corporate subscriptions; creating new centers of excellence; expanding and diversifying the range of services offered nationwide to meet the needs of a growing number of patients, thereby increasing revenue and profitability.
- **Organic growth and operational optimization.** The Group aims to continuously develop its existing facilities by optimizing the service mix tailored to the local market; digitizing processes and implementing advanced IT solutions to improve the patient experience and operational efficiency; investing in research, oncology, radiotherapy and other specialties that can meet market demand.
- **Selective acquisitions and the integration of other market operators.** MedLife pursues an active acquisition strategy to expand its service offering and geographical coverage. The main objectives are: the acquisition of regional or complementary companies that will bring synergies within the Group; the full integration of acquired units into the MedLife system, ensuring uniformity of services and cost optimization; encouraging the founders of acquired companies to remain involved, in order to retain know-how and market knowledge.
- **Digitalization and innovation.** MedLife is consolidating its leading position by implementing digital transformation and innovation, with a focus on: the digitalization of medical records, administrative and operational processes; and digital platforms and advanced technologies to improve access to medical services and information.
- **Ethical, financial and sustainability responsibility:** The Group has a solid financial position and enjoys constant access to funding. The Group's strategy focuses on strengthening profit margins, maintaining a profitability and debt policy aligned with investor expectations, and maximizing economic efficiency through sustainable investments.

The table below highlights the correlation between the Group's strategic directions and the sustainability issues identified as material following the DMA process, including an explanation of each correlation.

Table showing the correlation between strategic directions and material sustainability issues

Strategic direction	Material sustainability issues	Explanation
Expanding geographical coverage and diversifying services	ESRS S3 – Economic, social and cultural rights of communities	Expanding geographical coverage involves adapting to the needs of local communities, including ensuring social inclusion and respect for economic and social rights.
	ESRS S4 – Social inclusion of consumers and/or end-users	
Improving patient safety and service quality	ESRS S4 – Personal safety of consumers and/or end-users	Better safety and quality of services involve protecting patients, providing clear information and supporting their social inclusion.
	ESRS S4 – Impacts related to information for consumers and/or end-users	
	ESRS S4 Social inclusion of consumers and/or end-users	
Organic growth and operational optimization	ESRS E1 – Energy efficiency	Operational optimization involves increasing energy efficiency, careful resource management and ethical collaboration with suppliers, including adherence to payment terms.
	ESRS E3 – Water consumption; ESRS E5 – Resource inputs, including resource use	
	ESRS G1 – Management of supplier relationships, including payment practices	
Selective procurement and integration of other operators	ESRS G1 – Corruption and bribery	Integrating other operators requires ensuring compliance with ethical standards, avoiding corruption and respecting working conditions for employees and partners in the value chain.
	ESRS S1 – Working conditions	
	ESRS S1 – Other labor-related rights	
	ESRS 2 – Working conditions ESRS 2 – Other labor-related rights	
Digitalization and innovation	ESRS 1 - Other labor-related rights	Digitalization boosts efficiency, but it involves protecting employees' and patients' data, as well as developing innovative solutions to better inform patients and customers.
	ESRS S4 – Personal safety of consumers and/or end users	
	ESRS S4 – Impacts relating to information for consumers and/or end users	
	ESRS G1 - Digitalization and cybersecurity	
Ethical, financial and sustainability responsibility	ESRS E1 - Adaptation to and mitigation of climate change	Financial responsibility requires the adoption of sustainable practices, reducing environmental impact and promoting equality and inclusion within the workforce. Horizontal integration involves improving relationships with suppliers, adopting ethical practices and using resources sustainably to strengthen profit margins.
	ESRS E1 – Energy efficiency	
	ESRS E5 – Waste	
	ESRS S1 - Equal treatment and opportunities for all	
	ESRS G1 – Corruption and bribery	
	ESRS E3 - Water resources	

MedLife Group's business model

MedLife Group's business model is based on a diversified portfolio of medical activities and related services, tailored to meet the needs of a wide range of patient and client segments. Key activities include: the provision

of medical services through hospitals and clinics, laboratory testing, diagnostic services, telemedicine, pharmacies, dental services and wellness.

Key resources for carrying out these activities include hospital and clinic infrastructure, medical equipment, state-of-the-art technologies (including telemedicine platforms), specialized medical staff, as well as strategic partnerships with equipment and service providers, which are essential for delivering high-quality services.

The Group's service distribution channels include the physical locations of MedLife facilities (hospitals, clinics, laboratories, dental centers, pharmacies), as well as online channels, such as digital and telemedicine platforms, which extend the accessibility of services to a wider audience and help reduce the Group's carbon footprint.

In accordance with the requirements of IFRS 8 on financial reporting, MedLife Group structures its revenue and costs across various business segments. Revenue by segment in accordance with IFRS 8 is presented in *Note 19 Revenue from Contracts with Customers* in the financial statements. As regards costs, these include operating expenses for the maintenance of medical facilities, the costs of purchasing medical equipment and supplies, staff salaries, administrative expenses and costs related to compliance with environmental and safety regulations. MedLife Group places considerable emphasis on efficient cost management, particularly regarding energy consumption and medical waste management, to ensure financial sustainability and minimize environmental impact.

The healthcare sector faces a range of impacts, risks and opportunities that have the potential to influence both MedLife Group's current operations and its long-term development.

From a social perspective, the healthcare sector plays a crucial role in meeting the population's healthcare needs, contributing to improved quality of life and the prevention and treatment of chronic conditions. However, there are significant risks associated with inequalities in access to healthcare services, particularly in rural and disadvantaged areas, where resources are more limited. At the same time, the constant pressure on healthcare staff, driven by intense work demands and the risks associated with often demanding working environments, can affect both their health and the quality of services provided to patients.

The healthcare sector also has a considerable impact on the environment, natural resources and public health, with both positive and negative effects. With regard to the environment, the activities generally carried out by hospitals and clinics involve a relatively significant consumption of resources such as energy, water and materials, as well as the generation of specific medical waste. Proper management of this waste is essential to prevent adverse effects on the environment. Furthermore, activities within healthcare facilities contribute to greenhouse gas emissions, and the widespread use of single-use products places additional pressure on the ecosystem.

As for the risks facing this sector, ever-rising costs pose a major challenge to its financial sustainability, given that medical equipment, medicines and staff salaries are becoming increasingly expensive. In this context, rigorous compliance requirements with safety standards and strict regulations can lead to additional costs for organizations such as MedLife Group. Furthermore, the digitalization of healthcare services adds another layer of complexity, as it is associated with significant cybersecurity risks. Protecting patients' personal data and preventing security breaches are becoming essential priorities, as any vulnerability in this area can seriously undermine patient trust and the reputation of the institutions involved. Furthermore, legislative changes in the fields of healthcare and environmental protection may require significant adjustments to operational procedures and cost structures. These changes necessitate additional resources for implementing new regulations and adapting existing infrastructure.

However, the opportunities in the healthcare sector are also significant and can lead to substantial improvements in both the accessibility and efficiency of healthcare services. Firstly, technological innovations, such as telemedicine and artificial intelligence, represent a major opportunity to increase access to medical consultations and improve the management of conditions, particularly in remote areas. These solutions not only streamline treatment but also reduce costs and environmental impact by utilizing digital platforms that facilitate access to personalized services.

At the same time, the expansion of prevention and wellness services is becoming a significant opportunity for portfolio diversification, given the growing demand for such services. Health education initiatives, regular screenings and health management programs not only improve patients' quality of life but also help reduce costs in the long term by preventing the onset of chronic conditions.

Research and development in the field of personalized medicine, including stem cell therapies or genomic treatments, represents another significant opportunity. Collaborating with universities and research institutes to develop innovative solutions can address complex conditions and contribute to scientific progress, thereby improving available treatments and having a positive impact on public health. Furthermore, growing awareness of environmental issues and corporate social responsibility offers the opportunity to implement sustainable healthcare practices. Recycling programs, waste reduction initiatives and the adoption of eco-friendly strategies can not only enhance a company's reputation but also attract patients and investors who prioritize sustainability.

Benefits for patients and customers

MedLife Group provides high-quality medical services through its extensive network of hospitals, clinics, laboratories, dental centers, pharmacies and complementary services, covering a wide geographical area in Romania and expanding internationally through its clinics in Hungary and the Republic of Moldova. In 2025, MedLife continued to expand and diversify its portfolio of services, contributing significantly to improving the accessibility and quality of healthcare by integrating innovative services that add considerable value to the experience of the Group's patients and clients. The benefits are reflected in increased patient satisfaction and reduced waiting times for diagnosis and treatment, thereby improving their health and well-being.

Benefits for investors

As regards investors, MedLife Group has demonstrated solid financial performance and efficient resource management. In 2025, the Group continued to expand its network, opening new facilities and diversifying its service portfolio. By the end of 2025, MedLife operated a network of 36 hyperclinics, 79 clinics, 18 hospitals, 4 maternity units and a stem cell bank, 42 laboratories, 19 pharmacies and 17 dental centers, making it the largest provider of private healthcare services in Romania. These achievements have helped to strengthen the Group's financial position, offering investors long-term stability and opportunities for continued growth. Furthermore, strategic decisions regarding acquisitions and organized development have improved the Group's operational and financial efficiency and provided a solid platform for the business's continued development. The positive results for investors are reflected in the increase in the Group's market value and the high level of confidence in its future.

Employee benefits

MedLife Group employees benefit from a dynamic working environment and opportunities for continuous professional development. The Group offers a comprehensive benefits package that includes competitive salaries, training and specialization opportunities, and a constant focus on employee wellbeing. Employees also benefit from working for a leading company in the healthcare services market, with extensive exposure to innovations in the health sector. The expansion of the network and the diversification of services offer opportunities for career progression, contributing to staff retention and satisfaction.

Benefits for suppliers

MedLife maintains strong, long-standing commercial relationships with its suppliers of medical equipment, pharmaceuticals and advanced technologies, amongst others. Close collaboration with suppliers is essential to ensuring a continuous flow of quality products and services required for day-to-day operations. The Group also collaborates with technology providers to integrate digital and innovative solutions into the delivery of healthcare services, which helps to optimize internal processes and improve operational efficiency. As a result, suppliers benefit from stable business relationships and opportunities for long-term collaboration, given the constant demand for quality products and technologies.

Benefits for the community

MedLife Group plays a vital role in promoting health and well-being at a community level, being actively involved in initiatives that support public health and improve quality of life. MedLife collaborates with community organizations, including NGOs and public health institutions, to support projects aimed at disease

prevention, health education and access to medical services for vulnerable groups. MedLife supports community health by sponsoring health education events and awareness campaigns for various age and professional groups. Through these initiatives, the Group helps to promote a healthy lifestyle and reduce the incidence of preventable diseases. In terms of social impact, MedLife also contributes to the economic development of the regions in which it operates, creating jobs and stimulating the local economy through investments in infrastructure and medical education. In this way, MedLife Group strengthens its position as a responsible stakeholder in the community, contributing to the creation of a healthy and sustainable environment for society as a whole.

Overall, MedLife Group has made significant progress in delivering current and anticipated benefits to all stakeholders, strengthening its market position, making a positive impact on public health, and acting as a trusted partner to patients, customers, investors, employees, suppliers and the community – its key stakeholder groups. Through continuous expansion and the integration of innovative services, the Group is well positioned to continue to meet the needs of its patients and customers and to create long-term value.

MedLife Group's value chain

MedLife Group's value chain is a complex and integrated network comprising a wide range of activities and business relationships, all essential for the provision of comprehensive healthcare services.

In the upstream segment, MedLife Group relies on suppliers of the highest quality pharmaceutical products, medical equipment, and other consumables and materials specific to the provision of healthcare services. These relationships are typically long-term and involve strict quality control and compliance with regulatory standards to ensure the safety and effectiveness of MedLife's services. Furthermore, partnerships with technology providers are crucial for integrating advanced technology into healthcare delivery. These collaborations facilitate the provision of telemedicine services, diagnostic equipment and healthcare IT systems, improving efficiency and ensuring high standards of medical care. At the same time, MedLife works closely with other similar companies, such as private clinics, to provide services in areas where it does not have full coverage, as well as with state hospitals that carry out specific blood tests for the Group that cannot be performed in-house or other investigations for which there is a lack of equipment or expertise.

The downstream segment of the value chain involves activities and business relationships that enable the provision of healthcare services to end users. Patients are the primary recipients of MedLife's services and are at the centre of the downstream value chain. Their satisfaction and the health outcomes achieved are the key indicators of MedLife Group's success. Collaborations with insurance companies enable patients to access services through various private and state health insurance schemes, thereby increasing their access to healthcare services. A key player in MedLife's value chain is the National Health Insurance House, which reimburses part of the costs from the national budget, making healthcare services more accessible to patients. In accordance with agreements concluded with the National Health Insurance House, the Group provides primary healthcare services to insured patients. MedLife also collaborates with companies (through its corporate business line) to offer their employees' health programs, including occupational health services, medical check-ups, and preventative or wellness packages, thereby promoting a healthy workforce.

Community organizations, including NGOs and public health organizations, form another significant part of the downstream value chain, supporting health initiatives and contributing to the health and well-being of a significant proportion of communities in Romania.

Customers of MedLife Group pharmacies who purchase medicines and healthcare products from PharmaLife pharmacies ensure the continuity of the medical care provided by the Group's medical staff.

This stage of the value chain also includes waste management service providers who ensure that medical and hazardous waste is disposed of in an environmentally responsible manner, thereby minimizing the environmental impact of MedLife's operations.

Medical specialists and healthcare professionals who are not directly employed but provide services to MedLife, such as certain doctors, are treated as part of the Group's own workforce, even if they do not have an individual employment contract but rather a service provision contract.

Government and regulatory agencies and bodies ensure the lawful and ethical operation of MedLife's activities, whilst financiers, including those in the capital market, provide the necessary funding for the Group's activities.

Thus, the main categories of stakeholders in MedLife Group's value chain include:

- Patients: the primary recipients of MedLife's services, whose satisfaction and health outcomes are crucial.
- Corporate clients: these provide health programs for their employees, including medical check-ups, occupational health services and health subscriptions.
- Pharmaceutical customers: individuals who purchase medicines and health products from PharmaLife pharmacies, ensuring continuity of care, as well as companies that purchase these medicines and health products through the national distributor, Pharmachem.
- Upstream suppliers: suppliers of medical equipment, pharmaceutical products and medical consumables, as well as technology and research and development partners.
- The National Health Insurance House and other insurance companies: partners offering various health insurance plans.
- Private clinical partners: partners providing services to MedLife in areas where the Group does not yet offer all its services.
- State hospitals: Institutions that carry out, or for which we carry out, specific tests and investigations necessary for the conduct of MedLife's activities.
- Community and public health organizations, including NGOs: these partners support public health initiatives and contribute to the health and well-being of communities.
- Waste management providers: essential for the responsible disposal of medical and hazardous waste.
- Government agencies and regulatory bodies: entities that regulate and ensure the lawful operation of healthcare facilities.
- Financiers: credit institutions and capital market participants.

Overall, MedLife Group's value chain is a comprehensive and interconnected system that ensures the provision of high-quality healthcare services. The material sustainability topics identified at MedLife Group level are detailed in the section corresponding to ESRS 2 IRO-1 within *the Sustainability Statement*.

[SBM-2] – STAKEHOLDERS' INTERESTS AND PERSPECTIVES

MedLife Group operates in a complex environment, with a wide range of stakeholders who interact with the companies within the group either directly or indirectly. These stakeholders include individuals or legal entities whose activities may be influenced by the group's decisions and operations, as well as actors who, through their actions, may influence MedLife's ability to implement its strategies or achieve its objectives. Depending on the degree of involvement and impact, they are classified into two categories:

- **Category I: Stakeholders directly or indirectly affected by the company's activities**. This category includes groups whose lives or activities are influenced by MedLife's operations, either through the direct impact of medical services or through business relationships across the value chain. These include: Employees and workers who form the backbone of the organization's operations; Clients and patients who benefit from the medical services provided; Suppliers and workers in the value chain who provide the resources and materials necessary for operations; The local community that benefits from MedLife's health and wellbeing initiatives, as well as those in the vicinity of its operations;
- **Category II: Users of sustainability information**. This category includes the primary users of financial reports, as well as users of sustainability reports. These include: Shareholders and investors interested in the organization's financial performance and sustainability; National and international professional/sector associations, including patient organizations; Civil society and non-governmental

organizations that assess the social impact of MedLife's activities; Central and local authorities that regulate the Group's activities; Financial institutions interested in the Group's activities and investments; Capital market participants; The media, which communicates the company's results and initiatives to the general public.

Since 2024, MedLife Group has implemented a formal process of consulting affected stakeholders to understand and integrate their interests and viewpoints regarding the Group's current and potential, positive and negative impacts on them, including its employees, patients, customers and suppliers. This process was carried out in accordance with the **Methodology for assessing the materiality of sustainability aspects**, developed by the Group's Sustainability Department.

The consultation process involved distributing specific questionnaires to each category of stakeholder, with the aim of identifying the Group's current and potential impacts on them, assessing stakeholders' perceptions of the magnitude of these impacts, and gathering information on other impacts that had not been initially identified. The ratings provided by stakeholders regarding the magnitude of each impact were integrated into the internal assessment carried out by the Group's sustainability team, resulting in a score that reflects both the internal and external perspectives. Through this consultation and validation process, MedLife Group has successfully identified and effectively assessed the sustainability impacts that form the basis for the preparation of the Sustainability Statement and for updating the Group's strategic sustainability objectives.

In the process of identifying risks and opportunities, MedLife Group analyzed how its activities are affected by its reliance on natural, human and social resources, taking into account external influences such as strict environmental and social regulations, as well as the volatility of raw material and energy prices. Furthermore, sustainability impacts that may generate financial risks were a key focus of the analysis. To ensure a sound basis for decision-making, MedLife Group utilized a series of assumptions and applied the UNEP FI Radar methodology at sector level, validating the results for a representative sample of suppliers and customers through a consultation process. This approach was necessary, given that the consultation process did not allow for the inclusion of all the Group's suppliers and customers. Increasingly high expectations from investors, authorities, customers and patients regarding the adoption of sustainable practices and services influence the Group's market strategies and investments.

The results of these consultations were collated and analyzed by the Sustainability Department, which then presented them to the members of the SCM. The governing bodies of MedLife Group are informed annually of the results of the stakeholder consultation process. These reports include:

- A presentation of the results of the questionnaires and consultations carried out.
- Analysis of identified impacts and sustainability risks/opportunities.
- Recommendations for updating the sustainability strategy and objectives.

In addition to this process, MedLife Group's governance bodies are regularly and comprehensively informed regarding the number and nature of complaints received through official submission channels, which are accessible to patients, customers and other relevant stakeholders. This information is essential for monitoring direct feedback and for the rapid identification of potential areas for improvement. Furthermore, these bodies receive regular updates regarding reports of irregularities submitted via the whistleblowing channel, which is managed by a specialized external entity. This channel provides a transparent and independent means by which any irregularities or concerns can be reported in a confidential manner, thereby supporting responsible and ethical governance. These additional measures and information flows are designed to support and complement the stakeholder consultation process, particularly within the due diligence process. They thus enable the views and interests of the various parties involved to be taken into account, given that this process is essential to reflecting transparency and accountability at all stages of the Group's decision-making.

In parallel, MedLife Group conducts annual systematic patient satisfaction surveys, which are essential for the continuous assessment and improvement of the quality of the medical services provided. These processes enable the collection of valuable data on patients' experiences and their level of satisfaction, serving as a key tool in ensuring a proactive and responsible approach to their needs and expectations. Thus, MedLife Group ensures that all stakeholders benefit from open communication and continuous dialogue, which supports the implementation of best practices and sustainable long-term strategies.

MedLife Group regards its workforce as an essential pillar and recognizes the importance of protecting employees' rights and human rights as a strategic priority. Their views, interests and rights are integrated into the company's strategy and business model, directly influencing operational and development decisions. By promoting constant dialogue and actively involving employees in key decision-making processes, MedLife ensures a better understanding of and respect for their needs. Furthermore, the company continuously invests in ensuring safe and fair working conditions, in professional training programs and in the development of employees' skills, thereby contributing to productivity and the long-term sustainability of its business model.

Another group of stakeholders for MedLife Group is the workers in its value chain, assessing how its strategies and activities may influence their interests, opinions and rights. Respect for human rights is a key aspect of the company's sustainability policy, contributing to the development of a responsible and sustainable business model. Following the DMA assessment, MedLife Group identified potential significant impacts on workers in the value chain, which are managed through the implementation of MedLife Group's Sustainability Policy. This establishes a clear framework for integrating issues related to labour rights and safe and fair working conditions into the company's value chain. Although MedLife Group does not currently have a formal mechanism for consulting workers in its value chain or a structured system for monitoring its impact on them, it has implemented the Policy on the Protection of Whistleblowers in the Public Interest. This policy provides a confidential channel for reporting potential violations of fundamental rights, thereby helping to prevent and remedy negative impacts on the workforce in the value chain.

Through these measures, MedLife Group ensures that considerations regarding workers in the value chain are integrated into its strategy, maintaining a constant commitment to respecting human rights and developing fair and sustainable labour relations.

At the same time, another important group of stakeholders for MedLife Group is the communities in which it operates. The company's strategy is geared towards their sustainable development, and MedLife's Sustainability Policy, published in 2024, establishes a clear framework for managing the impact on communities. This includes support measures for vulnerable groups, investment in medical infrastructure and health education, and maintaining an open and transparent dialogue with stakeholders. Although there is no formal mechanism for consulting affected communities, MedLife engages with them on an ongoing basis through various social initiatives and reporting channels, such as the Policy on the Protection of Whistleblowers in the Public Interest, which provides a confidential framework for reporting and addressing potential violations of fundamental rights. Respect for human rights is an essential aspect integrated into all relevant policies, and the safety and prevention measures implemented through the Occupational Health and Safety Policy indirectly contribute to the protection of communities in the vicinity of MedLife Group sites. In this context, MedLife adapts its strategies and business model both to minimize negative impacts on communities and to capitalize on opportunities for sustainable development.

MedLife Group places particular emphasis on the interests and rights of consumers and end-users, ensuring that they benefit from a healthy, fair and safe environment. The Group's Sustainability Policy includes measures to assess and manage significant impacts on consumers, with a focus on respecting patients' rights. MedLife guarantees that patients are properly informed through the Informed Consent Procedure, ensuring that they are fully aware of the treatments and risks involved. The Group implements policies for the prudent use of antibiotics and perioperative antibiotic prophylaxis to prevent the risks of bacterial resistance. Through its Code of Ethics and Conduct, MedLife is committed to maintaining high standards of quality and safety, and the Code of Social Responsibility ensures compliance with consumer protection regulations. MedLife also protects whistleblowers through policies that ensure confidentiality and protection against retaliation. The feedback and complaints system allows patients to voice their concerns, and the Call Centre Department ensures these are resolved efficiently, contributing to a decision-making process based on consumer needs.

Through this structured process, MedLife Group ensures that the interests of stakeholders are integrated into strategic and operational decision-making, thereby strengthening organizational transparency and accountability.

[SBM-3] – IM SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

MedLife Group recognizes the importance of assessing the significance of the impacts that its activities, services and business relationships may have on people and the environment, as well as the sustainability risks and opportunities that may influence its business model, its own operations and the upstream and downstream value chain. Through the DM analysis process, the Group has identified and analyzed the critical issues that may affect its long-term sustainability, economic, social and environmental performance, as well as its relationships with its stakeholders.

As part of this analysis, areas where significant impacts—whether positive or negative—are concentrated were assessed, along with the risks and opportunities associated with each segment across the entire value chain. These included the Group's internal activities, interactions with suppliers, distribution to customers, and the impact on communities and the environment. Furthermore, this strategic approach enables the company to anticipate and respond appropriately to challenges and capitalize on opportunities that contribute to the creation of sustainable value.

During the current reporting period, limited adjustments were made to the set of material impacts, risks and opportunities (IROs) compared to the previous period. Most of the changes were methodological and structural in nature, consisting mainly of harmonizing and mapping similar IROs that were previously treated separately for internal operations and the value chain, with a view to a more coherent presentation and to avoid double reporting. At the same time, following the periodic review of the materiality assessment, several IROs that are no longer considered relevant to the organization's current activities have been removed. Meanwhile, additional IROs considered relevant in the context of recent developments in the organization's activities have been identified and included, particularly in the areas of cybersecurity and service quality. These updates do not significantly alter the organization's overall materiality profile, but reflect a refinement of the internal assessment process and better alignment with current operational risks and opportunities. Details of these changes are set out in the table below.

In the future, as assessments become more detailed and are integrated into strategic plans, changes and adjustments to significant impacts and risks may be identified compared to previous reporting periods.

Table on changes to the IRO and material sustainability issues during 2025 (see Annex 1: Abbreviations and Symbols)

	Sub-theme	Brief description	ID 2024	IRO 2024	ID 2025	IRO 2025	Reason
ENVIRONMENT							
E1	Climate change mitigation	Contributes to climate change and impacts on people through GHG emissions from its own operational activities	M2	In	M3	In	Similar mapping
E1		Contributes to climate change and impacts on people through GHG emissions in the value chain	M3	In			
E1	Energy efficiency	Negative environmental impact resulting from the consumption of energy from non-renewable sources in our own activities	M4	In	M5	In	Similar mapping
E1		Negative environmental impact resulting from the consumption of energy from non-renewable sources in the value chain	M5	In			
E5	Waste	Negative impact on the environment and on people resulting from the management of hazardous waste generated	M17	In	M18	In	Similar mapping
E5		The negative impact on the environment and people resulting from the value chain through waste management	M18	In			
E5	Resource inputs, including resource use	Depletion/exhaustion of certain natural resources through the procurement of products and materials used in our own activities.	M15	In	M16	In	Similar mapping
E5		Contributes, through its business relationships, to the depletion of natural resources within the value chain.	M16	In			
SOCIAL							
S1	Confidentiality	Protection of employees' and customers' personal data	S12	In	S20	In	Similar mapping
S1		Fines in the event of security breaches regarding the management of employees' personal data.	RO21	R	RO24	R	Similar mapping
S4	Privacy	Protection of patients' personal data	S20	In	S20	In	Similar mapping
S4		Fines for security breaches relating to the handling of patients' and customers' personal data	RO24	R	RO24	R	Similar mapping
S1	Health & Safety	Impact on employees' health and safety in the event of workplace accidents	S6	In			Review of DM
S3	Security-related impacts	Potential incidents that may affect communities in the immediate vicinity of hospitals	S16	In			Re-evaluation of DM
S3		Disruption to the lives of communities located near medical facilities	S17	In			Re-evaluation of DM
S4	Personal safety	Potential health and safety incidents that may affect patients	S24	In			DM review
S4	Non-discrimination	Access to healthcare for patients in rural or remote areas and for other vulnerable groups	S29	Ip	S27	Ip	Similar mapping
S4	Access to products and services	Increased access to healthcare services for the community as a result of organic development	S28	Ip			
S4	Access to products and services	Social inclusion of low-income patients	S27	Ip			
S4	Access to products and services	Increasing the number of low-income patients by offering services at affordable prices	RO29	O	RO29	O	Similar mapping
S4	Access to products and services	Increasing access to healthcare through investment in medical infrastructure and national expansion	RO31	O			
S4	Quality of medical services and patient satisfaction	High-quality services that contribute to patient health and safety, as evidenced by high levels of satisfaction			S21new	Ip	Double materiality review
GOVERNANCE							
G1	Digitalization / AI	Increasing patient access to modern, efficient and preventive services through digitalization or the implementation of AI in healthcare systems			G14	Ip	Re-analysis of DM
G1	Cyber security	Security breaches or IT infrastructure failures due to outdated or inadequately protected equipment			RO36	Risk	Re-evaluation of DM
G1	Digitalization / AI	Increasing patient access to modern, efficient and preventive services through digitalization or the implementation of AI in healthcare systems			RO37	O	DM Review

In the following section, MedLife details the significant IROs identified, as well as their distribution across the business model, its own operations and the value chain, both upstream and downstream.

Table on IROs and material sustainability issues – environment (see Annex 1 Abbreviations and Symbols)

ESRS Standard	Sub-theme	Sub-sub-theme	#	Brief description	IRO	A / P	Level	Value chain	Timeframe
E1	Adaptation to climate change	Adaptation to climate change	M1	Potential impact of climate risks on own operations	I n	P	Environment	Op	5 years
		Adaptation to climate change	RO2	Climate change can affect infrastructure and activities, disrupt service continuity and increase operational costs	R		Severe	Op	5 years
		Adaptation to climate change	RO4	The increasing frequency and severity of extreme weather events may lead to increased demand for healthcare services	O		Severe	Op/Us/Ds	5 years
	Climate change mitigation	Climate change mitigation	M3	GHG emissions generated from own activities and the value chain	I n	A	Significant	Op/Us/Ds	
		Climate change mitigation	RO1	Additional regulations on greenhouse gas (GHG) emissions and the climate transition by 2050	R		Critical	Op/Us/Ds	1–5 years
	Energy efficiency	Energy efficiency	M5	Non-renewable energy consumption in own operations and value chain	I n	A	Significant	Op/Us/Ds	
E2	Microplastics	Microplastics	M10	Generation of microplastics through the wear and tear of plastic medical devices, equipment and consumables.	I n	A	Environment	Op	
		Microplastics	RO9	Growing public and regulatory concerns regarding microplastics.	R		Critical	Op	5 years
	Water pollution	Water pollution	M8	Accidental water pollution by chemicals and pathogens	I n	P	Environment	Op	1 year
	Substances of concern	Substances of concern	M9	Use and storage of substances of concern	I n	P	Environment	Op	1 year
E3	Water resources	Water consumption	M12	Water consumption	I n	A	Significant	Op	
E5	Waste	Waste	M18	Waste management in own operations and the value chain	I n	P	Environment	Op/Us/Ds	1 year
	Resource inputs, including use	Resource inputs, including resource use	M16	Use of raw materials and materials in own activities and the value chain	I n	A	Significant	Op/Us/Ds	

Table on IRO and material sustainability issues – governance (see Appendix 1 Abbreviations and Symbols)

ESRS Standard	Sub-theme	Sub-sub-theme	#	Brief description	IRO	A / P	Level	Value chain	Time horizon
G1	Political commitment	Political commitment	G7	Promoting a favorable legislative framework	I p	P	Environment	Op	1–5 years
	Corruption and bribery	Corruption and bribery: Incidents	G13	Absence of confirmed cases of corruption and bribery within our own operations	I p	A	Significant	Op	
		Corruption and bribery: Prevention and detection, training	G12	Lack of measures to prevent and detect corruption and bribery	I n	P	Environment	Op	1 year
	Corporate culture	Corporate culture	G1	Creating a positive and attractive working environment, governed by fair and transparent policies and procedures	I p	A	Significant	Op	
		Prices and billing transparency	G2	Promoting transparency in the setting of prices and in the billing process for medical services.	I p	A	Very high	Op	
		Fraud and unnecessary procedures	G3	The absence of fraud and the elimination of unnecessary procedures in the provision of healthcare services.	I p	A	Significant	Op	
		Anti-competitive behaviour	G4	Promotion of competitive behavior	I p	A	Significant	Op	
	Supplier relationship management, including payment practices	Supply chain management	G8	Promotion and development of local suppliers	I p	A	Significant	Op/Us/Ds	
			G9	Quality control in the supply chain for the distribution and marketing of pharmaceutical products	I p	A	Significant	Op	
			RO34	Inadequate management of environmental and social impacts by suppliers posing a risk to the Group's reputation	R		Critical	Op/Us/Ds	1–5 years
	Whistleblower protection	Protection of whistleblowers	G5	Protection of whistleblowers' rights	I p	A	Environment	Op/Us/Ds	
	Digitalization and cyber security	Digitalization / AI	G14	Increasing patient access to modern, efficient and preventive services through digitalization or the implementation of AI	I p	A	Significant	Op	
		Cyber security	RO36	Security breaches or IT infrastructure failures due to outdated or inadequately protected equipment	R		Severe	Op	1–5 years
		Digitalization / AI	RO37	Increasing patient access to modern, efficient and preventive services through digitalization or the implementation of AI	O		Critical	Op	1–5 years

Table on IRO and material sustainability issues – social (see Appendix 1: Abbreviations and Symbols)

ESRS Standard	Sub-theme	Sub-sub-theme	#	Brief description	IRO	A / P	Level	Value chain	Timeframe
S1	Working conditions	Safe workplaces	S1	Pay benefits provide economic and social protection for employees.	I p	A	Very high	Op	
		Working time	S2	Potential for demanding workloads in one's own duties	I n	P	Significant	Op	1 year
		Fair pay	S3	Payment of wages at the national minimum wage	I n	A	Very high	Op	
		Social dialogue / Freedom of association	S4	Absence of employee representatives	I n	P	Significant	Op	1–5 years
		Collective bargaining, including % of workers covered by collective agreements	S5	Absence of collective labour agreements at Group level or within large companies within the Group	I n	P	Significant	Op	1–5 years
		Health & Safety	S7	The work itself may cause occupational diseases.	I n	P	Significant	Op	1–5 years
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	S8	Gender inequality in terms of pay	I n	A	Very high	Op	
		Training and skills development	S9	Training programs that support professional development.	I p	A	Significant	Op	
		Employment and inclusion of people with disabilities	S10	The employment of people with disabilities promotes inclusion.	I p	A	Significant	Op	
		Measures against violence and harassment in the workplace	S11	Lack of a specific policy and training against violence and harassment in the workplace	I n	P	Significant	Op	1 year
S2	Working conditions	Safe working conditions	S13	Working practices that may generate social inequalities in upstream and downstream activities	I n	P	Environment	Us/Ds	1 year
		Competitive salaries	S14	Wage practices at the level of the national minimum wage in upstream and downstream activities	I n	A	Very high	Us/Ds	
		Health & Safety	S15	Potential health and safety incidents in upstream and downstream activities	I n	P	Very high	Us/Ds	1 year
	Other labour-related rights	Child labour	S15 Bis1	Insufficient measures to prevent and communicate the Code of Conduct to suppliers regarding the prohibition of child labour	I n	P	Significant	Us/Ds	1–5 years
		Forced labour	S15 Bis2	Inadequate measures to prevent forced labour and to communicate the Code of Conduct to suppliers regarding the prohibition of forced labour	I n	P	Significant	Us/Ds	1–5 years
S3	Activity-specific	Market presence (entity-specific)	S18	Contribution to the development of local communities	I p	A	Significant	Op	
		Economic value generated and distributed (entity-specific)	S19	Contribution to economic growth and improvement in the standard of living of the population	I p	A	Significant	Op/Us/Ds	
S4	Impacts relating to information for consumers and/or end-users	Access to (quality) information	S21	Access to high-quality information about the medical services provided by the Group	I p	A	Environment	Op	
		Freedom of expression	S21 bis	Freedom of expression through appropriate channels for submitting complaints	I p	A	Environment	Op	
		Quality of healthcare services and patient satisfaction	S21 New	High-quality services that contribute to patient health and safety, validated by a high level of satisfaction	I P	A	Significant	Op	
		Confidentiality	S20	Protection of patients' personal data	I n	P	Very high	Op	1–5 years
		Privacy	RO24	Fines for security breaches relating to the handling of patients' and customers' personal data	R		Critical	Op	1 year
		Access to products and services	S27	Increased access to healthcare services for the community as a result of organic growth, including the social inclusion of low-income patients, those from rural areas or vulnerable groups	I p	A	Significant	Op	
		Access to products and services	RO29	Increasing access to healthcare through investment in medical infrastructure and nationwide expansion, including for low-income patients by offering services at affordable prices	O		Critical	Op	1–5 years
	Personal safety of consumers and/or end-users	Child protection	S26	Improving the experience of pediatric patients through regular training for healthcare assistants	I p	A	Environment	Op	
		Child protection	S25	Potential violations of children's rights	I n	P	Significant	Op	1 year
		Health and safety	S22	Potential medical errors or negligence.	I n	P	Very high	Op	1 year
		Health and safety	S23	Potential contribution to the development of antimicrobial resistance and nosocomial infections	I n	P	Environment	Op	1 year
		Health and safety	RO26	Antimicrobial resistance and its impact on hospital reputation.	R		Severe	Op	1–5 years

The financial impacts of the Group's significant risks and opportunities relating to ESRS E1 Climate Change, ESRS E2 Pollution, ESRS E3 Water and Marine Resources, and ESRS E5 Resource Use and the Circular Economy are presented in the thematic sections under: E1.IRO-1 within E1, E2.IRO-1 within E2, E3.IRO-1 within E3, E5.IRO-1 within E5.

The financial impacts of the Group's significant risks and opportunities relating to ESRS S1 Own workforce, S4 Consumers and end-users, and G1 Business conduct are presented in the thematic sections under: S1.SBM-3 within S1, S4.SBM-3 within S4. For the year 2025, the Group has not identified any current financial impacts of significant risks and opportunities related to ESRS S2 Workers in the value chain and ESRS S3 Affected communities.

Risks and opportunities are included in the DMA process, taking into account two categories: current and anticipated, ensuring a comprehensive approach to assessing their financial significance. With regard to significant risks and opportunities, the Group has not identified any current financial effects on the financial position, financial performance and cash flows. Furthermore, no significant risks were identified that could lead to significant adjustments to the carrying amounts of assets and liabilities reported in the financial statements for the next reporting period. However, potential financial effects capable of influencing the Group's financial position, performance and cash flows in the short, medium and long term have been identified. Potential risks and opportunities have been identified and assessed from the perspective of their short-, medium- or long-term financial impact, providing an understanding of how they may influence the Group's financial position, performance and cash flows in the period following the reporting period for the financial year ended.

MedLife Group has carried out a detailed assessment of significant IROs that may affect its financial performance and its ability to respond to external and internal challenges and opportunities. The risk analysis was conducted based on two key variables: probability of occurrence and magnitude of financial impact, and for each risk, the impact was determined according to the established thresholds. However, MedLife Group has not carried out a formal and detailed analysis of the resilience of its strategy and business model with regard to the significant risks and opportunities identified, given that all the effects of material risks and opportunities are anticipated, the majority being medium- and long-term. Although the investment plans and development strategies established by the Group are not exclusively focused on managing these risks and opportunities, some of them may indirectly address some of the identified challenges and opportunities, contributing to the overall resilience of the business model. In the coming period, the Group intends to carry out a detailed assessment of its strategic resilience, which will include a qualitative analysis and, where relevant, a quantitative analysis of major risks and opportunities. This will enable a better understanding of the potential impact on the Group's financial position, financial performance and cash flows in the short, medium and long term. Although there is no investment plans strictly linked to these risks and opportunities, some of the initiatives already planned (such as investments in medical infrastructure, the digitalization of services and the Group's expansion) may indirectly contribute to reducing the Group's vulnerabilities to these risks, such as cyber security or environmental risks. These investments will also support the Group's long-term development, having a positive impact on service accessibility and operational efficiency. MedLife Group intends to finalize the analysis of the strategy's resilience in the coming period, given its importance for improving risk management and ensuring an effective response to emerging opportunities. The analysis will also enable the adjustment of plans and a more efficient allocation of resources to support sustainable and resilient long-term growth.

Additional disclosure of entity-specific information

In relation to the disclosure requirements under the ESRS standards, it is important to note that certain significant impacts and risks, which are subject to ESRS requirements, are integrated into the relevant sub-theme under G1 – 'Professional conduct' and ESRS S3 sub-theme 'Economic, social and cultural rights of communities. These are:

- Impact G2 – Promoting transparency in pricing and the billing process for healthcare services, which forms part of the sub-sub-theme "Pricing and billing transparency" (entity-specific);
- Impact G3 – Absence of fraud cases and elimination of unnecessary procedures in the provision of healthcare services, associated with the sub-sub-theme "Fraud and unnecessary procedures" (entity-specific);
- Impact G4 – Promotion of competitive behaviour, part of the sub-sub-theme 'Anti-competitive behaviour' (entity-specific).
- Impact S18 – Contribution to the development of local communities associated with the sub-sub-theme 'Market presence'.
- Impact S19 – Contribution to economic growth and improvement in the standard of living of the population associated with the sub-sub-theme 'Economic value generated and distributed'.
- Impact S21new – Quality of healthcare services and patient satisfaction associated with the sub-sub-theme "Impacts related to information for consumers and/or end-users".
- Impact G14 – Digitalization / AI associated with the sub-sub-theme Digitalization and cyber security (entity-specific).

These sub-sub-themes are integrated into the sub-theme Corporate Culture, within G1 – Professional Conduct. For reporting on these sub-sub-themes, MedLife Group will use the indicators set out in the GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) standards, given that these are considered relevant for assessing and reporting on the impacts and risks associated with these entity-specific aspects. Thus, the difference between the ESRS requirements and the entity-specific supplementary information lies in the fact that the sub-themes mentioned above are included in the report in accordance with ESRS, whilst the GRI and SASB indicators will be used to provide further detail on these aspects.

[IRO-1] – DESCRIPTION OF THE PROCESS FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES

The materiality process is carried out in accordance with the requirements set out in Chapter 3 of ESRS 1 – *Materiality as a basis for sustainability reporting*.

MedLife Group carried out the assessment in accordance with the materiality principle, taking into account the two dimensions:

- **impact materiality**, which analyzed the effects of the Group's activities on people and the environment in the short, medium and long term, and
- **financial materiality**, which assessed how external sustainability factors influence the Group's financial performance and sustainability in the short, medium and long term.

The assessment of material ISRs was carried out across the entire Medlife Group, including all companies in the analysis process, so that material aspects could be identified objectively and impartially. Given that, at the time of the analysis, the financial year for 2025 had not yet ended, the analysis was based on the DMA analysis for the 2024 financial year, the results of the 2024 financial year and the interim results of the 2025 financial year.

With regard to the time horizon used in the DMA process, this is aligned with ESRS standards and is presented in Section ESRS 2 BP-2. The DMA process was structured in the following stages:

- Identification of relevant sustainability themes;
- Identification of the sustainability IROs corresponding to each relevant sustainability theme;
- Validation of sustainability IROs with stakeholders;
- Assessment of sustainability KPIs**.**

At Group level, the *DMA Methodology* is documented, setting out how this process is to be carried out and the persons responsible. The identification of relevant sustainability themes took into account the list of sustainability aspects in accordance with the requirements of ESRS 1.

Identification of impacts and their validation by stakeholders

At this stage, the Sustainability Department analyzed the information required to understand the business model and the services offered, the structure of the business lines, the type of customers, the geographical areas in which the Group operates, the structure of revenue and expenses, as well as other relevant information to understand the activities carried out by MedLife Group. The process also included an analysis of similar companies, as well as specific requirements of the GRI, SASB and IFRS standards.

Given the complexity of MedLife Group, the activities carried out by the Group throughout its value chain have been divided into three main categories:

- Upstream activities: activities preceding the Group's activities, such as the manufacture of medical equipment, the manufacture of medicines, the manufacture of medical consumables, the manufacture and supply of other goods and services, the development, acquisition and implementation of medical programs and applications, the provision of utilities, and the transport of patients and clients to the Group's locations.
- Core activities: medical consultations, diagnostic services, treatment services, prevention and education services, the sale and distribution of medicines, wellness services provided in fitness centers and via the SanoPass platform, stem cell storage, ophthalmological consultations, property letting and management, internal activities related to the refurbishment of existing or newly acquired buildings, and management and administrative activities. These activities were divided during the DMA process into the following categories (business lines): Corporate (covering all the Group's administrative activities and support functions); Clinics; Hospitals; Laboratories; Pharmacies; Others (comprising all the Group's other activities).
- Downstream activities: activities involving the settlement and reimbursement of medical costs, the transport of patients/clients from the Group's locations, using private or public transport, the use of medicines sold to patients, and the collection and transport of waste.

An important aspect in the process of identifying risks and opportunities was understanding the Group's dependencies on the availability of natural, human and social resources, as well as the influence of environmental and social regulations, and the volatility of raw material and energy prices. A relevant source in identifying risks and opportunities was the sustainability impacts that could give rise to risks with a financial impact on the Group.

As part of the DMA process, the Group also carried out a consultation process with key stakeholders. This process also served to validate and supplement the list of IROs identified internally by the Group. The consultation process was carried out by distributing questionnaires to several categories of stakeholders: suppliers, customers, employees, doctors, patients and NGOs. Further information on the consultation process can be found in SBM-2.

Impact Assessment

The process of assessing impacts—whether actual (current) or potential, positive or negative—was carried out by evaluating the factors of Severity and Probability based on assessment grids established in accordance with the DMA Methodology. The impacts analyzed covered both those resulting from the Group's activities and products, and those to which it may contribute directly or indirectly through its business relationships.

The assessment of impacts was carried out by evaluating the Severity and Probability factors. The severity assessment was carried out by considering the following sub-factors: Scope, Magnitude, and, for negative impacts, the Irreversibility of the impact was also considered. Impacts that received a severity score of 5 (very high), 4 (significant) and 3 (medium) were considered material (significant). Impacts with a score below 3 were classified as insignificant and were not included in the reporting.

Identification of risks and opportunities

To identify risks and opportunities, the impacts identified and assessed in the previous stage were taken into account, along with critical dependencies on natural, human and capital resources, market risks arising from rising energy and natural gas costs, as well as other types of risks.

Risks and opportunities were assessed using two factors: financial impact and probability of occurrence. To assess financial impact, two matrices were used, depending on the availability of information: a quantitative matrix and a qualitative matrix. A different matrix was used to assess the probability of occurrence.

Setting the materiality threshold and prioritizing significant risks and opportunities

Following an assessment of risks and opportunities, the financial materiality threshold was set for those risks and opportunities classified as 'Severe' and 'Critical'. This threshold represents the point at which a risk or opportunity is considered significant enough to influence the company's financial and strategic decisions. The threshold was established based on professional judgement, which took into account a medium, high or very high financial impact, but also correlated this with an acceptable degree of probability of occurrence. Thus, a medium-level impact becomes significant if it has a probable level of occurrence, and a very high impact becomes significant even where the probability of its occurrence is low. In this way, the materiality threshold enables the management of those risks and opportunities that present a financial impact sufficiently relevant to the Group.

Assumptions applied in the DMA process

In the DMA analysis process, several fundamental assumptions were taken into account, designed to support decision-making and ensure alignment with ESRS requirements and stakeholder expectations, to assess the impacts of the Group's activities on the environment and people, both through its own operations and through activities carried out in the upstream and downstream value chains, as follows:

- Climate change – It has been predicted that global climate change could generate significant physical risks, including extreme weather events that may affect the Group's operations, and that the Group will continue to contribute to climate change through GHG emissions, which will continue to have an impact on the environment. At the same time, adapting to climate change will become crucial to reducing vulnerabilities and increasing the resilience of the Group, its workforce and its supply chain to natural risks.
- Volatility of energy and raw material prices – Fluctuations in energy and raw material prices will continue to generate financial risks for the Group, having a direct impact on operating costs and investment plans.
- Regulatory framework – Ongoing changes to sustainability regulations, including those relating to the reduction of greenhouse gas emissions, the management of hazardous waste and the use of plastic consumables, will impose additional reporting and compliance requirements. These changes will influence MedLife Group's operational and financial strategies.
- The Group's organic growth and service diversification – MedLife Group's organic development strategy, which involves expanding the existing network and diversifying medical services, will influence both internal performance and the Group's positioning in the regional healthcare market, which may have positive or negative impacts on the environment, people and relations with local communities.
- Complexity of the value chain - The impact analysis was based on the assumption that the validated results for a representative sample of suppliers and customers can be extrapolated to the majority of them, given the limitations of the stakeholder consultation process.
- Access to resources – The natural resources used by the Group, such as energy, natural gas and water, are sufficient for current operations; however, their continued use may cause negative impacts in the medium and long term, requiring careful management to ensure sustainability.

IRO Monitoring

In 2024, MedLife Group implemented a DMA process in accordance with ESRS standards for the first time, marking a significant shift in its approach to sustainability IRO assessment. This represents a major update from previous practices, which were not formally aligned with ESRS requirements. For the majority of sustainability issues, the Group has established several general policies and actions. These are continuously updated to include specific measures for monitoring and managing significant impacts, in accordance with the requirements of sustainability standards.

The decision-making process and internal control procedures regarding IROs are managed through a hierarchical system involving all relevant stakeholders: the Sustainability Department, the SCM, the Executive Committee, the Audit Committee and the Board of Directors. The Sustainability Manager collates the results of the consultations, analyses the identified IROs and initially presents them to the SCM, which approves or adjusts the process and the results obtained. In parallel, the Audit Committee is informed of the consultation results and provides feedback. The final results are presented to the Board of Directors to be integrated into risk management strategies, and internal control procedures include mechanisms for monitoring the implementation of decisions and progress against established objectives.

Transparency of the process is ensured through annual reports and regular internal updates. The decision-making process is guided by a prioritization analysis based on qualitative and quantitative thresholds, established in accordance with ESRS requirements, and the priority of risks is determined through a comparative assessment with other risk categories. The monitoring of opportunities is also included in the overall management process, focusing on capitalizing on sustainability prospects in line with market requirements and stakeholder expectations. The process includes detailed input parameters, such as data received from questionnaires, consultations and sectoral research, which are calibrated to reflect the scale of the Group's operations and relevant details. The periodic review of this process is ensured by an internal schedule, with updates carried out based on new information, changes in the operational context and reporting requirements. The most recent significant change to the process took place in 2024, following the adaptation to the updated materiality assessment methodology and the expansion of consultations to a broader range of stakeholders. The review schedule is set to include annual assessments. This dynamic framework enables MedLife Group to integrate sustainability into all aspects of risk and opportunity management, ensuring constant alignment with external expectations and regulatory requirements.

[IRO-2] – ESRS DISCLOSURE REQUIREMENTS COVERED BY THE COMPANY'S SUSTAINABILITY STATEMENT

The tables below set out the disclosure requirements necessary for the preparation of this sustainability statement, as determined following a materiality assessment. MedLife Group has determined the material information to be reported in relation to material impacts, risks and opportunities based on a rigorous analysis, using two fundamental criteria: the importance of the information in relation to the aspect it explains or describes, and its ability to meet the decision-making needs of users. This approach aimed to identify information that contributes substantially to understanding critical aspects of sustainability, with an emphasis on its clarity, relevance and decision-making value. The process was structured to meet both the expectations of investors and other primary users of general financial reporting, as well as the requirements of stakeholders concerned with the Group's economic, social and environmental impacts. Although no distinct qualitative or quantitative thresholds were applied, the analysis was based on a consistent application of these criteria, thereby ensuring the validity and consistency of the information included in the report. This methodology reflects MedLife's commitment to aligning its reporting with best practices and to providing relevant and useful information to all stakeholders.

Disclosure requirements reported in the Sustainability Statement regarding ESRS 2

ESRS 2	Disclosure requirement	Page.
BP-1	General framework for preparing sustainability statements	2
BP-2	Disclosures relating to specific circumstances	2
GOV-1	The role of the administrative, management and supervisory bodies	4
GOV-2	Information provided to the company's administrative, management and supervisory bodies and the sustainability issues addressed by them	6
GOV-3	Integration of sustainability performance into incentive schemes	7
GOV-4	Statement on the due diligence process	7
GOV-5	Risk management and internal controls relating to sustainability reporting	8
SBM-1	Strategy, business model and value chain	8
SBM-2	Stakeholder interests and perspectives	12
SBM-3	Significant impacts, risks and opportunities and their interaction with the strategy and business model	14
IRO-1	Description of the processes for identifying and assessing significant impacts, risks and opportunities	**Error! Bookmark not defined.**
IRO-2	ESRS disclosure requirements covered by the company's Sustainability Report	20

Disclosure requirements reported in the Sustainability Statement regarding ESRS E1

ESRS E1	Disclosure requirement	Page
ESRS 2 GOV-3	Integration of sustainability performance into incentive systems	7
E1-1	Climate change mitigation transition plan	28
ESRS 2 SBM-3	IROs and their interaction with strategy and the business model	23
ESRS 2 IRO-1	Description of the processes for identifying and assessing material climate-related IROs	26
E1-2	Policies relating to climate change mitigation and adaptation	28
E1-3	Actions and resources related to climate change policies	29
E1-4	Targets related to climate change mitigation and adaptation	29
E1-5	Energy consumption and energy mix	30
E1-6	Gross GHG emissions from categories 1, 2 and 3, and total GHG emissions	30

Disclosure requirements reported in the Sustainability Statement regarding ESRS E2

ESRS E2	Disclosure requirement	Page
ESRS 2 IRO-1	Description of the processes for identifying and assessing significant IROs related to pollution	34
E2-1	Policies relating to pollution	34
E2-2	Pollution-related actions and resources	35
E2-3	Pollution targets	36
E2-4	Air, water and soil pollution	36
E2-5	Substances of concern and substances of very high concern	37

Disclosure requirements reported in the Sustainability Statement regarding ESRS E3

ESRS E3	Disclosure requirement	Page No.
ESRS 2 IRO-1	Description of the processes for identifying and assessing significant IROs related to water and marine resources	38
E3-1	Policies relating to water and marine resources	38
E3-2	Actions and resources related to water and marine resources	39
E3-3	Targets relating to water and marine resources	39
E3-4	Water consumption	39

Disclosure requirements reported in the Sustainability Statement regarding ESRS E5

ESRS E5	Disclosure requirement	Page
ESRS 2 IRO-1	Description of the processes for identifying and assessing material IROs related to resource use and the circular economy	40
E5-1	Policies relating to resource use and the circular economy	40
E5-2	Actions and resources related to resource use and the circular economy	41
E5-3	Targets relating to resource use and the circular economy	41
E5-4	Resource inputs	41
E5-5	Resource outflows	43

Disclosure requirements set out in the Sustainability Statement regarding ESRS S1

ESRS S1	Disclosure requirement	Page
ESRS 2 SBM-3	Significant IROs and their interaction with the strategy and business model	44
S1-1	Policies relating to the organization's workforce	45
S1-2	Processes for engaging with employees and employee representatives regarding impacts	48
S1-3	Processes for addressing negative impacts and channels through which own employees can raise concerns	48
S1-4	Adoption of measures regarding significant impacts on the company's workforce and approaches to mitigate significant risks and pursue significant opportunities related to the company's workforce, as well as the effectiveness of these actions	49
S1-5	Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities	50
S1-6	Characteristics of the organization's employees	51
S1-8	Coverage of collective bargaining and social dialogue	51
S1-9	Diversity indicators	51
S1-10	Fair wages	52
S1-14	Health and safety indicators	52
S1-16	Remuneration indicators (pay gap and total remuneration)	52
S1-17	Incidents, complaints and serious human rights issues and incidents	53

Disclosure requirements reported in the Sustainability Statement regarding ESRS S2

ESRS S2	Disclosure requirement	Page
ESRS 2 SBM-3	Significant IROs and their interaction with the strategy and business model	54
S2-1	Policies regarding workers in the value chain	55
S2-2	Processes for engaging with workers in the value chain regarding impacts	57
S2-3	Processes for addressing adverse impacts and channels through which value chain workers can raise concerns	57
S2-4	Adoption of measures regarding significant impacts on value chain workers and approaches to managing significant risks and pursuing significant opportunities related to value chain workers, as well as the effectiveness of these actions	57
S2-5	Targets related to the management of significant negative impacts, the promotion of positive impacts, and the management of significant risks and opportunities	58

Disclosure requirements reported in the Sustainability Statement regarding ESRS S3

ESRS S3	Disclosure requirement	Page
ESRS 2 SBM-3	Significant IROs and their interaction with the strategy and business model	59
S3-1	Policies relating to affected communities	59
S3-2	Processes for engaging with affected communities regarding impacts	60
S3-3	Processes for addressing negative impacts and channels through which affected communities can raise their concerns	60
S3-4	Adoption of measures regarding significant impacts on affected communities and approaches to managing significant risks and pursuing significant opportunities related to affected communities, as well as the effectiveness of these actions	61
S3-5	Targets relating to the management of significant negative impacts, the promotion of positive impacts, and the management of significant risks and opportunities	61
S3	Presentation of specific information	61

Disclosure requirements reported in the Sustainability Statement regarding ESRS S4

ESRS S4	Disclosure requirement	Page
ESRS 2 SBM-3	Significant IROs and their interaction with the strategy and business model	62
S4-1	Policies regarding consumers and end users	64
S4-2	Processes for engaging with consumers and end-users regarding impacts	67
S4-3	Processes for addressing negative impacts and channels through which consumers and end-users can raise concerns	67
S4-4	Adoption of measures regarding significant impacts on consumers and end-users and approaches to managing significant risks and pursuing significant opportunities related to consumers and end-users, as well as the effectiveness of these measures	68
S4-5	Targets related to managing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities	71

Disclosure requirements reported in the Sustainability Statement regarding ESRS G1

ESRS G1	Disclosure requirement	Page
ESRS 2 IRO-1	Description of the processes for identifying and assessing material IROs	73
G1-1	Corporate culture and policies regarding professional conduct and corporate culture	74
G1-2	Management of supplier relationships	78
G1-3	Prevention and detection of corruption and bribery	78
G1-4	Confirmed cases of corruption or bribery	79
G1-5	Exercise of political influence and lobbying activities	79
G1	Presentation of information specific to the Group	79

Annex 2 also sets out the data points derived from other EU legislative acts listed in Annex B of the ESRS 2 standard, indicating the page on which they can be found in the Sustainability Report, as well as those that have been assessed as immaterial.

EU ENVIRONMENTAL TAXONOMY

This section presents the information required to comply with the requirements of EU Regulation No 852/2020 on establishing a framework to facilitate sustainable investment and the related delegated acts. The scope of consolidation is the same as that presented in the consolidated financial statements of MedLife Group.

In accordance with the reporting requirements set out in Delegated Regulation (EU) 2021/2178 on the information to be disclosed by undertakings pursuant to Article 8 of Regulation (EU) 2020/852, the analysis included an assessment of the eligibility and alignment of the Group's economic activities with those defined in the taxonomy's delegated acts, as well as the determination of key performance indicators (KPIs) regarding turnover, capital expenditure (CapEx) and operating expenditure (OpEx). MedLife Group carried out an analysis to identify eligible economic activities based on NACE codes and their descriptions in the Delegated Acts relating to the EU Taxonomy:

- Delegated Act No 2021/2139 ('the Climate Delegated Act'), as amended and supplemented by Delegated Act No 2022/1214 and Delegated Act No 2023/2485, for economic activities that make a substantial contribution to climate objectives: climate change mitigation and adaptation, and
- Delegated Act No 2023/2486 for economic activities that make a substantial contribution to the other four environmental objectives: the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and control of pollution, and the protection and restoration of biodiversity and ecosystems.

In assessing the eligibility and alignment of economic activities, the Group also took into account the provisions of the Simplification Delegated Act adopted by the European Commission on 4 July 2025 (Omnibus Delegated Act), which amends the reporting framework set out in Article 8 of Regulation (EU) 2020/852 and introduces a proportionate approach to the analysis of eligible activities. In accordance with these provisions, economic activities that account for a limited share of the taxonomy indicators may be considered immaterial for the detailed eligibility and alignment analysis. For the reporting relating to the financial year ending 31 December 2025, the Group has opted for the early application of the new reporting requirements set out in Simplification Delegated Act 73/2026. Consequently, the taxonomy performance indicators (turnover, CapEx and OpEx) have been determined in accordance with the updated methodology applicable from 1 January 2026.

The taxonomy indicators are calculated based on the Group's consolidated financial data, which are prepared and presented in accordance with International Financial Reporting Standards (IFRS), using the same scope of consolidation as that used for the annual financial statements. The eligibility assessment covered all significant economic activities carried out by the entity and its consolidated subsidiaries, as well as investments made during the reporting period. The process of assessing eligibility and aligning activities with the EU Taxonomy included the following steps:

- Identification of the group's economic activities and their correlation with internal classifications of revenue and investments.
- Analysis of the correspondence between the identified activities and the economic activities described in the delegated acts of the EU Taxonomy, based on the technical description of the activities and the applicable activity codes.
- Determining the eligibility of revenue-generating activities, capital expenditure (CapEx) and operating expenditure (OpEx) in relation to the economic activities included in the taxonomy.

This analysis revealed that, in 2025, the Group carried out certain eligible activities:

- *Eligible turnover: 7.7. The acquisition and holding of buildings* carried out by RUR Medical, which operates in the field of property letting, with CAEN code 6810 – 'Purchase and sale of own real estate' as a secondary activity.
- *Eligible CAPEX: 7.1. The construction of new buildings* carried out by Medicis, a company providing healthcare services which owns a newly constructed building housing a hospital and which has an energy performance at least 10% lower than the threshold set for NZEBs.
- *Eligible CAPEX: 7.2. The renovation of existing buildings* at the SAMA Medical Centre and Solomed Clinic, which provide healthcare services and have carried out major renovation works.

For activity CCM 7.7, MedLife Group recorded revenue, and for activities CCM 7.1 and 7.2, the Group recorded CapEx expenditure of type c) in accordance with the provisions of Article 1.1.2.2 of Annex I to Delegated Act No 2021/2178. The eligible activities carried out in 2025 contribute to a single environmental objective

No OpEx operating expenditure was identified for any of the eligible activities. The Group carried out an assessment of the technical alignment criteria for these activities, concluding that all eligible activities are not aligned with the taxonomy.

Revenue is measured in accordance with IFRS 15 and recognized upon the transfer of control to the customer, whilst capital expenditure (CapEx) complies with the principles of IAS 16 (Property, Plant and Equipment), IFRS 16 Leases and IAS 38 (Intangible Assets), and operating expenses (OpEx) are recorded in accordance with IFRS guidance on the recognition of costs. MedLife Group has adopted measures to prevent double counting by ensuring that the allocation of revenue and expenses between economic activities eligible for taxonomy is carried out in a consistent and transparent manner, accurately reflecting the performance of each economic activity.

Following an analysis of the Group's activities and the structure of its revenue and investments, it was found that the revenue and capital expenditure associated with activities that could fall within the scope of the taxonomy are not material to the Group's business model:

- Eligible turnover represents 0.02% of the Group's total turnover. Turnover generated in 2025, which is ineligible, accounted for 99.98% of the total.
- The percentage of eligible and unaligned CapEx expenditure is 5.5%, whilst that of ineligible CapEx expenditure is 94.5% of the total.
- The percentage of eligible and non-aligned OpEx expenditure is 0%, whilst that relating to ineligible OpEx expenditure is 100% of the total of these expenditures

Consequently, for the reporting period, the taxonomy indicators relating to turnover and capital expenditure (CapEx) are presented as 0% eligible and 0% aligned, and the detailed analysis of the technical screening criteria, including the assessment of substantial contribution and the 'Do No Significant Harm' principle, was not applicable.

The comparative information presented for the 2024 financial year reflects the taxonomy indicators calculated in accordance with the reporting requirements applicable at that time, prior to the entry into force of the amendments introduced by the simplification delegated act. Consequently, the comparative indicators for 2024 are calculated based on the previous methodology set out in the reporting framework applicable until 31 December 2025, whilst the indicators for the 2025 financial year are calculated in accordance with the updated methodology applicable from 1 January 2026. This methodological difference may affect the comparability of indicators between reporting periods.

The Group monitors developments in the European legislative framework regarding the EU Taxonomy and the expansion of the scope of eligible activities. Should future updates to the delegated acts include economic activities relevant to the Group's business model or investments made, the company will review the assessment of eligibility and alignment accordingly in future reporting periods

ESRS E1 – CLIMATE CHANGE

[E1.SBM-3] - SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

The following table lists the impacts, risks and opportunities related to climate change that MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and where the impact occurs. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on climate change impacts, risks and opportunities ESRS E1

		Stakeholders							Business lines						
#	Brief description	*Employees & Workers*	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Other*	**Downstream**
M1	The potential impact of climate risks on our own operations	✓							✓	✓	✓	✓	✓	✓	
RO2	Climate change may affect the Group's infrastructure and operations, thereby disrupt service continuity and increase operational costs							✓	✓	✓	✓	✓	✓	✓	✓
RO4	An increase in the frequency and severity of extreme weather events may lead to increased demand for healthcare services									✓	✓	✓	✓		
M3	GHG emissions generated by activities in the value chain				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
RO1	The likelihood of further regulations on greenhouse gas (GHG) emissions and the climate transition by 2050							✓	✓	✓	✓	✓	✓	✓	✓
M5	Non-renewable energy consumption in upstream and downstream value chain activities				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

These negative impacts generate the following effects:

- *potential negative impact on the workforce due to inadequate preparation of the company's own operations to cope with the natural risks generated by climate change, as a result of failing to implement an adaptation plan.*
- *contributes to long-term climate change and harm to people through the generation of GHG emissions in its own activities and those in the upstream and downstream value chain.*
- *contributes to environmental impact as a result of energy consumption from non-renewable sources in its own activities and in those within the upstream and downstream value chain.*

As regards the identified risks and opportunities, these may have the following financial implications:

- *on its financial position and performance, as well as on medium- and long-term cash flows, through the impact of additional regulations on greenhouse gas (GHG) emissions and the climate transition.*
- *on operating costs and service continuity due to climate change leading to chronic physical risks (changes in climate patterns) as well as acute risks (extreme events) that may affect the Group's infrastructure and activities. These risks are linked to rising or falling temperatures, reduced rainfall, floods or wildfires, and storms; phenomena that may lead to: increased electricity and gas consumption; water supply restrictions, disruptions in the supply chain, damage to buildings, equipment and energy and gas supply systems; business interruptions.*
- *increased revenue by attracting a larger number of patients and diversifying MedLife Group's medical services as a result of greater demand for medical services generated by the intensification of extreme weather events.*

For MedLife Group, significant IROs related to climate change mitigation, climate change adaptation and energy efficiency are closely linked to the Group's strategy and business model. These are evident both in its own activities, such as the operation of medical facilities and other premises where the Group carries out its activities, and in its business relationships with suppliers. The Group's resilience to these factors is influenced by regulations on renewable energy, as well as by effective collaboration within the value chain, in order to achieve our commercial and sustainability objectives.

Impact M1 refers to the potential effect of climate risks on the Group's internal operations and workforce, caused by insufficient preparedness to address the risks generated by climate change, in the absence of an adaptation plan. Although there is currently no imminent or direct risk to the safety of employees, contractors or visitors to the Group's premises, climate risks could affect the integrity of buildings and operating conditions in the future as the effects of climate change intensify. The Group's activities involve a significant number of employees and contractors who work in various locations that could be exposed to climate risks, which could endanger their safety in the event of extreme weather events. Furthermore, the Group's business model involves direct interaction with patients and customers on its premises, and they may also be vulnerable to extreme weather events that could affect the integrity of the buildings it owns.

Impact M3 refers to the Group's contribution to climate change through Scope 1 and 2 (GHG) emissions generated by its own activities and through S3 within the upstream and downstream value chain. Scope 1 emissions come from direct sources, such as heating plants and fuel consumption for company vehicles, whilst Scope 2 emissions come from electricity consumption for the operation of the Group's premises and equipment. Scope 3 emissions are indirect and originate from suppliers, the transport of raw materials and the distribution of finished products, patients, etc.

In parallel, **impact M5** refers to the consumption of non-renewable energy in the Group's own activities and in activities within the value chain, originating from conventional sources such as gas, oil or coal. These sources are used in internal processes, the operation of equipment and in the heating or cooling systems of buildings.

Upstream, this consumption relates to the energy used by suppliers to produce raw materials, and downstream, to the energy consumed for the distribution and use of products by customers.

The impact of additional regulations on greenhouse gas (GHG) emissions and the climate transition by 2050 (RO1) poses a risk of substantial investment to align operations with new sustainability standards. These investments may include modernizing infrastructure to reduce non-renewable energy consumption, transitioning to green energy sources, and continuing the digitalization of processes to optimize resource use. Compliance costs will become significant, impacting operational performance; however, at the same time, the measures implemented may lead to reduced energy consumption and, consequently, lower long-term costs.

The increase in the frequency and severity of extreme weather events may also present an opportunity for the Group (RO4), through higher demand for medical services, including treatments for heatwave-related illnesses, respiratory conditions exacerbated by pollution, and water- and air-borne infections. In the long term, this opportunity may contribute to revenue growth by attracting a larger number of patients and diversifying MedLife Group's medical services. Adapting infrastructure and developing specialized medical solutions will enable the Group to respond effectively to new needs, consolidating its market position and strengthening its financial resilience.

As part of its climate risk analysis (RO2), MedLife identifies two major categories of climate risks: physical risks[1] and transition risks.

Acute physical risks

Acute physical risks include extreme weather events, such as heatwaves, storms, floods and wildfires. These phenomena can directly affect MedLife's infrastructure, patient access and public health.

Risk type	Description SSP2-4.5	Description SSP5-8.5	Impact
Heatwaves	Increased frequency of heatwaves, particularly in urban areas, with extreme temperatures exceeding 40°C in future summers.	Heatwaves become much more intense and frequent, with temperatures exceeding 45°C, affecting vulnerable people in particular.	Increase in the number of patients suffering from heatstroke, cardiovascular problems and dehydration. High air-conditioning costs
Storms and extreme rainfall	Heavier rainfall over a short period, but varying by region. Some areas may experience longer droughts, while others may have torrential downpours.	Much more frequent extreme storms, increased risk of flooding in low-lying areas and damage to infrastructure.	Possible damage to clinics and hospitals, difficulties in transporting patients and medical staff, supply chain disruptions or interruptions to utility services.
Urban flooding	Increased risk of flooding in towns along major rivers, but limited impact at national level.	Frequent and more intense flooding, including significant risk to urban infrastructure.	Additional costs for reconstruction and adaptation.
Drought and water availability	Risk of dry summers, which may affect the availability of public water resources	Severe water stress, which may impact the continuity of medical services.	Increased costs associated with water procurement, possible service disruptions in the event of severe droughts. Impact on hygiene in hospitals.

Heatwaves. The increased frequency of heatwaves puts pressure on medical infrastructure. Extremely high temperatures can affect the thermal comfort and safety of patients and staff and may lead to an increase in the incidence of medical emergencies (heatstroke, dehydration, cardiovascular complications). For MedLife, heatwaves impose increased operational costs due to the cooling of buildings (clinics, hospitals) and the protection of temperature-sensitive medical equipment (e.g. laboratory or imaging equipment must be maintained within optimal ranges). Medical facilities will consume more electricity for air conditioning, leading to higher energy bills and energy efficiency challenges. Thus, the risk of extreme heat is present in the short term (heatwaves occur annually in Romania) and will become even more severe in the medium and long term against the backdrop of ongoing global warming.

Storms and extreme weather events. Historical observations and climate projections based on these indicate an increase in the frequency of weather events such as large hailstones, lightning strikes, strong winds and tornadoes. As regards large and very large hailstones, the southern part of Romania, particularly Oltenia and Muntenia, is most prone to this phenomenon. This phenomenon can cause significant damage to buildings, vehicles and other property. Climate change increases the likelihood of violent storms, extreme short-term rainfall and localized flooding. These events can cause damage or disruption to MedLife buildings (roofs, flooded basements, affected IT infrastructure) and may interrupt the normal operation of medical facilities. Furthermore, extreme weather events can disrupt transport and utility networks: power cuts, interruptions to the water supply or blocked access to certain clinics.

Flooding. The urban environment is prone to this risk, as the capacity to absorb significant amounts of rainfall is limited due to the size of the drainage systems, as well as dry soil that does not allow water to infiltrate or large concrete surfaces. Flooding poses a particular risk to locations in low-lying areas or along river courses: water can damage expensive equipment and incur costs for repairs, reconstruction and emergency interventions. For example, a flooded hospital or clinic may require the relocation of patients and the suspension of operations whilst repairs are carried out. Consequently, the risk of physical damage from storms and floods is already a reality (short term: 2025–2030) – as Romania periodically faces severe flooding – and is expected to increase in the medium term (2030–2040) and long term (2040–2050), as episodes of heavy rainfall become more frequent under pessimistic climate scenarios.

Drought. Prolonged droughts have the potential to increase the cost associated with water consumption, due to a reduction in the available quantity. Both scenarios considered may affect MedLife's current operations. Although less immediately apparent, changes in rainfall patterns may lead to prolonged droughts and water shortages in certain regions. MedLife facilities rely on running water for sterilization, hygiene, air conditioning (cooling towers), laboratories and other services. A severe drought could put pressure on drinking and domestic water supplies, requiring investment in alternative systems (e.g. rainwater harvesting systems or private boreholes).

Chronic physical risks

Chronic risks refer to long-term climate changes that affect temperature, precipitation and environmental conditions. These can have cumulative effects on public health, healthcare infrastructure and the resources required for the healthcare system to function.

Risk type	Description SSP2-4.5	Description SSP5-8.5	Impact
Rise in average temperatures	Average temperature rise of approximately 2–3°C by 2100, with longer and hotter summers.	Temperature rise of over 4.4°C, extremely hot summers, heatwaves lasting for weeks.	Higher operational costs for air conditioning, risk to the health of patients and medical staff.
Changes in rainfall patterns	Moderate droughts in some regions, whilst others receive more rainfall.	Severe and prolonged droughts, alternating with torrential rain causing landslides and flooding.	Impact on water resources used in hospitals and clinics. Need for rainwater harvesting systems.
Impact on water resources	Moderate risk to water resources during dry periods.	Severe water stress, with the potential for a crisis in certain regions.	Increased costs to ensure a stable water supply in healthcare facilities.
Changes in the distribution of infectious diseases	Emergence of new outbreaks of vector-borne diseases. Emergence of new viruses due to the melting of ancient glaciers.	Expansion of areas where tropical diseases are prevalent, increased risk of gastrointestinal diseases due to contaminated water. High risk of several new viruses emerging simultaneously.	Increased demand for medical services, the need for more advanced epidemiological preparedness.

[1] Acute or chronic

Transition risks

European and national regulations on climate change impose stricter standards regarding energy efficiency and the reduction of greenhouse gas emissions, having a direct impact on the private healthcare sector, including MedLife.

The European Climate Law, the National Strategy for Emissions Reduction and the National Integrated Energy and Climate Plan (PNIESC) set clear targets for achieving climate neutrality by 2050 and reducing emissions by at least 55% by 2030. These targets translate into obligations for companies, such as carrying out regular energy audits, improving the energy efficiency of buildings and equipment, and adopting renewable energy solutions. For MedLife, these regulations may generate additional costs due to the need to comply with the new requirements, including the possible introduction of carbon taxes that could increase operational expenses, particularly for energy consumption and the heating of medical facilities.

At the same time, the transition to a low-carbon economy brings significant **technological risks**, given that certain medical equipment can be highly energy-intensive, and efficiency solutions require substantial investment. The adoption of more energy-efficient medical technologies and the digitalization of processes are essential for maintaining competitiveness. MedLife could be adversely affected if it fails to invest in innovative solutions, such as smart energy management systems, energy-optimized medical equipment or digital platforms that reduce the need for physical resources.

Another risk factor is **changes in the behaviour of consumers and business partners**, who are becoming increasingly aware of the environmental impact. Patients and investors may favor healthcare providers that implement sustainable practices, such as the use of green energy, reducing resource waste and the responsible management of medical waste. MedLife must consider integrating these aspects into its strategy to maintain and expand its customer base, as well as to meet the increasingly stringent requirements from funders and institutional partners.

Furthermore, **rising energy and raw material prices** represent a major financial risk, having a direct impact on operating costs. The implementation of carbon taxes (ETS2) and other policies to discourage the use of fossil fuels may increase MedLife's operating expenses, particularly in terms of electricity consumption, heating of facilities and the transport of medical supplies.

The European Urban Wastewater Treatment Directive (UWWTD) requires the pharmaceutical and cosmetics industries to fund the modernization and operation of wastewater treatment plants to remove micropollutants. This measure could lead to a significant increase in costs for generic drug manufacturers, thereby affecting the availability of essential medicines on the market.

Resilience analysis

In the case of MedLife, the resilience analysis focused on identifying significant climate risks that could affect the company's operations and its value chain, including activities in its clinics, hospitals, laboratories and centers of excellence. For the purposes of this analysis, certain significant physical risks, such as flooding at sites near rivers or heatwaves in major cities, were included in the risk analysis, whilst others, such as risks related to rarer or localized weather events, were excluded if their impact was deemed insignificant. With regard to transition risks, MedLife analyzed European regulations requiring sustainability reporting and the reduction of carbon emissions.

In the resilience analysis carried out for MedLife, the value chain is assessed from a qualitative perspective, taking into account the climate risks relevant to the company's activities. Although the analysis covers the value chain, it was not carried out quantitatively for all stages of the process. Thus, the climate risk assessment focuses on the general identification of physical and transition risks, but does not include a detailed quantification of the impact on each component of the value chain. Instead, only those risks that may directly affect MedLife's key operations have been considered, without including all potential risks that are more specific and particularly relevant to upstream or downstream parties.

Climate change generates two major categories of risks for MedLife (a critical healthcare infrastructure operator), as outlined above: physical risks and transition risks. The identification and assessment of climate risks for MedLife were carried out in accordance with the TCFD framework and the recommendations of the IPCC, WHO and the European Climate Risk Assessment. The process involved several stages.

- In the first stage, climate data were collected and analyzed using the SSP2-4.5 and SSP5-8.5 scenarios to assess trends in temperatures, precipitation and the frequency of extreme weather events, and by integrating data from *the 2024 State of the Climate in Romania* to identify vulnerable regions in Romania. This information enabled the drafting of an initial list of potential hazards. Further details are presented in ESRS 2 IRO-1 in this section.
- In the second stage, the risks relevant to MedLife were identified from the list of hazards by correlating each phenomenon with MedLife's presence in exposed areas, taking into account exposure (MedLife locations to identify whether they are in risk areas – e.g. floodplains or densely populated urban centers) and vulnerability (determining the degree of preparedness or fragility of the infrastructure in the face of the identified risks). For example, the 'flooding' hazard was considered relevant because MedLife has facilities in riverside towns (Galati, Braila on the Danube; Iasi on the Bahlui; Budapest on the Danube, etc.), so exposure exists, and vulnerability depends on existing protective measures. Subsequently, within the same stage, a qualitative and quantitative assessment of the identified risks was carried out, with each identified climate risk being assessed based on three main criteria: probability – how likely a specific climate risk is to occur within a given timeframe; magnitude of impact – the extent of the impact the risk may have on MedLife's operations and assets; and duration of the hazard – the period of time during which the effects of a climate risk are felt, both as a direct impact and as secondary effects on infrastructure and operations.
- The third stage involved assessing the following categories of climate risk impacts on MedLife:
  - ✓ impact on infrastructure: medical facilities located in areas of high climate risk (e.g. Bucharest, Cluj-Napoca, Timișoara for heatwaves; Moldova and south-western Romania for floods).
  - ✓ Operational impact: risks relating to the availability of essential resources (water, energy), and rising maintenance and heating/cooling costs.
  - ✓ Financial impact: additional costs for ESG compliance, carbon taxes and investments required for adaptation.
- In stage 4, adaptation and risk mitigation strategies were identified: modernizing infrastructure to withstand climate risks; transitioning to renewable energy sources and reducing resource consumption; creating contingency plans to ensure business continuity in the event of extreme weather events that could affect critical infrastructure.

Climate risks require a series of strategic investments to minimize losses and improve operational resilience. This chapter analyzes the financial impact of these risks on MedLife's operations in the short, medium and long term. MedLife must take into account both the direct and indirect costs generated by climate risks on infrastructure, suppliers and the demand for medical services.

Table on the potential financial impact of physical climate risks

Risk	Potential financial impact
Frequent and intense heatwaves	Increased costs of cooling medical premises and protecting temperature-sensitive equipment. Impact on energy efficiency and increased energy bills.
Extreme weather events (storms, floods)	Damage to hospital infrastructure, reconstruction and maintenance costs, operational disruptions.
Increased incidence of diseases caused by climate change	Increased demand for medical services related to respiratory diseases, cardiovascular conditions and vector-borne diseases.
Disruptions in the supply chain	Increased costs for raw materials and medical equipment due to transport being affected by extreme weather events.

The impact of **transition risks on costs and revenues.** Transition risks, driven by legislative regulations and changes in consumer preferences, can generate both additional costs and growth opportunities for MedLife.

Table on the potential financial impact of climate transition risks

Regulation/Factor	Financial impact for MedLife
Carbon taxes and costs associated with emissions	Increased energy and fuel costs, particularly if infrastructure is not energy-optimized.
Directive 2022/2464 (CSRD)	Administrative costs for calculating and reporting emissions, as well as for implementing compliance measures, including auditing sustainability statements.
Transition to renewable energy	The need for initial investment in solar systems, heat pumps and energy optimization of healthcare facilities.
Changes in consumer demand	Increased competition in the healthcare sector from clinics with well-defined ESG strategies and a shift in patient preference towards sustainable providers.

To accurately assess the financial impact, MedLife considered two climate scenarios*: SSP2-4.5* and *SSP5-8.5.*

Table of climate scenarios used in the climate risk analysis

Time horizon	SSP2-4.5 – Moderate impact	SSP5-8.5 – Severe impact
2025–2030	Moderate costs associated with regulatory compliance, initial investments in green energy and energy efficiency.	Accelerated costs associated with adapting to extreme temperatures, immediate investments in resilient infrastructure.
2030–2040	Costs stabilize, but with the need for ongoing investment in energy optimization and waste management.	Rapid rise in operational expenditure, supply disruptions and high costs associated with natural disaster management.
2040–2050	Climate neutrality achieved at EU level, stabilized operating costs, competitiveness in the sustainable healthcare market.	Severe economic impact, high costs of adapting to extreme events and increased risk of regulatory penalties.

[E1.IRO-1] - DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

This disclosure should be read in conjunction with the information presented in SBM-3 in this section.

To identify and assess risks and opportunities related to climate change, MedLife Group analyzed all activities carried out in Romania, Hungary and the Republic of Moldova, as well as the main operations in the value chain, both upstream and downstream. Internal experts from various departments were also consulted to provide perspectives on the magnitude, scope, likelihood of occurrence and irreversibility of the identified impacts. Since 2024, the Group has been monitoring and managing greenhouse gas (GHG) emissions resulting from its own activities and those within the value chain, using methodologies compliant with international standards, such as the Greenhouse Gas Protocol.

MedLife has identified the physical risks associated with climate change that could affect both its own operations and the value chain, including suppliers and customers, in order to assess how these risks impact the company's internal operations.

For MedLife Group, the identification of climate risks was carried out through a multi-stage structured process as described above in *SBM-3 of this section*, based on a clear methodology and relevant data sources, which enabled a comprehensive assessment of climate risks. The methodology was based on a detailed 'cascade' screening process, starting at the European level and continuing with a focus on the specific characteristics of Eastern Europe and Romania. In the first stage, climate trends observed in Europe were studied, using available data on the frequency and intensity of extreme weather events, such as heatwaves, changes in precipitation patterns and sea-level rise, with these risks impacting several sectors, including health, agriculture and infrastructure.

Next, climate projections for Central and Eastern Europe, including Romania, based on the SSP2-4.5 and SSP5-8.5 scenarios, were used to assess the impact of changes in average temperatures and precipitation patterns, taking into account potential droughts and floods. Based on these data and projections, major climate risks were identified, such as heatwaves, prolonged droughts and floods, which can affect not only human health but also water resources and agriculture. MedLife used this information to draw up an initial list of risks that could influence the company's operations and infrastructure. Furthermore, the risk identification process was supplemented by integrating data from *the 2024 Romanian Climate Status report* and by utilising IPCC and WHO recommendations, ensuring a comprehensive assessment of the climate risks specific to MedLife's activities.

The physical risk assessment was carried out by analyzing the vulnerability of the company's critical infrastructure and economic activities to the identified climate phenomena. This enabled MedLife Group to better understand the potential impact of climate change on its assets. As part of the analysis, MedLife assessed the exposure of its infrastructure and operations to these risks, taking into account the locations of its facilities (e.g., hospitals and clinics situated in areas vulnerable to flooding or heatwaves). It also assessed how these risks affect the availability of resources, given the reliance on energy and water suppliers, who may be affected by climate change. Consequently, activities within the value chain were implicitly included in the analysis. The identified risks include disruptions to water and energy supplies, increased maintenance costs, and the need for investment in adapting infrastructure to address these challenges. The assessment considered the physical impact of hazards on the company's activities and assets, creating physical risks that may affect MedLife's current and future operations.

The vulnerability assessment was carried out based on geographical location within the country, identifying for each risk the most vulnerable areas of Romania. For example, riverside towns or urban areas exposed to heatwaves or flooding were identified. As part of this assessment, a brief overview was provided of the potential impact of each risk on infrastructure, such as possible damage or disruption to medical facilities. However, the specific vulnerability of asset types was not subject to a detailed assessment at this stage.

In the process of identifying climate risks, climate scenarios for the periods 2031–2050 and 2071–2100 were used, compared with the reference period 1971–2000, to assess their evolution over time. Each climate risk was analyzed in terms of its applicability over short-term (2025–2030), medium-term (2030–2040) and long-term (2040–2050) time horizons. For each of these timeframes, the applicability of the climate risk was detailed and the anticipated effects on the company's assets, infrastructure and operations were described, including supply-related aspects. For example, for heatwaves, the potential impacts on employee health and infrastructure, as well as on the supply chain for critical resources, were analyzed. This approach has enabled a detailed understanding of the risks and financial impacts for each time horizon, facilitating the planning, prioritization and implementation of appropriate mitigation and adaptation measures.

Aligning time horizons with assets, strategic plans and capital allocation

Assets: the useful life of MedLife's infrastructure, medical equipment and technologies before they require replacement, modernization or adaptation to new climatic and technological conditions.

Table showing the correlation of time horizons with the Group's assets

Type of asset	Estimated lifespan	Relevance to climate risk analysis
Buildings (hospitals, clinics, laboratories)	30–50 years	New buildings must be energy-efficient and resilient to extreme weather events.
Medical equipment (MRI, CT, laboratory equipment)	7–15 years	Equipment must withstand higher temperatures and be energy-efficient.
Vehicle fleet (ambulances, transport vehicles)	5–10 years	Transition to electric/hydrogen or low-emission vehicles to reduce emissions.
IT infrastructure and data centers	5–10 years	Requires protection against the risks of overheating and power fluctuations.

The impact of climate risks on the lifespan of assets is shown in the table below.

Table on the impact of climate risks on the lifespan of the Group's assets

Timeframe	Measures

Short term (2025–2030)	Need to adapt existing equipment to cope with higher temperatures and improve energy efficiency
Medium term (2030–2040)	Investments in building retrofits to reduce energy consumption and climate impact.
Long term (2040–2050)	Decisions regarding the relocation or closure of facilities vulnerable to flooding or prolonged drought.

Strategic planning: integrating climate risks to maintain service continuity and operational sustainability.

Table showing the correlation between time horizons and the Group's strategic planning

Time horizon	Relevance to the MedLife strategy
Short term (2025–2030)	Rapid implementation of energy consumption reduction measures and compliance with ESG regulations.
Medium term (2030–2040)	Modernisation of infrastructure and equipment to reduce climate impact.
Long term (2040–2050)	Adapting the entire business model to remain competitive in a climate-neutral economy.

The influence of climate risks on strategic planning is presented in the table below.

Table on the influence of climate risks on the Group's strategy

Timeframe	Measures
Short term (2025–2030)	Compliance with ESG requirements (e.g. CSRD, EU Taxonomy), reduction of emissions and implementation of energy efficiency measures.
Medium term (2030–2040)	Investments in sustainable infrastructure and green technologies to increase climate resilience.
Long term (2040–2050)	Adapting the business model to the green economy, with fully decarbonized and energy-efficient medical facilities.

Capital allocation: MedLife's capital allocation decisions must take into account the need for investment in sustainable infrastructure and the reduction of long-term operating costs.

Table showing the correlation between time horizons and the Group's capital allocation

Time horizon	Type of priority investments
Short term (2025–2030)	Procurement of energy-efficient equipment, introduction of ESG reporting, energy audit.
Medium term (2030–2040)	Modernization of medical infrastructure, investment in renewable energy and energy efficiency.
Long term (2040–2050)	Technological innovation, adoption of a climate-neutral business model.

The impact of climate risks on capital allocation is presented in the table below.

Table on the impact of climate risks on the Group's capital allocation

Time horizon	Measures
Short term (2025–2030)	MedLife must allocate capital for energy audits, ESG reporting and energy-efficient equipment.
Medium term (2030–2040)	Major investments in the thermal refurbishment of hospitals, solar panels and heat pumps.
Long term (2040–2050)	Capital allocation must support fully decarbonized hospitals and technological innovation.

As part of the next stage of identifying climate risks relevant to MedLife, the process involved correlating the identified hazards with the company's locations and activities. Thus, the exposure of MedLife facilities in areas subject to various climate risks was analyzed, and the vulnerability of the infrastructure to these risks was assessed, taking into account existing protective measures. The assessment of the identified risks[2] was carried out using a qualitative and quantitative approach, based on three main criteria: the probability of a climate risk occurring within a specific timeframe, the magnitude of the impact on MedLife's operations and assets, and the duration of its effects. Each criterion was assessed on a scale of 1 to 5, providing a detailed estimate of the risks based on these dimensions. For example, for probability, risks were classified according to their estimated frequency, from 'very low' to 'very high', whilst the magnitude of the impact was assessed in terms of financial costs and operational effects. The duration of the effects was measured in terms of time periods, ranging from short-term impacts lasting a few days to longer-lasting effects that may affect infrastructure and operations in the long term. The final score assigned to each risk represented the average of the three assessments, thereby enabling a prioritization of climate risks relevant to MedLife, with a view to implementing effective mitigation and adaptation strategies.

This analysis assesses the impact of climate risks in the context of two climate scenarios, namely:

- **SSP2-4.5**: The 'middle-of-the-road' scenario, which projects a global temperature increase of approximately 2.7°C by 2100, should greenhouse gas emissions stabilize in the second half of the century.
- **SSP5-8.5**: The 'business-as-usual' scenario, in which the extensive use of fossil fuels and the accelerated rise in emissions lead to a global temperature increase of over 4.4°C by 2100.

In the analysis carried out, there is no differentiation between the impact assessments of these two scenarios, but rather a cumulative approach, integrating the identified climate risks into a composite score for both scenarios. This means that the climate risk assessment[3] is conducted at a global level, based on a global score, without differentiating the effects of each individual scenario. Thus, the analysis provides an overview of climate risks, without detailing the specific impact of each emissions pathway.

The scenarios were chosen to reflect both the possibilities for a transition to a greener economy (via the SSP2-4.5 scenario) and the extreme physical risks associated with continued greenhouse gas emissions (via the SSP5-8.5 scenario). The assessment was carried out within a clear timeframe, based on defined time horizons: short (2025–2030), medium (2030–2040) and long (2040–2050). In this analysis, consideration was given not only to physical risks, such as heatwaves, droughts and floods, but also to transition risks linked to regulations and technological changes, including the impact on MedLife's infrastructure and supply chains.

MedLife applied a detailed methodology for screening relevant legislation to assess the risks and opportunities associated with the climate transition. In this regard, the company took into account the European and national legislative framework, considering regulations that directly influence the private sector, as well as those that apply to the entire economy.

Among the relevant European regulations, MedLife assessed the European Climate Law (targets to reduce greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels, and the establishment of a climate neutrality target by 2050). Furthermore, the Renewable Energy Directive (RED II) requires Member States to ensure that at least 32% of energy consumed comes from renewable sources by 2030, thereby influencing the company's decisions regarding the energy sources used in its operations. Furthermore, MedLife has analyzed Romania's long-term strategy for reducing greenhouse gas emissions – 'Romania Neutral by 2050' – which details the measures required to achieve climate neutrality. These measures include promoting energy from renewable sources, decarbonizing the transport sector and buildings, as well as prioritizing recycling and waste management systems. Furthermore, the 2021–2030 Integrated National Energy and Climate Change Plan was assessed, taking into account its energy efficiency and emissions reduction targets, which are essential for integrating climate objectives into economic activities and the private sector.

To assess transition opportunities, MedLife applied a screening methodology that takes into account societal and technological trends relevant to the health sector. This methodology includes an analysis of global and local trends in green technologies, such as energy efficiency solutions and renewable energy sources, to identify their impact on the company's operations and activities.

With regard to the methodological analysis, MedLife has taken into account international guidelines and best practices in the field, such as the 'Operational Framework for Building Climate Resilient and Low Carbon Health

[2] Professional judgement based on reviewed sources

[3] The same applies to transitional cases

Systems' (WHO, 2023), which emphasizes the need for health systems to invest in developing the skills of healthcare staff. These skills are essential not only to address climate risks but also to facilitate the transition to a low-carbon operating model.

In its analysis of transition risks and opportunities, MedLife identified relevant transition events in the short, medium and long term, but did not fully follow the detailed format of the ESRS standards. Although it focused primarily on the legislative framework, which is a significant component of the transition risk assessment, the time horizons for identifying these risks largely coincide with those used in the assessment of physical risks, namely 10 years or more, in line with public climate objectives. Thus, MedLife addressed transition risks in the context of European and national regulations, such as the European Climate Law and the National Health Strategy, which have a significant impact on the company's activities in the medium and long term. Although it did not strictly follow the ESRS framework, the general approach adheres to the same fundamental principles of integrating climate objectives into long-term strategies, thereby contributing to an overall framework for adapting to climate change and the transition to a low-carbon economy.

In assessing the exposure of MedLife's activities and assets to the identified transition events, the company applied the same scoring methodology used for physical risks. Thus, factors such as the magnitude, probability and duration of transition events were taken into account, with a detailed assessment of their impact on the company's operations and activities. This approach enabled a clear estimation of MedLife's exposure and sensitivity to transition risks, in a manner similar to that used for physical risks, providing a consistent framework for the analysis and management of climate risks in both contexts.

As part of the assessment, MedLife identified the assets and activities that are incompatible with the transition to a climate-neutral economy or that require significant efforts to become compatible with this transition. For example, some of its assets may be considered 'locked-in emissions', having significant greenhouse gas emissions already locked into the infrastructure or being incompatible with the alignment requirements of the EU Taxonomy (Commission Delegated Regulation (EU) 2021/2139). These assets and activities require careful review and adjustment measures to comply with long-term climate objectives. An example of such assets is old buildings and infrastructure that use conventional energy sources and which must undergo significant renovation or modernization processes to meet emission reduction requirements. Given that climate scenarios present projections for future periods, the Group analyzed the potential impact on the consolidated financial statements as at 31 December 2025 and identified no impact thereon, considering that it is not necessary to present additional information in the consolidated financial statements, for which reason no reconciliation is required between the climate scenarios used in this section and the respective assumptions.

[E1-1] – CLIMATE CHANGE MITIGATION TRANSITION PLAN

At present, the Group does not yet have a Transition Plan in place, but is considering establishing an appropriate plan for the medium term (up to 2030).

[E1-2] - POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

MedLife's Sustainability Policy

MedLife Group's **Sustainability Policy** applies to all its internal activities, including its own operations, as well as the entire value chain, with the aim of reducing environmental impact and adapting to climate change. It was developed under the guidance of the Sustainability Department and approved by the Board of Directors. Within MedLife Group, the Sustainability Department will provide support to line management for the implementation and monitoring of this sustainability policy.

The Group's sustainability policy is developed in accordance with the principles of the United Nations Global Compact and is aligned with the objectives set out in the United Nations Sustainable Development Goals. Adherence to these international initiatives reflects the Group's commitment to integrating environmental, social and governance considerations into operational processes and into the policy framework relevant to climate change.

This policy has been drawn up in accordance with the sustainability standards in force at the time of drafting, including the requirements imposed by environmental permits, Directive 2008/98/EC and action plans at European Union level, such as the Circular Economy Action Plan (Circular Economy Action Plan – CEAP) and the 'Zero Pollution' Action Plan. The policy is applicable within the framework of the relevant legislation and regulations in force for the companies covered by its scope.

In establishing the Sustainability Policy, MedLife has taken into account the interests of stakeholders, considering both economic responsibilities and social and environmental impacts. Patients, as the primary beneficiaries, have high expectations regarding the safety and accessibility of healthcare services. Furthermore, local communities are keen to see the development of an efficient healthcare network, and nature plays a vital role in sustaining the ecological balances essential to human health. These interests have been identified through regular consultation and feedback processes, including satisfaction surveys and dialogues with local communities, patients, clients and suppliers. The double materiality process has helped to prioritize impacts, risks and opportunities, aligning the policy with the needs of stakeholders.

This policy is communicated to all our employees, contractors, patients and clients, and to all external stakeholders, including suppliers, through specific communication measures, to ensure their consistency and agreement throughout the implementation process. The policy is currently available to the public on the MedLife website (www.medlife.ro).

The policy addresses both emission reduction and climate change adaptation and energy efficiency, reflecting the Group's commitments to the European Green Deal and international climate strategies.

The policy covers the impacts and risks relevant to the Group. These include the potential effects of climate risks on the Group's own operations (M1), GHG emissions generated by its own activities and those in the value chain (M2 and M3), as well as the consumption of non-renewable energy in internal and external activities (M4 and M5). Furthermore, MedLife Group identifies a number of specific risks and opportunities related to climate change. Among the identified risks are: RO1, which refers to the likelihood of additional regulations on greenhouse gas emissions and the climate transition by 2050, and RO2, which addresses the physical risks generated by climate change, including acute and chronic risks that may affect the Group's infrastructure and operations, disrupt service continuity and increase operational costs. At the same time, the policy addresses the opportunities that may arise from climate change, such as RO4, which highlights the increased demand for healthcare services, including for the treatment of heat-related illnesses, pollution and other conditions, as a result of the intensification of extreme weather events.

This policy sets out the actions planned to reduce the impact on climate change, including measures to quantify greenhouse gas (GHG) emissions generated, improve energy efficiency and raise awareness among customers, patients and employees alike.

With regard to climate change adaptation, the Group recognizes the physical risks posed by extreme weather events, such as droughts, fires and floods, which may affect infrastructure and the continuity of operations. MedLife is working on developing an adaptation plan, which includes assessing climate risks and implementing adaptation solutions, such as diversifying water sources and installing recirculation systems. The Group also places particular emphasis on collaborating with stakeholders, including suppliers and customers, to reduce emissions and promote sustainability throughout the entire value chain.

Implementation of the Sustainability Policy is monitored through internal reporting and periodic assessment processes. Responsibility for monitoring the policy's implementation lies with the Sustainability Department, which collects and analyzes relevant ESG indicators, such as energy consumption, waste management and greenhouse gas emissions. Progress is reported periodically to management, and the policy's effectiveness is reviewed annually to ensure alignment with the organization's objectives and sustainability reporting requirements.

Supplier Code of Conduct

The Group has adopted a Supplier Code of Conduct which sets out the minimum environmental, social and ethical requirements applicable to suppliers and other partners in the supply chain. The Code includes provisions relating to environmental protection and the management of climate change impacts.

In the environmental dimension, suppliers are required to comply with applicable environmental legislation, use resources efficiently and implement measures to reduce their environmental impact. The Code encourages suppliers to monitor and reduce greenhouse gas emissions, improve the energy efficiency of their operations, and adopt practices that contribute to reducing the carbon footprint in the supply chain.

Through these requirements, the policy contributes to managing the climate change impacts, risks and opportunities identified by the Group, particularly those associated with indirect emissions generated in the value chain (Scope 3).

Implementation of the policy is monitored through internal supplier management processes, including periodic supplier assessments, due diligence processes and the collection of relevant information on suppliers' environmental performance. Progress and any non-compliance are analyzed as part of internal risk management and supplier relationship processes.

The Supplier Code of Conduct applies to all suppliers, subcontractors and other business partners who supply goods or services to the Group. The requirements of the Code apply to suppliers in all geographical regions where the Group operates and are relevant to all categories of suppliers, depending on the nature of the business relationship and the risks identified in the supply chain.

Responsibility for implementing the Supplier Code of Conduct lies with the CEXO Director responsible for procurement and supplier management, under the supervision of the Group's executive management. Monitoring compliance with the Code's requirements is integrated into the operational processes for selecting, evaluating and managing supplier relationships.

By implementing the Supplier Code of Conduct, the Group aims to align its practices and those of its suppliers with internationally recognised principles and frameworks in the field of sustainability, including the principles of the United Nations Global Compact initiative and the objectives set out in the United Nations Sustainable Development Goals.

In drafting the Supplier Code of Conduct, the Group has taken into account the expectations of key stakeholders, including customers, suppliers, regulatory authorities and other relevant stakeholders in the field of sustainability. The requirements included in the Code reflect the Group's commitment to promoting responsible practices in the supply chain and to helping manage the environmental and climate impacts associated with suppliers' activities.

The Supplier Code of Conduct is communicated to relevant suppliers and business partners during the selection and collaboration processes and is made available to them through the Group's communication channels (www.medlife.ro). Suppliers are encouraged to comply with the code's requirements and to ensure the implementation of its principles within their own operations and supply chains.

[E1-3] ACTIONS AND RESOURCES RELATED TO POLICIES ADDRESSING CLIMATE CHANGE

Since 2024, the Group has calculated its carbon footprint and launched a comprehensive process to analyze the factors influencing this environmental impact. Although MedLife did not have a dedicated formal action plan aimed at reducing its carbon footprint and strengthening resilience to climate change, initiatives had already been in place in previous years that directly or indirectly aimed to achieve these objectives.

Table on climate change-related actions ESRS E1

#	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
M1	Modernizing buildings to increase resistance to extreme temperatures and storms and to implement high-performance technologies (heat pumps, efficient ventilation systems)	Ongoing	All business lines	Not applicable	Monitored
RO2	Risk analysis and development of adaptation plans where locations are at high risk of exposure over time	Ongoing	All business lines	Not applicable	Monitored
RO4	Development of mobile clinics adapted to climate crises (e.g. heatwaves, pandemics caused by biological vectors) and the integration of prevention programs for conditions associated with climate change.	Ongoing	All business lines	Not applicable	Monitored
M3	Renovation of buildings to improve insulation and use of energy-efficient equipment	Ongoing	All business lines	Not applicable	Monitored
	Selecting suppliers with strict environmental policies and giving preference to those using renewable energy sources	Ongoing	All business lines	Not applicable	Monitored
RO1	Continuous monitoring and analysis of the impact of regulations on activities and assets	Continuous	All business lines	Not applicable	Monitored
M5	The group is exploring options for acquiring renewable energy sources	Ongoing	All business lines	Not applicable	Monitored
	Using energy suppliers with a lower energy rating	Ongoing	All business lines	Not applicable	Monitored
	Selecting suppliers with strict environmental policies and giving preference to those using renewable energy sources	Ongoing	All business lines	Not applicable	Monitored

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes*

In this context, the Group is working to reduce its carbon footprint by improving energy efficiency, optimizing internal processes and selecting energy suppliers that can provide a higher proportion of energy with a lower energy label.

To address this impact, the Group works closely with suppliers to identify solutions for reducing emissions across the entire value chain, including selecting suppliers with strict environmental policies and giving preference to those using renewable energy sources. It will also encourage the adoption of more environmentally friendly transport practices, such as the use of low-emission vehicles.

The Group is implementing energy efficiency measures, including the renovation of buildings to improve insulation and the use of energy-efficient equipment. At the same time, a series of measures are continuously being considered to achieve more efficient resource management by reducing energy consumption through the use of LED lighting, thermal insulation and energy-efficient equipment, optimizing the supply chain, and reducing dependence on suppliers affected by climate risks.

In recent years, MedLife has implemented the 'Mobile Caravan' program as a response to the pandemic and the need for access to medical services for people in disadvantaged areas. This program can be replicated and expanded in the event of risks involving adaptation to climate change.

[E1–4] TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

At present, MedLife Group has not set targets related to climate change mitigation and adaptation; however, in the coming period, in parallel with the finalization of the transition plan, it intends to establish these targets as well.

Through a structured process of monitoring performance in this area, the Group tracks its impact on sustainability by measuring its carbon footprint and publishing a sustainability report. Currently, the Group is analyzing the development of a climate performance indicator regarding the intensity of greenhouse gas emissions relative to energy consumption, with the aim of improving the monitoring of the climate impact of its activities. The introduction of this indicator is being assessed as part of the internal processes for developing the environmental performance management system.

[E1–5] ENERGY CONSUMPTION AND ENERGY MIX

The following table presents energy consumption and the energy mix for all the Group's activities, including those relating to sectors with high climate risk, as set out in *Annex 3 Economic activities taken into account (sectors with high climate impact).*

Table on energy consumption and energy mix

Energy consumption and energy mix (MWh)	2025	2024
(1) Consumption of coal and coal-based products	-	-
(2) Consumption of fuel from crude oil and petroleum products	12,224.80	10,329.53
(3) Consumption of natural gas	23,314.30	18,917.69
(4) Fuel consumption from other fossil sources	-	-
(5) Consumption of electricity, heat, steam and cooling purchased or obtained from fossil sources	7,882.02	8,942.56
(6) Total energy consumption from fossil sources (sum of lines 1–5)	**43,421.12**	**38,189.78**
Share of fossil fuels in total energy consumption	*68.37%*	*72.65*
(7) Consumption from nuclear sources	**4,847.48**	**4,560.34**
Share of consumption from nuclear sources in total energy consumption (%)	*7.63*	*8.67*
(8) Consumption of fuel from renewable sources, including biomass	-	-
(9) Consumption of electricity, heat, steam and cooling purchased or obtained from renewable sources	15,239.12	9,819.3
(10) Energy consumption from renewable sources, other than fuels, from own production	-	-
(11) Total consumption of energy from renewable sources (sum of lines 8–10)	**15,239.12**	**9,819.3**
Share of renewable sources in total energy consumption (%)	*24.00%*	*18.68*
Total energy consumption (sum of rows 6, 7 and 11)	**63,507.72**	**52,569.21**

Methodological principles used in calculating the energy mix

- **Use of primary data on fuel and energy consumption.** To calculate the carbon footprint and for the purposes of this section, primary data on fuel, electricity and heat consumption were used. These were collected directly from relevant sources, including bills, but estimates were also used. As data reliability is essential for the accuracy of the results, an assessment of uncertainty and the data collection methodology was carried out. The proportion of directly measured data was compared with that of estimates to identify potential sources of variability. Further details on these aspects can be found in section E1-6 Carbon Footprint Methodology.
- **Conversion of consumption units to energy (MWh).** For the volumetric conversion of fuels into energy units, the net calorific value (NCV) was used, in accordance with the reference values defined by Defra UK. This method allows for a standardised conversion, ensuring the comparability of results. The choice of NCV over gross calorific value (GCV) reflects a more accurate approach to the actual usable energy from fuels, excluding inherent heat losses and adhering to ESRS principles. For the conversion of natural gas consumption units, the average higher calorific value for Romania was used.
- **Classification of LPG as being predominantly of natural gas origin.** Although liquefied petroleum gas (LPG) can be obtained both through the refining of crude oil and through the processing of natural gas, globally, approximately 60% of LPG production comes from the processing of natural gas, with the remaining 40% being a by-product of oil refining[4] . In Romania, there are no specific data indicating the exact proportion of LPG derived from each source. However, given the structure of the national energy market and domestic natural gas production, it was deemed appropriate to classify LPG under the category of natural gas fuels. This classification allows for a more realistic allocation of emission factors and a more robust estimate of the carbon impact associated with LPG consumption.
- **Definition of green energy.** In the analysis, green energy was defined as the percentage of renewable energy in the national electricity mix. This includes sources such as hydro, wind, solar and biomass. The share of renewable energy was determined based on official reports on the national energy mix, which are regularly updated by the competent authorities.
- **Use of the national energy mix emission factor.** To calculate the shares associated with energy consumption, the structure of available contracts and the energy label of each supplier were used.

With regard to the requirements relating to activities in sectors with a high climate impact, the situation is presented in the table below.

Table on energy intensity in sectors with a high climate impact

Energy intensity	UM	2025	2024	%
Total energy consumption from activities in sectors with a high climate impact	*MWh*	**6,135.05**	**8,767.16**	70%
Net income from activities in sectors with a high climate impact	*KRON*	**380,886.46**	**410,677.26**	93%
Net income from activities other than those in sectors with a high climate impact	*KRON*	2,792,632.24	2,304,897.44	121%
Total net revenue from contracts with customers, as per consolidated financial statements	*KRON*	3,173,518.74	2,715,574.7	117%
Energy intensity of activities in sectors with a high climate impact (total energy consumption per net revenue)	*Mwh/ Kron*	**0.016**	**0.021**	76%

[E1-6] GROSS GHG EMISSIONS FROM CATEGORIES 1, 2, 3 AND TOTAL GHG EMISSIONS

Carbon Footprint Analysis

MedLife applied the operational control method in calculating its carbon footprint. Thus, the analysis includes all consolidated subsidiaries covering all business lines, ensuring a complete representation of the environmental impact. The carbon footprint analysis included emissions from all three categories in accordance with international standards.

- Scope 1 comprises direct emissions generated by the Group's activities, including fuels used by operated vehicles or generators, natural gas consumption for company facilities, and fugitive emissions of refrigerants from cooling equipment.
- Scope 2 refers to indirect emissions resulting from purchased energy, including both electricity and thermal energy, with electricity accounting for the majority.
- Scope 3 covers indirect emissions associated with the company's value chain, including categories such as purchased goods and services, purchased capital goods, upstream transport and distribution, employee commuting, waste generated in operations, business travel, goods leased both upstream and downstream, end-of-life treatment of products, and fuel and energy-related activities. For some categories, a breakdown has been made between upstream activities (from suppliers to the company) and downstream activities (from the company to customers).

During the current reporting period, the Group updated the methodology used to estimate Scope 3 greenhouse gas emissions, particularly for the categories relating to purchased goods and services and purchased capital goods. In the previous reporting period, Scope 3 emissions were calculated using emission factors derived from the EXIOBASE database, a multi-regional input-output (MRIO) model. From the current reporting period onwards, the company has adopted the CEDA Watershed database as the primary source of emission factors for the input-output modelling extended with environmental indicators.

[4] **World LPG Association. (n.d.).** Where does LPG come from? *World LPG Association*. Retrieved 26 February 2025, from https://www.worldliquidgas.org/about-liquid-gas/what-is-liquid-gas/where-does-lpg-come-from/

This methodological change was implemented to improve the accuracy, relevance and transparency of Scope 3 emissions estimates. The CEDA Watershed database offers higher sectoral granularity, as well as annually updated emission factors that more accurately reflect the economic structure and emissions intensity of supply chains. Furthermore, the dataset is compatible with life cycle assessment (LCA) methodologies and allows for the direct use of emission factors correlated with economic expenditure data, used in the calculation of Scope 3 emissions. Consequently, the new methodology enables a more precise allocation of emissions to the categories of goods and services purchased, reducing the uncertainties associated with the aggregation of economic sectors required under the previously used database. The Company considers that the use of the CEDA Watershed database provides more useful information for users and stakeholders and contributes to improving the robustness of value chain emissions reporting.

Table of GHG emissions in tCO2e 2024 reported vs 2024 methodology change

	CEDA 2024	Exiobase 2024
Scope 1 GHG emissions		
Total Scope 1 GHG emissions	**7,130.2**	**6,189.7**
% of Scope 1 GHG emissions from ETS schemes	-	-
Scope 2 GHG emissions		
Total GHG emissions (location-based) Scope 2	**4,094.8**	**4,094.8**
Total GHG emissions (market-based) Scope 2	**3,486.5**	**3,486.5**
Scope 3 GHG emissions		
Total gross indirect GHG emissions (Scope 3)	**123,541.8**	**178,220.7**
- Purchased goods and services	67,685.9	111,973.0
- Capital goods	31,421.1	41,843.9
- Fuel and energy-related activities	2,423.9	2,423.9
- Upstream transport and distribution	127,1	71.0
- Waste generated in operations	2,327.4	2,327.4
- Business travel	96,9	122.2
- Employee commuting	4,111.0	4,111.0
- Assets leased upstream	184.0	184.0
- Downstream transport	15,067.0	15,067.0
- Processing of products sold	-	-
- Use of products sold	-	-
- End-of-life treatment of products sold	88.2	88.2
- Assets leased downstream	9.0	9.0
- Franchises	-	-
- Investments	-	-
Total GHG emissions (location-based)	**134,766.8**	**188,505.2**
Total GHG Emissions (market-based)	**134,158.5**	**187,896.8**

In accordance with ESRS 1, section 7.4 – Changes in the preparation or presentation of sustainability information, comparative figures for the previous period have been restated using the updated methodology to ensure consistency and comparability between reporting periods. The restated comparative figures reflect the application of emission factors from the CEDA Watershed database to previously reported activity data.

The differences between the Scope 3 emissions figures initially reported in the previous period and the revised comparative figures are solely due to the change in the database used for emission factors and the associated methodological improvement, and not to changes in the underlying activity data. The company therefore presents restated comparative figures for the previous period alongside the information for the current period, and the differences between the previously reported and revised figures are shown in the relevant tables on Scope 3 emissions to ensure transparency regarding the impact of this methodological change.

Additionally, we have updated the calculation methodology for Scope 1 emissions related to refrigerants to better reflect operational reality and improve the accuracy of reporting. The changes include incorporating updated leakage estimates through closer alignment with relevant international practices.

Table of GHG emissions in tCO_2e	2025	2024	%
Scope 1 GHG emissions			
Total Scope 1 GHG emissions	**8,060.6**	**7,130,2**	**113%**
% of Scope 1 GHG emissions from ETS schemes		-	**-**
Scope 2 GHG emissions			
Total Scope 2 GHG emissions (location-based)	**5,074.8**	**4,094.8**	**121%**
Total GHG emissions (market-based) Scope 2	**4,059.0**	**3,486.5**	**114%**
Scope 3 GHG emissions			
Total gross indirect GHG emissions (Scope 3)	**120,579.5**	**123,541.8**	98%
- Purchased goods and services	73,760.0	67,685.9	109%
- Capital goods	19,848.3	31,421.1	63%
- Fuel and energy-related activities	2,854.3	2,423.9	118%
- Upstream transport and distribution	122.3	127,1	96%
- Waste generated in operations	3,036.9	2,327.4	130%
- Business travel	100.9	96,9	104%
- Employee commuting	4,117,6	4,111.0	100%
- Assets leased upstream	181.0	184.0	98%
- Downstream transport	16,485.1	15,067.0	109%
- Processing of products sold	-	-	
- Use of products sold	-	-	
- End-of-life treatment of products sold	64.1	88.2	73%
- Assets leased downstream	9.0	9.0	100%
- Franchises	-	-	
- Investments	-	-	
Total GHG emissions (location-based)	**133,714.9**	**134,766.8**	**99%**
Total GHG Emissions (market-based)	**132,699.0**	**134,158.5**	**99%**

The Group has no other investments, such as associates, unconsolidated subsidiaries, etc., with or without operational control, for which it would be required to present a carbon footprint calculation. The breakdown of emissions by source is shown below:

	2025	2024	%
Total direct GHG emissions (Scope 1)	**8,060.6**	**7,130.2**	**113%**
Stationary combustion	4,567.2	3.667,7	125%
Mobile combustion	2,989.6	2.472,5	121%
Process emissions	-	-	
Fugitive emissions	503.7	990.0	51%
Total GHG emissions (location-based) Scope 2	**5,074.8**	**4.094,8**	**121%**
Total GHG emissions (market-based) Scope 2	**4,059.0**	**3.486,5**	**114%**
Total gross indirect GHG emissions (Scope 3)	**120,579.5**	**123,541.8**	**98%**
Total GHG emissions (location-based)	**133,714.9**	**134,766.8**	**99%**
Total GHG emissions (market-based)	**132,699.0**	**134,158.5**	**99%**

The results are presented in tones of CO_2 equivalent (tCO_2e), this unit of measurement reflecting emissions of carbon dioxide (the largest share), methane (CH_4), nitrous oxide (N_2O), Sulphur hexafluoride (SF6), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and nitrogen trifluoride (NF3), in accordance with the calculation requirements set out in the GHG Protocol standard.

There are no individual results showing the contribution of each greenhouse gas, namely CO_2, CH4, N2O, HFCs, PFCs, SF6 and NF3. This approach is due to the specific nature of MedLife's activities, which do not include industrial or production processes that would generate significant greenhouse gas emissions other than CO_2 equivalent from fossil fuels. Thus, aggregate reporting in CO_2 equivalent is considered sufficient to reflect the company's impact.

Detailed presentation of the carbon footprint calculation results

The analysis of greenhouse gas (GHG) emissions was carried out in accordance with the principles and requirements set out in the GHG Protocol Corporate Standard, including those relating to reporting boundaries and the disclosure of market-based emissions for Scope 2.

Within **Scope 1**, two categories of emissions were identified:

- emissions generated by the company's facilities, namely natural gas consumption (resulting in 4,567.2 tCO2e);
- emissions related to the fuel consumption of vehicles operated by the company, amounting to 2,989.6 tCO2e;
- fugitive emissions of refrigerants from cooling equipment, amounting to 503.7 tCO2e.

In the case of facilities, natural gas consumption accounts for 59% of total emissions in this category.

For Scope 1, CO_2 emissions from the combustion of natural gas for heating were calculated based on billed consumption and standard emission factors for natural gas, in accordance with *the UK Government's GHG Conversion Factors for Company Reporting 2025*.

Under **Scope 2**, in accordance with the calculation standard, there is a single applicable emissions category, namely purchased energy. The result of 3,486.5 tCO2e for the Group comprises electricity and heat. Given the small proportion of thermal energy purchased from local district heating systems (75 tCO2e), electricity is the most significant source of Scope 2 emissions. With regard to emissions from purchased electricity, these were calculated by applying both the national-level emissions factor and the supplier-specific factor.

MedLife does not use contractual instruments to offset Scope 2 greenhouse gas (GHG) emissions. The company has not implemented a system for purchasing electricity accompanied by green energy certificates, power purchase agreements (PPAs) or guarantees of origin (GoOs) to offset its Scope 2 emissions. Consequently, no proportion of emissions covered by such contractual instruments is reported, and the energy used does not come from certified renewable sources.

With regard to Scope 2 (indirect emissions from the use of purchased energy), emissions from purchased electricity were calculated based on electricity consumption, using information from supplier invoices, emission factors established for the national grid (location) or adjusted according to the available energy mix (market).

No biogenic CO_2 emissions from the combustion or biodegradation of biomass were included in the GHG emissions for this scope.

Scope 3 emissions. To collect data on greenhouse gas emissions, the organization used a variety of sources, including energy and fuel bills (Fuel and energy-related activities), as well as internal records of expenditure on goods and services. For the calculation of Scope 3 GHG emissions, the Group did not use primary data obtained from suppliers or other partners in the value chain.

For the categories of *Purchased Goods and Services, Capital Goods, Business Travel, and Upstream Transport and Distribution,* the Group used the SPEND-based method to estimate the carbon footprint. The *SPEND-based* method was applied in conjunction with the CEDA October 2025 database. This method involves estimating emissions based on the organization's expenditure on goods and services, business travel and upstream transport, and investments in capital goods.

With regard to the carbon footprint generated by *fuel and energy-related activities* (upstream), these are based on the volumes of energy and fuel used in the Scope 1 and Scope 2 calculations. These were estimated based on fuel or energy consumption data from invoices, and the types of fuel used (diesel, petrol, LPG), applying the emission factors corresponding to each fuel type (*UK Government GHG Conversion Factors for Company Reporting 2025)*.

To calculate the footprint *of waste generated in operations*, the Group generally used data obtained from suppliers, as also presented in E5-5 Resource Outputs. The emission factors applied in the estimates for waste types were taken from the *UK Government GHG Conversion Factors for Company Reporting 2025* database.

With regard to *employee and doctor commuting and downstream transport* (patient transport), this category depends on their transport preferences and the locations served. Data was collected for all MedLife entities, including locations with operational sites, the number of employees/doctors and the number of days worked, as well as the number of patient visits at location level. Based on this information, the appropriate emission factors were applied to estimate the transport impact. The figures are presented centrally for all MedLife locations. In determining the types of transport used and the distances travelled by employees, doctors or patients, information was drawn from various Sustainable Urban Mobility Plans in several Romanian cities, such as Bucharest, Târgoviște, Brăila, Deva, Oradea and others. Where no such plans could be identified for a city, data from the relevant county or neighboring counties was used.

For *upstream leased properties*, which include spaces used for medical and administrative activities, emissions were estimated based on the leased areas and the energy consumption of refrigeration equipment. These estimates also included the calculation of fugitive refrigerant emissions, taking into account factors such as the capacity of cooling equipment, refrigerant leaks and the conversion of energy into kilograms of refrigerant.

With regard to *the end-of-life treatment of products sold* (pharmacy business line), the organization included the packaging of medicines placed on the Romanian market. Data on the quantities of products purchased and the associated packaging were collated to estimate the emissions generated by their management at the end of the life cycle. Estimates regarding waste treatment were made based on data published by EUROSTAT, which provides detailed information on recycling rates for different types of packaging, such as plastic, glass, cardboard and aluminum. Furthermore, it was assumed that waste not recycled is managed through landfill, this being the predominant method of waste treatment in Romania, according to available data. The emission factors applied in the estimates for the types of waste generated from products sold were taken from the DEFRA UK database.

Furthermore, for *downstream leased assets*, emissions were determined based on the office space leased by the organization and third parties, as well as on their energy consumption. The emission factors applied in the estimates for downstream leases were taken from the *UK Government GHG Conversion Factors for Company Reporting 2025* database.

The emissions assessment included all relevant greenhouse gases, in accordance with the GHG Protocol requirements, including CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3. Although there is no direct breakdown of emissions by each type of greenhouse gas in the final report, the emission factors used from the DEFRA UK database focus primarily on CO2 equivalent (CO2e). Thus, the contribution of the other gases is reflected in the total emissions calculated as tCO2e, allowing for a comprehensive assessment of the organization's activity's impact on climate change.

Data quality is a key element in the process of accounting for and reporting GHG emissions. As part of this process, uncertainty assessments were carried out using the IPCC guidelines and the associated GHG Protocol tools. These assessments enabled the quantitative results to be organized on an ordinal scale, reflecting quantitative confidence intervals and providing an estimate of the uncertainty associated with each value.

Consequently, the estimated uncertainties for the collected data were taken into account to enhance the reliability and transparency of the final report.

The following categories were excluded from the analysis of Scope 3 emissions at Group level: 3.10 Processing of sold products, 3.11 Use of sold products, 3.14 Franchises and 3.15 Investments, as they are not applicable to the Group's areas of activity.

Overall, the total level of greenhouse gas (GHG) emissions remained relatively constant between 2024 and 2025, with variations in certain emission categories offsetting one another and keeping the overall emissions profile within a comparable range between the two reporting periods.

The variation in Scope 3 emissions between 2024 and 2025 is mainly driven by developments in the categories of *Purchased goods and services* and *Capital goods*. The increase in emissions associated with purchased goods and services mainly reflects the intensification of the Company's operational activity and, consequently, the increase in the volume of purchases required to carry out this activity. At the same time, the decrease in emissions related to capital goods is explained by the variable nature of investments in long-term assets, the level of which may fluctuate from one financial year to another depending on the Company's investment plans and development cycles. Consequently, in 2025 there was a decrease in emissions associated with this category, against a backdrop of lower investment levels compared to the previous year.

Table on GHG emissions intensity in tCO_2e

GHG intensity		2025	2024
Total GHG emissions (location-based)	*tCO2e*	133,714.9	134,633.1
Total GHG emissions (market-based)	*tCO2e*	132,699.0	133,984.1
Total net revenue from customer contracts, as per consolidated financial statements	*KRON*	3,173,518.7	2,715,574.7
GHG emissions intensity, based on location (total GHG emissions per net revenue)	%	4.2%	4.9%
GHG emissions intensity, market-based (total GHG emissions per net revenue)	%	4.2%	4.9%

ESRS E2 – POLLUTION

[E2.IRO-1] - DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO POLLUTION

In the process of identifying and assessing significant impacts, risks and opportunities related to pollution, Medlife started with a potential list of IROs, particularly those derived from the sub-sub-themes of ESRS 1. MedLife Group carried out a detailed analysis of the nature of its operations, geographical locations and active sites to identify pollution-related impacts, risks and opportunities within its own activities and the value chain. As part of this process, sites for which MedLife holds an integrated environmental permit were identified and assessed, pinpointing potential sources of pollution, activities involving the use of hazardous substances, and how the Group's activities generate microplastics.

With regard to consultations, the Group carried out an internal assessment process, involving experts from various departments to understand the extent of the environmental impact, without conducting direct consultations with affected external parties.

Furthermore, to assess the impact of microplastic generation, a detailed analysis was carried out of the business lines that use plastic consumables. Based on existing scientific studies, the quantity of microplastics generated was quantified in order to conclude on the materiality of this issue. MedLife conducts an annual comprehensive analysis of the substances used in its operations, in accordance with the CLP Regulation (Classification, Labelling and Packaging of Chemicals) and the CSRD (Corporate Sustainability Reporting Directive), to assess the risks and impacts on health and the environment. The aim of this analysis was to identify substances of concern and their materiality in terms of the potential impact generated. It is important to note that MedLife Group has not identified and does not use substances of very high concern (SVHCs).

Both the environmental permits and the wastewater monitoring reports were analyzed to determine the types of pollutants emitted and any potential exceedances of permitted limits. No other pollutants were identified beyond those documented in the aforementioned reports.

The following table lists the impacts, risks and opportunities related to pollution that MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and the location of the impact. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on pollution-related impacts, risks and opportunities ESRS E2

#	Brief description	Stakeholders						Business lines						
		Employees & Workers	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Other*	**Downstream**
M10	Generation of microplastics through the wear and tear of plastic medical devices, equipment and consumables.	✓		✓			✓			✓	✓	✓		✓	
RO9	Growing public and regulatory concerns regarding microplastics.									✓	✓	✓		✓	
M8	Accidental contamination of water with chemicals and pathogens					✓	✓					✓			
M9	Potential impact from the use and storage of substances of concern					✓	✓				✓	✓			

These negative impacts result in the following effects:

- *It can lead to pollution and health risks for staff and patients due to microplastics generated by the use and wear of medical devices, equipment and consumables.*
- *Accidental water pollution with chemicals through the use of disinfectants and other biocidal substances in cleaning and disinfection processes, and pathogenic microbes.*
- *Potential negative impacts on the environment and/or people through the improper use and storage of hazardous substances used in the Group's activities.*

As regards risk RO9, this risk relates to growing public and regulatory concerns regarding microplastics. MedLife Group may, in the medium term, face the risk of increased demand for alternatives to plastic in medical consumables, although these are not yet strictly regulated. If public interest and regulatory pressure continue to grow, MedLife may be required to invest in medical consumables made from more environmentally friendly, plastic-free alternatives. This would entail additional costs for procurement, testing and the potential certification of the new materials. Furthermore, a delayed response to patients' concerns regarding microplastics could damage MedLife Group's reputation, as the public becomes increasingly aware of the environmental and health impacts of products used in medical care

[E2 -1] - POLICIES RELATED TO POLLUTION

MedLife's Sustainability Policy

MedLife Group's Sustainability Policy manages environmental impacts and risks, including those related to water pollution (M8), microplastics (M10, RO9) and substances of concern (M9). Through this policy, MedLife Group has set several key objectives for integrating sustainability into its development strategy, including the adoption of a responsible approach that incorporates sustainable solutions to minimize the environmental impact of its operations.

To ensure effective implementation aligned with both internal and external developments, MedLife Group's policy will be reviewed annually or whenever necessary. MedLife Group's sustainability policy applies to all its internal activities, including its own operations, with the aim of reducing its environmental impact, particularly regarding

the generation of microplastics and water pollution, including as a result of the use of substances considered to be of concern.

With regard to microplastics, the policy sets out objectives to enhance the rigor of the analysis process and reduce the quantity of microplastics. MedLife intends to implement innovative solutions to mitigate microplastic pollution, including the use of alternative and biodegradable medical materials and the recycling of plastics. In addition, it will promote employee education and collaboration with suppliers to minimize the use of products that contribute to the generation of microplastics. Material selection criteria will also be revised to include stricter standards regarding the use of materials that generate microplastics, thereby reinforcing MedLife's commitment to environmental protection and public health.

With regard to the use of substances of concern, the policy outlines the process for identifying the main substances of concern currently in use and replacing them in the future, where possible, with safer alternatives, which is a key objective of the policy. MedLife SA has implemented procedures governing the methodologies applied in laboratories to ensure the safety and biosafety of staff, patients, the environment and equipment under normal working conditions, as well as in the event of incidents or emergencies.

Furthermore, MedLife aims to identify and monitor the use of these hazardous substances and, where possible, to analyze safer alternatives that pose lower risks to health and the environment. The policy does not specifically address the replacement or minimization of the use of substances of concern. Although it includes measures for the prevention and management of accidental pollution, these focus on identifying critical points, inspecting infrastructure, responding to incidents, and collaborating with authorities and specialist units. In the absence of clear commitments to reduce the use of substances of concern or to implement sustainable alternatives, the policy's contribution to achieving the zero-pollution objective remains limited to incident management.

The Group's Sustainability Policy refers to the Policy on the Prevention and Control of Accidental Pollution, reaffirming the commitment to the effective management of risks associated with the contamination of watercourses.

The information required by MDR-P 65(a) regarding the monitoring mechanism, and (c), (d), (e) and (f) is reported in section E1-2 Policies related to climate change mitigation within the ESRS E1.

Accidental Pollution Prevention and Response Plan

The Accidental Pollution Prevention and Control Plan (the Plan) is incorporated at policy level for the management of pollution-related impacts for hospitals and addresses the identified impact of accidental water pollution by chemicals and pathogens (M8). The preparation of this plan is mandatory for any user of water resources carrying out activities with pollution potential, in accordance with the provisions of HGR No. 188/2002-NTPA 002 and HGR No. 351/2005. In the case of hospitals (which are subject to this impact – M8) that use the urban sewerage network, compliance with the quality parameters for discharged wastewater is regulated and monitored by the water and sewerage service provider.

The plan for the prevention and control of accidental pollution focuses on essential measures for the effective management of risks associated with the contamination of water resources. This includes objectives such as identifying potential sources of accidental pollution, analyzing points where leaks or uncontrolled emissions may occur. It also sets out the types of response actions, defining specific response methods for each situation. The policy also specifies the means of response, i.e. the equipment and materials required to limit the effects of pollution. Furthermore, those responsible for each type of action are designated, ensuring clear coordination of interventions. Last but not least, it specifies the institutions that must be notified in the event of accidental pollution, to ensure a rapid response in accordance with current regulations.

Wastewater Collection Agreements for hospitals, issued on the basis of technical documentation, also include an Accidental Pollution Prevention and Control Plan, which details potential sources of pollution, the actions and means of intervention, the associated responsibilities, and the institutions to be notified in the event of accidental pollution. These measures are directly linked to the identified negative impact on water quality, serving to prevent the contamination of water resources and to ensure compliance with environmental protection standards.

This applies to all operational sites falling within the category of facilities with an environmental impact – for which an Environmental Permit has been issued, namely MedLife hospitals. The highest authorized organizational level within the company responsible for implementing the policy is the Chief Executive Officer. The plan may be made available to potentially affected stakeholders and stakeholders required to contribute to its implementation through consultation at MedLife's headquarters.

The plan effectively addresses the mitigation of negative impacts related to water pollution through a structured approach that includes risk identification, prevention and emergency response. A key aspect is the identification of critical points within the facility where accidental pollution is most likely to occur, thereby ensuring the implementation of specific preventive measures. These measures include regular inspections of parking platforms, SPP systems and hazardous substance storage areas, as well as the maintenance of the internal drainage network to prevent leaks and contamination. The plan also establishes clear protocols for responding to accidental pollution, which involve immediately notifying the site management and mobilizing response teams. To ensure an effective response, workers in critical areas and response teams are trained in pollution prevention and management, and designated staff have clear responsibilities for monitoring and preventing incidents. Furthermore, continuous monitoring and communication with the authorities play a vital role, ensuring regular reporting on the measures implemented and their effectiveness in controlling pollution.

Biosecurity Procedure

The Biosafety Procedure is a policy that regulates the methodology applied in MedLife's Medical Analysis Laboratories (LAM) to ensure the safety and biosecurity of LAM personnel, patients who use LAM services, the environment, and equipment. This procedure applies within the medical analysis laboratories belonging to Medlife SA, Policlinica de Diagnostic Rapid SA, Policlinica de Diagnostic Rapid Medis, Genesys Medical Clinic, Biotest Med SRL, Solomed Clinic SA, Medici's SA, and Clinica Polisano SRL, and is to be followed by laboratory management and staff responsible for reporting results.

The policy is primarily based on the following standards: ISO 15189:2023 Medical laboratories. Particular requirements for quality and competence, ISO 15190:2005 – Medical laboratories. Safety requirements, ISO 14971:2019, Medical devices – Application of risk management to medical devices, ISO 14155:2020, Clinical investigation of medical devices for human subjects — Good clinical practice; ISO 31000 Risk management.

It is approved by the MedLife Medical Director and is disseminated internally through specific training for laboratory staff. This procedure addresses the measures and response procedures in the event of incidents and emergencies caused by substances of concern (SOC) within MedLife Group.

Furthermore, substances of concern, such as formaldehyde, methanol and toluene – the only substances of concern (SOC) used by the company – are managed in accordance with the requirements set out in the Safety Data Sheets (SDS). Safety Data Sheets are mandatory documents for hazardous chemicals under European legislation and contain detailed information on the physical, chemical, toxicological and ecotoxicological properties of the substance. These include instructions on safe handling, first aid measures, fire prevention, response in the event of a spill or contamination, as well as the necessary measures to protect human health and the environment.

The policies implemented by MedLife Group contribute to the European Union's Action Plan for Zero Pollution of Air, Water and Soil through proactive measures to monitor and reduce environmental impacts.

[E 2-2] - ACTIONS AND RESOURCES RELATED TO POLLUTION

MedLife responsibly monitors wastewater quality at all its sites classified as facilities with an environmental impact, for which an Environmental Permit has been issued. This ensures rigorous control of environmental factors, in accordance with legal regulations. Test reports, which are essential for verifying wastewater quality, are carried out by RENAR-accredited laboratories, thus ensuring accuracy and compliance with international standards.

With regard to wastewater quality monitoring, MedLife tracks a number of key indicators to ensure compliance with environmental standards. These indicators are monitored and verified on a monthly, half-yearly and annual basis, in accordance with the discharge agreement and the environmental permits issued, ensuring that all wastewater discharge processes meet the highest standards of quality and environmental protection.

Table of pollution-related actions ESRS E2

IRO	Actions	Timeframe	Purpose of the action	Capex / Opex *	Progress**
M10	Identification of alternative and biodegradable medical materials.	Ongoing	All relevant business lines	Not applicable	Monitored
	Collaborating with suppliers to minimise the use of products that contribute to the generation of microplastics.	Ongoing	All relevant business lines	Not applicable	Monitored
RO9	See M10	Continue	All relevant business lines	Not applicable	Monitored
M8	Monitoring of wastewater quality at all its sites classified as facilities with an environmental impact, for which an Environmental Permit has been issued	Ongoing	All relevant business lines	Not applicable	Monitored
M9	Identifying and monitoring the use of these hazardous substances and analyzing safer alternatives that pose lower risks to health and the environment	Ongoing	All relevant business lines	Not applicable	Monitored

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes*

The impacts analyzed are potential in nature, and the measures adopted are geared towards prevention and risk management, not towards remedying effects that have already occurred.

Within the pollution mitigation hierarchy, the monitoring of wastewater indicators falls under the pollution reduction tier. Although it does not directly prevent pollution, monitoring enables the identification of pollutants and ensures that wastewater discharges are controlled in accordance with legal and environmental standards. Thus, measuring and monitoring indicators helps to reduce the impact of pollution on the environment through prompt intervention should permitted limits be exceeded.

[E2- 3] - TARGETS RELATED TO POLLUTION MITIGATION

In order to prevent negative impacts on the environment, the company has set as a sustainability objective the maintenance of a zero level of significant pollution incidents associated with the discharge of wastewater from medical activities, including incidents related to substances of concern. This objective is aligned with the internal policy on environmental protection and pollution management and aims to prevent contamination of the aquatic environment and ensure compliance with applicable legal requirements. The target is defined as an absolute indicator, expressed as the number of significant incidents, with a scope covering all operational activities of hospitals that generate wastewater, as well as related operations where relevant chemicals are handled. The baseline is zero incidents by 2025, and the objective is applied on an ongoing basis, being reviewed annually within the environmental management system.

The target is set based on environmental risk analysis, national and European legislation on water management and the management of hazardous substances, as well as internal procedures for operational control and the prevention of accidental pollution. The objective was defined based on historical operational data and internal risk assessments. Operational staff and environmental officers are involved in its implementation and monitoring, and performance is monitored using the indicator 'number of significant pollution incidents reported annually', through internal audits and periodic management reviews. Progress is assessed annually.

[E2 -4] – AIR, WATER AND SOIL POLLUTION

The table below presents the water pollutants generated by MedLife during the reporting year, including pollutants regulated under Regulation (EC) No 166/2006 of the European Parliament and of the Council.

Table showing the quantity of water pollutants at site and centralized levels.

Quality indicator	Unit	Maximum permissible values, concentration	Maximum permissible values, kg/year *	2025 (kg)	2024 (kg)
Total phosphorus	mg/dm³	5	5,000	156.88	123.88
Zinc	mg/dm³	1	100	20.69	18.55
Nickel	mg/dm³	1	20	0.90	0.81
Lead	mg/dm³	0.5	20	0.90	0.81
Copper	mg/dm³	0.2	50	0.90	0.81
Total chromium	mg/dm³	1.5	50	0.45	0.40

** in accordance with Regulation (EC) No 166/2006 of the European Parliament and of the Council of 18 January 2006 concerning the establishment of a European Pollutant Release and Transfer Register and amending Council Directives 91/689/EEC and 96/61/EC*

The total quantity was determined using the calculation method based on actual data, in accordance with the methodological standards established by ESRS E2. This approach involves the collection and analysis of reported data on discharged water on a monthly/quarterly/annual basis for each hospital, with the concentration values obtained being multiplied by the volume of discharged water to determine the total mass of pollutants. As part of the reporting process, analysis reports were received from the hospitals in the group. However, due to differences in laboratory analysis methodologies between these entities, a statistical estimation was required. Where the same variable was available for multiple entities, the arithmetic mean of the values was used. If a particular variable was present in only one analysis report, it was considered representative. Thus, for nickel, lead, copper and chromium, five distinct values were used; for zinc, a single value; and for total phosphorus, nine values. The calculated average of these concentrations was then multiplied by the volume of water discharged by the hospitals.

The initial concentrations of pollutants in the analysis reports were determined in the laboratory in accordance with standards SR EN ISO 15586:2004 and SR EN ISO 6678:2005, and the uncertainty of the analyzes carried out was less than 10% for the measured concentrations. However, it should be noted that the total uncertainty of the results stems from the extrapolation of data – a necessary process due to variations between the analytical methods used by the group's entities. Even under these conditions, the determined mass of pollutants is well below the limits imposed by European legislation, in accordance with the requirements set out in Regulation 166/2006.

As regards the quantity of microplastics generated, this is presented in the table below, and the calculation methodology is detailed below the table.

Table on microplastics analysis (pieces)

		Microplastics / sqm			Microplastics per year		
Business lines	SQM	Best-case scenario (lower limit)	Medium scenario (mid-range)	Worst-case scenario (upper limit)	Best-case scenario (lower bound)	Medium scenario (mid-range)	Worst-case scenario (upper limit)
Total	**232,323**						
Hospitals	89,394	1,144.0	1,216.5	1,289.0	37,327,170,738	39,692,747,555	42,058,324,372
Clinics	109,733	267.0	303.0	339.0	7,383,261,715	8,378,757,677	9,374,253,638
Other lines	33,197	-	-	-	-	-	-
				Total	44,710,432,453	48,071,505,232	51,432,578,010
				Deviation	**6.99%**		**6.53%**

In order to estimate the quantity of microplastics generated within MedLife Group, a methodology was applied based on a review of the relevant scientific literature, an analysis of operational surface types, and the use of proxy indicators for data extrapolation. Academic studies on microplastic generation in comparable indoor spaces were used to correlate the estimated particle levels with the total floor area of the group's facilities. The analysis prioritized hospitals and clinics, which account for approximately 86% of the total floor area and have the highest potential for microplastic generation, due to the frequent use of single-use plastics, synthetic textiles, and intensive cleaning and disinfection procedures. Other types of premises (offices, pharmaceutical units, etc.), accounting for approximately 14% of the floor area, were considered to have a low impact and do not significantly influence the total estimate. To reflect the uncertainties inherent in the estimate, minimum, medium and maximum calculation scenarios were developed, based on data from the literature and the operational characteristics of the facilities analyzed.

As this is an estimative study, it is important to note that there are sources of uncertainty, particularly regarding the geographical specificity of the data. Data from scientific studies are not always directly applicable in Romania, given that not all hospitals worldwide use the same materials under the same conditions. Uncertainty was captured through the design of the ranges and scenarios, and the analysis shows that the extreme values differ by approximately 7% from the central value, suggesting a uniform distribution of the data. Other uncertainties relate to the frequency of material use and assumptions regarding working days, which are detailed in the study's appendix. The choice of a simpler methodology for quantifying emissions was driven by time constraints and a lack of the expertise required to implement a more complex approach, such as sampling. Given these limitations, a simpler methodology was chosen, which allowed an estimated result to be obtained within a shorter timeframe. Although this does not offer maximum precision, the chosen methodology was appropriate for the purpose of the study, given the existing circumstances.

The determination of the total quantity of microplastics generated across the entire analyzed area was reported over a one-year period. The microplastic values per square meter were multiplied by the areas, by area category, and then multiplied by 252 working days per year for clinics and 365 for hospitals. The differences between the intervals were calculated. The middle interval differs by approximately 7% from both ends, showing that this value is indeed representative of the center of the distribution. Thus, in the best-case scenario, MedLife Group generates 44.7 billion microplastics per year, and in the worst-case scenario, 51.4 billion microplastics per year.

[E2- 5] – SUBSTANCES OF CONCERN

MedLife uses a methodology compliant with relevant regulations to identify substances of concern, in accordance with the requirements of ESRS E2 and REGULATION (EC) No 1272/2008. Following a detailed analysis, based on the safety data sheets provided, we have identified the following conclusions:

- MedLife does not handle substances of very high concern (SVHCs).
- The mixture of formaldehyde, toluene and methanol does not fall under SHVC, but according to the hazard statements, this mixture falls into the category of substances of concern (SOC).
- The substances were identified based on their CAS numbers, and the substances classified as SOC are those with CAS numbers 67-56-1 (Methanol), 50-00-0 (Formaldehyde), 108-88-3 (Toluene) and their combinations (mixture). These substances are used for medical purposes, especially in laboratories.

The reported data (relating to mass) were obtained by applying the density of the identified substances to the quantities purchased by the group in 2025.

Table showing substances of concern (kg).

	Hazard class H371	Hazard class H361d	Hazard class H350
	2024	2024	2024
Total quantity of SOC generated or used during production or procured	26.1	-	21,808.3

	2025	2025	2025
Total quantity of SOC generated or used during production or procured	71.7	29.4	9,855.5

The Group does not handle substances of concern that leave the site as emissions, as products, or as part of products or services. Quantities vary depending on supply cycles and the level of activity.

ESRS E3 – WATER AND MARINE RESOURCES

[E3. IRO-1] - DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WATER AND MARINE RESOURCES

The following table lists the impacts, risks and opportunities related to Water and Marine Resources that MedLife has identified and assessed as significant following its Double Materiality Assessment (DMA), including the categories of affected stakeholders and the location of the impact. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities related to water and marine resources ESRS E3.

#	Brief description	Stakeholders						Upstream	Business lines						Downstream
		Employees & Workers	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*		*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Other*	
M12	Water consumption					✓	✓		✓	✓	✓	✓	✓	✓	

With regard to the positive impacts identified following the DMA analysis for *the* sub-theme '*Water* consumption', no positive impacts were identified at MedLife Group level. Instead, the DMA analysis for this sub-theme revealed a negative impact (M12), which *has a negative effect on the environment and people through the use of water resources in the Group's own operational activities.*

This environmental impact generated by water consumption stems from the Group's business model, which primarily operates in the medical sector, covering a large geographical area within Romania, as well as specific locations in Hungary and the Republic of Moldova. According to the water risk assessment analysis, it appears that a large proportion of the areas in which the Group operates are facing water stress both currently and in the future.

Water consumption is particularly high in hospitals, where water is used for patient care, medical procedures, equipment sterilization and maintaining hygiene and sanitation standards. In clinics, water is used for medical activities, cleaning and sanitization, ensuring compliance with hygiene standards. In laboratories, water is essential for preparing reagents, diluting samples and cleaning analytical equipment, and is used primarily in biochemistry and microbiology tests, where high-quality water is required for accurate results. In contrast, water usage is lower in pharmacies, where it is mainly required for sanitary purposes, as well as in areas where administrative activities take place or within the "Others" business line, where water is used primarily for staff's everyday needs, facility maintenance and sanitary consumption in offices.

In order to determine whether water consumption represents a significant environmental impact of MedLife Group, an analysis was carried out of the geographical areas in which it operates. Thus, according to the water risk assessment analysis, the majority of the Group's sites are located in areas experiencing water stress, resulting in competition that will increase over time between different types of consumers in those regions, which may place significant pressure on water resources, reducing their availability for the population as well as for ecosystems, particularly in regions with intensive agricultural activity or high population density.

MedLife Group has assessed the impacts, risks and opportunities related to water use, both in its own operations and across the value chain, by engaging with various categories of stakeholders. This analysis was carried out in accordance with ESRS standards and involved consultations with relevant stakeholders, NGOs and suppliers to validate and prioritize the identified impacts.

Although water consumption is essential to MedLife Group's operations, its impact on natural resources is considered moderate, given that the main sources of water used are public supply networks. Nevertheless, the Group aims to optimize water use and reduce wastage through measures such as implementing water efficiency policies, closely monitoring usage and exploring water reuse solutions where possible. Although there is currently no formal water management process in place, MedLife recognizes the importance of the sustainable use of this resource and will consider initiatives to optimize consumption in the coming period.

[E3 -1] - POLICIES RELATED TO WATER AND MARINE RESOURCES

MedLife's Sustainability Policy

MedLife Group's **Sustainability Policy** sets out commitments regarding the management of environmental impacts, including those associated with water consumption (M12). The information required by MDR-P 65(a) regarding the monitoring mechanism, and (c), (d), (e) and (f) is reported in section E1-2 Policies relating to climate change mitigation within the ESRS E1.

The policy includes measures to assess and monitor water consumption, alongside targets designed to improve the efficiency of its use. Key strategic directions include reducing consumption through the implementation of water-efficient technologies, as well as promoting sustainable practices among employees and visitors/patients.

MedLife Group recognizes the importance of responsible water management and aims to explore various measures to optimize consumption and reduce the impact on water resources. As such, the Group is considering the implementation of strategies to monitor and report water consumption across its facilities, which could facilitate the identification of high-consumption areas and the adoption of appropriate solutions. At the same time, MedLife is analyzing the possibility of using modern technologies that contribute to reducing water consumption, such as equipment with optimized water usage systems. Furthermore, regular maintenance of sanitary facilities is an aspect the company takes into account to prevent potential water losses. These initiatives form part of a broader approach that reflects MedLife's commitment to sustainability and the responsible use of water resources.

With regard to water use and sources, MedLife understands the importance of diversifying resources and aims to explore opportunities to optimize consumption. Among the aspects under consideration are the possibility of using rainwater for certain activities that do not require strict drinking water standards, as well as exploring solutions for water reuse in internal processes. The company also intends to evaluate measures that could reduce dependence on conventional water sources, thereby ensuring the continuity of medical operations and minimizing the environmental impact.

The policy does not directly address sustainability practices related to water treatment, but includes provisions regarding the prevention and reduction of water pollution. MedLife is considering investments in technologies that could help reduce pollutants in wastewater. MedLife implements processes to monitor the quality of effluents resulting from its activities. The company carries out regular analyzes of wastewater, ensuring that it complies with current regulations and constantly exploring ways to improve. In this regard, collaboration with the authorities plays an important role in maintaining high standards and reducing the impact on terrestrial and aquatic ecosystems.

In the design of its products and services, MedLife aims to explore ways to support the conservation of water resources. Among the solutions under consideration are the adoption of equipment and technologies that could contribute to water efficiency, as well as the integration of modern water-saving solutions into the infrastructure of its medical facilities.

With regard to reducing water consumption in areas at risk of water scarcity, the Sustainability Policy does not exclude this objective, so the entire MedLife Group is covered. The Policy does not address sustainability practices related to the oceans and the conservation of marine resources.

[E3-2] - ACTIONS AND RESOURCES RELATED TO WATER AND MARINE RESOURCES

MedLife Group is committed to strengthening the analytical framework and identifying the most relevant measures that can be integrated in the future, taking into account the diversity of activities and the specific requirements of each unit. To this end, a series of strategic measures have been adopted and implemented, including within the water management policy, to limit the impact of its operations on water resources and the environment.

Table on actions related to water and marine resources ESRS E3

IRO	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
M12	Water-saving measures through investment in modern equipment that uses less water, such as washing machines and medical equipment that reduce water consumption.	Ongoing	All business lines	Resources allocated	Regular reporting on water consumption, monitoring progress and identifying areas for improvement.
	Water-saving measures: Monitoring consumption by installing water meters in various sections of hospital wards, laboratories, kitchens, etc., to identify areas of high consumption and take corrective action.	Ongoing	All business lines	Resources allocated	
	Organizing training sessions for hospital staff on the importance of water conservation and how everyone can contribute to reducing consumption.	Ongoing	All business lines	Not applicable	Monitored

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes*

The Group recognizes the importance of monitoring water consumption and implementing specific actions to reduce it across all Group entities, without exception. These initiatives form part of a complex process requiring a detailed assessment of operational needs and the most effective technological solutions. Since 2024, the Group has launched a series of measures:

- Monitoring consumption by installing water meters in various areas of hospital wards, laboratories, kitchens, etc., to identify high-consumption areas and take corrective action. Regular reporting and the creation of an internal system for periodic reporting of water consumption, enabling progress to be monitored and areas for improvement to be identified.
- Implementation of simple water-saving measures, such as replacing taps with sensor-operated ones.
- Planned maintenance of equipment to prevent leaks or faults.

[E3-3] - TARGETS RELATED TO WATER AND MARINE RESOURCES

The targets set to date at MedLife Group level are not specifically aligned with all the significant sustainability aspects identified in the Double Materiality process. Furthermore, they do not fully meet the requirements set out by the ESRS regarding the definition of measurable, results-oriented objectives within a clear timeframe. For this reason, we do not include such specific targets in the current report. However, we recognise the importance of setting clearly defined, quantifiable objectives aligned with ESRS requirements, which will enable the monitoring of sustainability performance. In the coming period, we aim to develop a structured framework for setting objectives, so that they are relevant, measurable and integrated into our development and reporting strategies.

[E3-4] - WATER CONSUMPTION

Water is an essential resource for all MedLife activities, playing a fundamental role in the running of hospitals, clinics, laboratories and pharmacies.

Water stress is defined as the ratio between total water demand and available renewable water resources, both surface and groundwater. Water demand includes domestic, industrial, irrigation, and livestock uses, while renewable water resources account for upstream users and the influence of large dams on downstream water availability. High levels of water stress indicate intense competition for water among users, which can pose a significant risk to economic sectors and local communities, particularly in regions with intensive agriculture or high population density. The analysis of the areas in which MedLife operates is conducted using the WRI Aqueduct Water Risk Filter.

Table on water consumption in 2024, consolidated (in m^3)

Indicator	Unit	2025	2024
Total water consumption	m³	159,074.70	160,062.4
Total water consumption in high-risk areas*	m3	77,961.41	79,915.5
Total water recycled and reused	m3	-	-
Total water stored	m3	-	-
Changes in the amount of water stored	m3	-	-
Water intensity ratio		272.38	293.21
Net turnover	1MEUR	584.33	545.88

** Water availability risk, including areas with high water stress*

The calculation methodology for water consumption indicators is based on data collected from bills issued by local water suppliers for the Group's operating sites. The reported consumption reflects the volumes of drinking water supplied by public water supply networks, as recorded by local utility operators. Given that the Group operates in numerous locations, data has been collected and aggregated at the level of the relevant entities and sites, based on supporting documentation available for the reporting period. Where information was available only at the level of consolidated invoices or shared locations, estimates were made in proportion to the area or level of activity of the respective units. This approach allows for a consistent and comparable assessment of the total water consumption associated with the company's operations, in accordance with the reporting requirements set out in the ESRS standards.

ESRS E5 – RESOURCE USE AND THE CIRCULAR ECONOMY

[E5. IRO-1] - DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

In the process of identifying and assessing significant impacts, risks and opportunities related to pollution, Medlife started with a potential list of IROs, particularly those derived from the sub-sub-themes of ESRS 1, Appendix A. MedLife Group carried out a detailed analysis of all its operational sites to identify the impacts, risks and opportunities related to resource use and waste generation within its own activities and the value chain. As part of this process, sites for which the Group holds an integrated environmental permit were also assessed, identifying the types of waste generated and the commitments undertaken. Subsequently, the nature of the waste generated by operations, the relevant legislation and all waste reporting at Group level were analyzed. Using information obtained from the Finance and Procurement Department, the types of materials, products and equipment purchased and used were analyzed to assess the impact of resource and material use; this analysis is presented in section *E5-4 – Resource Inputs*.

With regard to consultations, the Group conducted an internal and external assessment process, involving experts from various departments as well as suppliers, to understand the extent of the environmental impact across the entire value chain. The methodologies used in this process enable MedLife Group to identify the impacts associated with resource use and waste generation, contributing to the development of strategies to reduce environmental impact and increase the sustainability of its operations.

The following table lists the impacts, risks and opportunities related to Resource Use and the Circular Economy, which MedLife has identified and assessed as material following its Double Materiality Assessment (DMA), including the categories of affected stakeholders and where the impact occurs. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities related to resource use and the circular economy ESRS E5

#	Brief description	Stakeholders							Business lines							
		Employees & Workers	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Other*	**Downstream**
M18	Waste management in our own operations and the value chain				✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
M16	Use of raw materials and other materials in own operations and the value chain				✓		✓	✓	✓	✓	✓	✓	✓	✓	

With regard to the negative impacts (M16 and M18) identified following the DMA analysis relating *to* the sub-themes *Resource Inputs, including resource use*, and *Waste*, at MedLife Group level these generate the following effects:

- *Negative impact on the environment and human health generated in the value chain through the storage, treatment and disposal of hazardous and non-hazardous waste.*
- *Contributes to the depletion of certain resources through the procurement of products and materials made from virgin materials used in its own operations and through its business relationships.*

[E5 -1] - POLICIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

MedLife's Sustainability Policy

MedLife Group's Sustainability Policy sets out its commitments regarding the management of environmental impacts, including those associated with resource inputs and the circular economy. The information required by MDR-P 65(a) regarding the monitoring mechanism, and points (c), (d), (e) and (f) are reported in section E1-2 'Policies relating to climate change mitigation' within the ESRS E1. The policy aims to align with the waste hierarchy, which prioritizes prevention, reuse, recycling and recovery of materials, thereby reducing environmental impact. The Group is committed to minimizing waste generation by optimizing material flows, promoting the efficient use of resources and implementing sustainable solutions, such as replacing non-recyclable materials and extending the service life of equipment.

In this context, the policy provides for the improvement of waste management processes through proper separation at source, the use of low-impact treatment technologies, and strict compliance with regulations on the safe disposal of medical waste. These measures contribute not only to environmental protection but also to the protection of public health. The specific objectives of the circular economy approach within MedLife Group are focused on waste reduction, sustainable procurement, the use of bio-based materials, as well as the promotion of reuse and recycling.

Furthermore, the policy addresses the relevant impacts on the Group's own activities and those of its value chain, covering aspects such as the use of raw materials and materials (M16), as well as waste management both within internal operations and across the value chain (M18).

MedLife Group's policy addresses the transition away from the extraction of virgin resources by integrating the principles of the circular economy into its activities. The Group aims to reduce its dependence on raw materials by promoting the reuse and recycling of materials. It prioritizes the use of recyclable and biodegradable materials, replacing single-use materials with sustainable alternatives wherever possible.

Furthermore, the Group commits its suppliers to adopting sustainable practices and using renewable resources, emphasizing their selection based on sustainability criteria.

With regard to sustainable procurement, the Group's policy includes the use of renewable resources and renewable energy sources in its suppliers' production processes. MedLife is committed to prioritizing collaboration with suppliers who comply with environmental standards and who integrate innovative sustainable production solutions. Furthermore, to reduce the use of primary resources, the Group promotes the recycling and reuse of equipment and materials, including through the sterilization and redistribution of used medical equipment to other healthcare facilities or non-governmental organizations. These measures help to extend the lifespan of equipment and materials, thereby reducing the need to purchase new resources.

[E5-2] - ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

Currently, MedLife Group has already initiated a series of actions aimed at managing waste arising primarily from legal obligations in this field or equivalent to existing environmental permits. In parallel, the Group has established a series of actions related to resource use and the circular economy, with the intention of formally setting the budgets and timeframes allocated in the coming period, following the completion of the transition plan.

Table on actions related to resource use and the circular economy ESRS E5

IRO no	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
M18	Partnerships with specialist companies for the recycling of plastics and textiles generated by operations	Ongoing	All business lines	Not applicable	Reporting on the quantity of waste generated and the measures taken to reduce it.
	Selective collection system, with separate bins for different types of waste.	Ongoing	All business lines	Not applicable	
	Adopting effective practices to reduce the waste of medical supplies and medicines where safety permits.	Ongoing	All business lines	Not applicable	
	Engaging staff and patients through information and education campaigns	Ongoing	All business lines	Not applicable	
M16	Adopting effective practices to reduce waste of medical supplies and medicines where safety permits.	Ongoing	All business lines	Not applicable	Reporting on the quantity of biological and technical materials received and the measures adopted to reduce them.
	Digitalization – implementing digital solutions to reduce paper consumption (as a biological material).	Ongoing	All business lines	Not applicable	
	Use of biological/biodegradable materials where possible	Ongoing	All business lines	Not applicable	
	Sustainable procurement by prioritizing reusable, recyclable and biodegradable products over single-use items, where safety permits.	Ongoing	All business lines	Not applicable	Reporting on the quantity of biological and technical materials received and the measures taken to reduce them.
	Redistribution of used (but functional) medical equipment to other healthcare facilities or NGOs, where possible.	Ongoing	All business lines	Not applicable	
	Selection of suppliers based on sustainability criteria: those that comply with environmental standards, using biodegradable materials or renewable energy sources for production.	Ongoing	All business lines	Not applicable	

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes.*

[E5-3] – TARGETS RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

The objectives set out below reflect MedLife Group's current strategic directions regarding waste management and the promotion of circular economy principles within its operations. These represent an initial set of operational benchmarks used to monitor performance in the areas of waste management, optimizing resource use and reducing environmental impact, helping to guide the organization's actions in the coming period.

In the context of the process of progressive alignment with the requirements of sustainability reporting standards and the evolution of the reporting framework, MedLife Group continuously assesses the opportunity to review and consolidate these objectives, including by defining additional indicators or adjusting target levels. Thus, the objectives presented may be subject to updates or refinements depending on the results of internal monitoring, changes in the operational context and the development of the sustainability reporting framework.

The objectives set by MedLife Group in the field of waste management and the circular economy are aligned with applicable legislative requirements and relevant environmental protection standards. They aim to ensure a high level of operational compliance regarding the collection, management and disposal of waste generated by medical activities, as well as the prevention of negative environmental impacts.

In this context, the organization aims **to maintain a high level of compliance** and prevent environmental incidents, including achieving **the target of zero significant pollution incidents**, through the continuous monitoring of activities, adherence to internal procedures and collaboration with authorized waste management operators.

The targets set to date at MedLife Group level are not specifically aligned with all the significant sustainability aspects identified in the Double Materiality process. Furthermore, they do not fully meet the requirements set out by the ESRS regarding the definition of measurable, results-oriented objectives within a clear timeframe. For this reason, we do not include any other specific targets in the current report. However, we recognize the importance of setting clearly defined, quantifiable objectives aligned with ESRS requirements, which will enable the monitoring of sustainability performance. In the coming period, we aim to develop a structured framework for setting objectives, so that they are relevant, measurable and integrated into our development and reporting strategies.

[E5-4] - RESOURCE INPUTS

With regard to the technical and biological materials managed, MedLife Group does not carry out any production activities and therefore does not use raw materials or packaging. The Group uses only finished products as auxiliary materials to facilitate medical service activities. The only packaging managed is that of purchased products.

Auxiliary materials, essential for supporting medical and administrative operations, include general and laboratory consumables, reagents indispensable for carrying out medical analyzes and procedures, alongside medical supplies, medicines and vaccines required for treatment and prevention. Furthermore, cleaning materials ensure compliance with strict hygiene standards. In addition, daily operations, both medical and administrative, is supported by stationery, inventory items, paper and forms, which are essential for managing documentation and administrative processes.

Paper, forms and latex are **bio-based** materials derived from natural resources, such as wood and rubber tree sap, and are frequently used in medical and administrative work.

With regard to rare and critical elements, as defined by Regulation (EU) 2024/1252 – the Critical Raw Materials Act, the Group does not use any of these.

Within the company's own operations, water is used primarily for various processes, ensuring both the optimal functioning of medical activities and compliance with strict hygiene and safety standards. The main uses include the sanitization of premises and equipment, necessary to prevent contamination and maintain a sterile environment, as well as consumption in medical processes, such as the preparation of solutions, the use of

autoclaves for sterilisation, and procedures requiring high-purity water. In addition to these aspects, water consumption also occurs in administrative facilities, including for the sanitary needs of staff and visitors.

Information on the properties, facilities and equipment used in the company's own operations and in its upstream supply chain

The Group owns and utilizes a wide range of fixed assets essential to the conduct of its activities in the field of health and wellbeing. These include:

- Buildings and associated infrastructure, including transport vehicles that are constantly maintained to ensure compliance with safety and quality standards. The investment policy aims at the continuous modernization of buildings to meet the needs of our patients and users.
- Advanced medical equipment, digitized operating theatres, diagnostic and treatment equipment used in hospitals, laboratories and clinics. In the field of medical imaging, the Group has high-performance systems, including magnetic resonance imaging (MRI) and computed tomography (CT) scanners, which ensure accurate diagnoses. Furthermore, cutting-edge technology is integrated through the Carl Zeiss Kinevo 900 visualization system, designed for complex neurosurgical procedures and robotic surgery, via the acquisition of the da Vinci X and da Vinci Xi systems, available in MedLife hospitals, enabling complex surgical procedures to be performed with enhanced precision and rapid patient recovery.
- In the field of dental services, modern dental units, advanced digital imaging technologies, BIOLASE dental lasers and electron microscopes are used, thus ensuring precise and minimally invasive treatments for patients.
- In our pharmaceutical operations, we use equipment, furniture and transport vehicles to carry out distribution.
- As for the fitness facilities, the gyms are equipped with professional equipment designed for medical recovery and physical fitness.

A more detailed description of the properties, locations, facilities and equipment used can also be found in the sections dedicated to the business lines on the Medlife.ro website.

Information on the technical and biological materials and products used in the manufacture of the Group's products and services

The following definitions must be mentioned in order to comply with ESRS E5, 5-4, Article 31:

- The products used in our own operations are materials procured by MedLife for the provision of services. Whilst this disclosure may be straightforward for entities engaged in manufacturing activities, for a Group operating in the medical sector, the number of items falling under the 'materials' category runs into tens of thousands. In this regard, it is extremely difficult to quantify their weight given that units of measurement are expressed in pieces, boxes without information on quantity (i.e. in a context where purchases are predominantly local and there is no obligation to state weight in the available documents), kits, liters, etc.
- Technical materials are considered primary resources under environmental permits, namely those materials that enter the production process and are recorded as inputs in the production process. This field of the environmental permit is explicitly defined in the 'resource inputs' category, thereby complying with the standard's objective. For MedLife, this category is not applicable.
- Biomass is defined in the academic literature as follows: "Material of biological origin or a renewable energy source derived from living or recently living organisms, consisting mainly of carbon, oxygen, hydrogen and nitrogen[5] ". Biological materials were considered to be those originating from a natural resource, with the capacity to re-enter the natural cycle without extensive treatment[6] . This definition excludes materials of synthetic/industrial origin that can re-enter the economic cycle (not to be confused with recyclable plastics/metals, which can be processed in a sustainable manner but are not, in terms of their constituent substances, biodegradable). For MedLife, these materials are paper and latex, and the reported products are those that contain them as main materials, for example, gloves.

The quantities reported for biological materials are obtained through a series of information requests relating to entries in internal inventories, sourced from the Group's management accounting systems. For biological materials received during 2025, the weight was available from online sources for this analysis. To determine the weight, the Group used online information regarding quantity/unit/kit; such information may distort the accuracy of the data, and an exact measurement may result in differences from the estimate made as at 31 December 2025.

The quantities reported for auxiliary materials were estimated based on a series of information requests relating to entries in internal inventories, obtained from the Group's accounting systems. For these materials, the weight was estimated based on online sources, which were cross-checked with data available on the packaging of certain product categories.

The company ensures that material inflows and outflows are measured and reported based on consistent methodologies and clearly defined categories, avoiding double counting of volumes between resource use and waste flows. The numerical data (weight expressed in tones) is limited to the information that could be extracted and estimated for the year 2025 and is shown in the table below:

Table of numerical data regarding resource inputs (consumption)

#	Information disclosed	Category / Formula	Category	2025	2024
1	Total weight of technical and biological products and materials	2+3+4		36,332.24	28,568.97
2	Total weight of products used	Secondary auxiliary materials	Consumables	32,426.21	25,463.87
			Laboratory		
			Miscellaneous		
			Cleaning supplies		
			Sanitary supplies		
			Medicines		
			Inventory items		
			Reagents		
			Vaccines		
3	Total weight of technical materials used	Main raw materials	Not applicable	Not applicable	Not applicable
4	Total weight of biological materials used	Materials derived from natural sources and which, at the end of their life cycle, return to nature without complex treatment processes (wood, paper, latex)	Latex	3,568.92	2,853.31
			Standardized (paper-based)	170.46	140.76
			Paper	166.65	111.03
5	Percentage of biological materials (and biofuels used for non-energy purposes)	= 4/ 1		11%	11%
6	Absolute weight*			Not applicable	Not applicable
7	Percentage of reused or recycled components**	= 6/1		0%	0

**The absolute weight of reused or recycled secondary components, secondary intermediate products and secondary materials used in the manufacture of the company's products and services (including packaging)*
***Percentage of reused or recycled secondary components, secondary intermediate products and secondary materials*

[5] Petruccioli, M., Raviv, M., Di Silvestro, R., & Dinelli, G. (2011). Agriculture and Agro-Industrial Wastes, Byproducts, and Wastewaters. *Comprehensive Biotechnology*, 531–545. https://doi.org/10.1016/b978-0-08-088504-9.00389-5

[6] Not to be confused with the property of being compostable, as there are also fossil-based polymers that are biodegradable

[E5- 5] - RESOURCE OUTPUTS

Waste information

Table on waste information in tones

Indicators	2025	2024
Total waste generated	**7,719.53**	**5,965.70**
Hazardous waste removed for disposal	0.66	**4.75**
Hazardous waste diverted from disposal due to preparation for reuse	-	0
Hazardous waste diverted from disposal due to recycling	0.64	4.75
Hazardous waste diverted from disposal due to other recovery operations	0.02	0
Non-hazardous waste diverted from disposal	**1,498.17**	**555.45**
Non-hazardous waste diverted from disposal due to preparation for reuse	-	0
Non-hazardous waste diverted from disposal due to recycling	1,375.90	431.84
Non-hazardous waste diverted from disposal due to other recovery operations	122.27	123.61
Hazardous waste sent for disposal	**636.54**	**705.51**
Hazardous waste sent for disposal by incineration	94.43	169.40
Hazardous waste sent for landfill	435.70	478.75
Hazardous waste sent for disposal by other disposal operations	106.41	57.36
Non-hazardous waste sent for disposal	**5,584.16**	**4,700.00**
Non-hazardous waste sent for disposal by incineration	63.87	44.68
Non-hazardous waste sent for disposal by landfill	5,431.38	4,651.84
Non-hazardous waste sent for disposal via other disposal operations	88.91	3.48
Non-recycled waste	**6,220.70**	**5,529.1**
Percentage of non-recycled waste	81%	93
Total quantity of hazardous waste	**637.19**	**710.26**
Total amount of radioactive waste	**2.57**	**1.10**

MedLife’s operations generate various categories of waste, each with a specific composition depending on the activities carried out:

- Hazardous waste includes materials contaminated with biological or chemical substances, such as medical waste (18.01.06*, 18.01.08*), packaging that has come into contact with hazardous substances (15.01.10*) and infected biological waste (18.01.03*). These contain materials such as plastic (syringes, gloves, catheters), medical textiles (gauze, compresses), biological fluids and expired medicines.
- Furthermore, at Neolife Medical Center Romania, part of MedLife Group which provides radiotherapy and nuclear medicine services, low- or medium-level radioactive waste is also generated in some cases, similar to that produced in other medical institutions using radioactive materials. This waste typically includes contaminated materials and spent radioactive sources. The management and disposal of this waste is carried out in accordance with national and international regulations to ensure the safety of staff, patients and the environment.
- Non-hazardous waste consists of recyclable and common materials, without significant biological or chemical risk. These include plastic, paper, cardboard, glass and metal packaging (15.01.01 – 15.01.07), end-of-life electronic equipment (16.02.14) and various uncontaminated textiles or sanitary equipment (18.01.01, 18.01.04).
- MedLife also generates municipal waste (20.01.01 – 20.03.01), which includes food waste, household packaging and paper, similar to that generated by domestic activities.

This diversity of waste requires specific management measures to reduce the environmental impact and ensure compliance with current regulations.

The classification of waste categories was carried out based on specific codes and the treatment applied, following consultations with MedLife specialists and the treatment sheets provided by waste management service providers. The methodology used to calculate waste data is a mixed approach, including both direct measurements and estimates:

- For hazardous waste, all quantities are calculated based on invoices issued by waste management operators, representing actual data, without estimates.
- Radioactive waste is also calculated on the basis of invoices issued by waste management operators, representing actual data, without estimates.

In the case of municipal waste (recorded in the category ‘Non-hazardous waste sent to landfill’), the data is mainly taken from invoices, but also includes estimates where necessary, based on monthly documents submitted by the municipal operator. The conversion from volume to mass was carried out using a standard density of 355 kg/m³

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ESRS S1 - OWN WORKFORCE

[S1. SBM-3] - SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

The following table lists the impacts, risks and opportunities related to *Own workforce*, which MedLife has identified and assessed as significant following its double materiality (DM) assessment, including the categories of affected stakeholders and where the impact occurs. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD.

Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities related to the company's own workforce ESRS S1

#	Brief description	Stakeholders							Business lines						
		Employees & Workers	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Other*	**Downstream**
S1	Pay benefits provide economic and social protection for employees.	✓							✓	✓	✓	✓	✓	✓	
S2	Potential for demanding workloads in one's own duties	✓								✓	✓	✓			
S3	Payment of wages at the national minimum wage	✓							✓	✓	✓	✓	✓	✓	
S4	Absence of employee representatives	✓							✓	✓	✓	✓	✓	✓	
S5	The absence of collective bargaining agreements at Group level or within large companies within the Group	✓							✓	✓	✓	✓	✓	✓	
S7	Work-related activities can cause occupational illnesses.	✓							✓	✓	✓	✓	✓	✓	
S8	Gender pay gap	✓							✓	✓	✓	✓		✓	
S9	Training programs that support professional development.	✓							✓	✓	✓	✓	✓	✓	
S10	Employing people with disabilities promotes inclusion.	✓							✓	✓	✓	✓	✓	✓	
S11	The absence of specific policies and training to combat violence and harassment in the workplace	✓							✓	✓	✓	✓	✓	✓	

MedLife Group includes its entire workforce in its double materiality analysis, taking into account both employees on individual employment contracts and non-salaried workers involved in the Group's operations and activities. All medical staff, regardless of the type of contract they have with MedLife, are considered part of the Group's workforce, contributing directly to the conduct of activities and the achievement of organizational objectives.

- The first category, staff employed under individual employment contracts, includes nurses, doctors, rehabilitation specialists and administrative staff, who carry out their duties within MedLife facilities, ensuring the stability and continuity of the services provided. These employees are an integral part of the Group's operational structures and enjoy all the rights and obligations associated with this type of employment relationship.
- The second category comprises non-salaried workers who collaborate with MedLife Group on the basis of service contracts or as self-employed individuals (PFA). This category includes doctors carrying out independent medical activities, as well as rehabilitation specialists, who contribute to the expansion and diversification of the services offered by MedLife.

The Group's objective is for the medical staff to consist mainly of full-time employees, even though certain specialisms and roles are very difficult to fill under current market conditions. In these circumstances, the Group enters into part-time employment or collaboration agreements with the relevant staff. The type of contractual arrangement between the Group and its medical staff depends on various criteria, such as the professional context or the time that medical staff can allocate to the services provided within the Group. Medical staff under service provision contracts are regarded by the Group as business partners, providing services to the Group as independent contractors, in accordance with applicable legislation.

With regard to **the positive impacts** (*S1, S9 and S10*) identified following the DMA analysis relating to the sub-themes *Working Conditions and Equal Treatment and Opportunities for All*, at MedLife Group level these are linked to three sub-sub-themes: *Safe jobs, Training and skills development*, and *Employment and inclusion of people with disabilities*. These impacts relate to three contributions:

- *Ensuring a safe working environment for employees by providing salary and non-salary benefits, including the payment of social protection contributions – CAS, CASS and CAM – which protect employees from economic and social risks.*
- *Improving employees' professional development by organizing training and development programs.*
- *Increasing social inclusion and diversity in the workplace by employing people with disabilities.*

These positive impacts extend to all MedLife Group employees, including both support and administrative staff as well as medical staff, through individual employment contracts or service contracts.

With regard to **the significant negative impacts**, both current and potential (S2, S3, S4, S5, S7), identified following the DMA analysis relating to the sub-theme '*Working* Conditions', at MedLife Group level these are linked to five sub-sub-themes: *Working hours, Adequate wages, Social dialogue, Collective bargaining, including the proportion of workers covered by collective agreements*, and *Health & Safety*; these generate or may generate the following effects:

- *The health and well-being of employees and non-salaried workers may be negatively affected by shift work schedules, including night shifts.*
- *A decline in employee satisfaction and motivation at work due to wages being set at the national minimum wage*

- *Potential negative impact on the respect for employees' rights and wishes due to the lack of designated employee representatives and the absence of structured consultation processes*
- *Potential negative impact on respect for employees' rights and wishes due to the lack of collective bargaining agreements at Group level or within large companies within the Group*
- *Adverse effects on employees' health and safety due to the potential development of occupational diseases.*

The strategy, business model and industry in which MedLife Group operates require collaboration with medical staff from various healthcare facilities and the adoption of digital solutions, which generate or may generate direct impacts on the working hours of the workforce (S2). Intense work schedules, long shifts and high physical and mental demands may be a consequence of the operational requirements specific to the healthcare sector.

At the same time, pay differences may arise among employees as a result of the Group's expansion strategy, which includes the acquisition of companies of varying sizes and from different geographical areas. These acquisitions involve the integration of different pay structures and working conditions, and the alignment process may take time until pay standards are standardized as the Group optimizes its operations. It is therefore natural that, initially, salary differences may arise between employees in different locations or acquired companies, until administrative and operational processes are fully integrated (S3). The Group's business model, which includes both specialists in advanced medical fields and support staff, entails a hierarchy of skills that is reflected in the salary structure.

As regards these significant negative impacts (S2, S3, S4, S5), they are widespread, manifesting across the majority of the company's business lines and affecting a significant proportion of the workforce (S3 regarding the payment of wages below the appropriate level, S4 and S5 regarding the lack of employee representatives and a collective bargaining agreement, as well as S8 regarding pay differentials affect or may affect a much larger number of people).

The lack of a formal collective bargaining framework and the absence of collective labour agreements at Group level or within its large companies are impacts arising from the Group's business model, which involves a diversified and complex structure. Although the Group does not prevent employees' freedom of association to appoint representatives to establish a mechanism for dialogue with management, employees are unable to appoint such representatives across the entire organization. In the context of the Group's expansion through acquisitions, each entity may have its own practices regarding labour relations, and without a common platform for negotiation, it becomes more difficult to ensure a uniform mechanism for communication between employees and management (S4, S5). This may limit the organization's ability to effectively resolve employees' issues and improve their satisfaction, particularly in a context where the organizational structure and culture are undergoing continuous alignment. The Group's management supports employees' efforts to appoint representatives and take the necessary steps to establish a formal collective bargaining framework.

Risks relating to employee health and safety are a direct consequence of the specific nature of the healthcare sector, where activities involving the handling of hazardous substances and the risk of exposure to pathogens or toxic agents are carried out. In this context, the Group's business model, which is based on the provision of complex medical services, requires strict protection and safety measures, including protective equipment and risk management protocols. These measures form part of the Group's strategy to ensure a safe working environment, as well as to meet the requirements of regulations specific to the medical sector (S7). MedLife places emphasis on the continuous training of employees to manage risks, so that their health and safety are protected in a challenging working environment. The potential impact of S7 is individual in nature. With regard to occupational diseases (S7), although exposure to pathogens and hazardous substances in the workplace may represent a risk factor across all business lines, the incidence of cases can be reduced and isolated. Therefore, we consider that this impact is individual in nature, without the potential to systematically affect the workforce at Group level.

Other significant negative impacts, both current and potential (S8, S11 and S12), identified following the DMA analysis relating to the sub-themes *'Equal treatment and opportunities for all' and 'Other labour-related rights',* are linked to three sub-sub-themes: *'Gender equality and equal pay for work of equal value', Measures against violence and harassment in the workplace.*

- *Declining motivation and job satisfaction as a result of the gender pay gap.*
- *Increased stress and anxiety among employees, as well as the risk of violence or harassment due to the lack of a specific policy and training against violence and harassment in the workplace and the management of such behaviours.*

The pay gap between women and men within MedLife Group (S11) and specific to this sector stems from the fact that women hold a significantly higher number of positions classified as nursing assistants. As skill levels and responsibilities differ, it is understandable that there are pay gaps between women and men, but also between different roles within the same business lines.

The lack of specific training programs against violence and harassment in the workplace is another important issue arising from the Group's business sector. The healthcare sector is one in which interactions with patients and their families are frequent, and conflicts or situations of harassment can sometimes arise. Furthermore, the hierarchical structure in hospitals and clinics can influence power relations, which highlights the need to implement prevention and intervention programs to ensure a safe and respectful working environment for all employees (S11).

In the process of analyzing dual materiality, the main categories of staff within the organization who, due to the nature of their work, are or could be adversely affected are:

- medical staff working shifts are at increased risk of health and safety issues;
- medical staff involved in handling chemicals, managing biomedical waste or exposure to pathogens are at increased risk to their health and safety;
- young employees, who are in the process of adapting to the demands of the healthcare sector, and women, in the context of challenges related to balancing work and personal life, may face additional difficulties in their working conditions.
- People with disabilities, due to the nature of their specific needs, require special attention to ensure the workplace is adapted to their requirements and to prevent any additional risks.

The MedLije Group has not identified any significant impacts on its workforce as a result of implementing transition plans aimed at reducing negative environmental impacts and adopting more sustainable and climate-neutral operations.

Within the operations carried out by the Group's companies, we consider the risk of forced labour or child labour to be extremely limited. During 2025, no incidents associated with these forms of exploitation were identified within our operations or in the geographical regions where we operate.

[S1-1] - POLICIES RELATING TO THE COMPANY'S OWN WORKFORCE

MedLife's Sustainability Policy

MedLife Group's Sustainability Policy affirms the company's commitment to respecting human rights within the workforce, including both its own employees and non-salaried workers. This is aligned with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

In this context, *MedLife Group's Sustainability Policy* sets out clear measures to promote a safe, fair and inclusive working environment by prohibiting discrimination, forced labour, modern slavery, harassment and violence in the workplace, as well as by respecting freedom of association and guaranteeing decent working conditions. At the same time, this policy is supported by the occupational health and safety policy, the policy

on the prevention of discrimination and harassment in the workplace, and the data protection policy, ensuring an integrated approach to workers' rights.

MedLife is therefore committed to complying with national and international legal principles and requirements regarding human rights, which include, amongst others, the following instruments:

- Convention No. 29/1930 concerning forced labour;
- Convention No. 87/1948 concerning Freedom of Association;
- Convention No. 98/1949 concerning the right to organize and collective bargaining;
- Convention No. 100/1951 concerning equal remuneration;
- Convention No. 105/1957 concerning the Abolition of Forced Labour;
- Convention No. 111/1958 concerning Discrimination (Employment and Occupation);
- Convention No. 138/1973 concerning the minimum age;
- Convention No. 182/1999 concerning the prohibition of the worst forms of child labour.

MedLife Group firmly condemns all forms of forced or compulsory labour, the use of child labour, discrimination, modern slavery, harassment and violence in the workplace. Furthermore, through this policy, MedLife undertakes to work only with suppliers who adhere to the same principles and regulations. Furthermore, MedLife adheres to the principle of fair and equitable remuneration, guaranteeing equal pay for work of equal value and applying strict measures for the protection of employees' data, in accordance with the GDPR. The policy recognizes and respects freedom of association, granting employees the right to join trade unions and to participate in collective bargaining. Furthermore, MedLife excludes any form of forced or compulsory labour, and employees' work is carried out exclusively on the basis of individual employment contracts, in compliance with legislation prohibiting the employment of minors under the legal age.

The information required by MDR-P 65(a) regarding the monitoring mechanism, and (c), (e) and (f) is reported in section E1-2 Policies related to climate change mitigation within the ESRS E1.

MedLife aligns this policy with international sustainability standards, including the General Data Protection Regulation (GDPR), the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work.

In establishing its policy, MedLife balances the interests of its stakeholders, taking into account aspects such as occupational health and safety, fair pay, professional development and the protection of their rights. Feedback received from employees, alongside other stakeholders, may influence the adjustment of the sustainability policy to address emerging concerns and changing expectations, ensuring a safe, fair and motivating working environment.

The Sustainability Policy promotes the following principles:

- a zero-tolerance policy towards any form of harassment and/or discrimination in the workplace (S11), promoting a working environment based on respect, safety and equal treatment;
- equal rights and opportunities in the workplace for both women and men, based on professional competence and the fulfilment of internal requirements – employment, internal recruitment, promotion, remuneration, benefits, access to managerial positions, etc., - regardless of ethnic origin, gender, race, religion, age, disability (S10), sexual orientation, political views, trade union membership or other such factors;
- supporting the development and career progression of all employees, whilst constantly ensuring equal opportunities (S9);
- optimizing the work-life balance, equally for women and men (S2);
- communication free from gender stereotypes;
- equal treatment of all employees in employment relations, in the sense of ensuring non-discriminatory access to certain rights such as the free choice or exercise of a profession or activity (recruitment for all vacant positions, equal pay for work of equal value (S8), performance appraisal at work, working conditions that comply with health and safety at work regulations, promotion at any hierarchical and professional level, vocational training programs, career guidance;

- respect for human dignity, with all persons employed within the Group having the right to a working environment free from violence and harassment, and being guaranteed the free and full development of their personality within a work culture based on mutual respect and dignity (S11).
- the 'Zero Risk' principle as a fundamental principle of the internal health and safety management system to control the risk of workplace accidents, to reduce risks at source and implement collective and individual protective measures, to improve well-being at work and to prevent psychosocial risks (S6, S7).
- Respect for the right of association (S4, S5), recognizing the importance of social dialogue and employee participation in decision-making processes relevant to their working conditions.

MedLife Internal Regulations

The MedLife Internal Regulations aim to provide information on labour relations within the company, the rights and obligations of employees and the employer, as well as specific rules regarding health and safety at work, discipline, non-discrimination, working hours, employee appraisal, personal data protection and other relevant aspects. The Internal Regulations apply to all company employees with individual employment contracts, whether fixed-term or permanent, full-time or part-time. They also apply to trainees and students undertaking work placements, seconded or delegated staff, and other persons carrying out temporary activities within the company.

The Human Resources Department is responsible for implementing the Internal Regulations, ensuring compliance with their provisions, managing employment relations and resolving employees' requests or complaints. The Regulations are available for consultation at the Human Resources Department and are provided to employees upon signing their employment contract. The Internal Regulations are aligned with applicable regulations, complying with the Labour Code (Law No. 53/2003), the Occupational Health and Safety Law No. 319/2006, and Regulation (EU) 2016/679 (GDPR) on the protection of personal data.

This document addresses the following sustainability topics:

- *working time (S2)* clearly regulating working hours, including recording of working hours via time clocks and compliance with meal and rest breaks, minimizing the risks associated with intense work, and promoting a work-life balance.
- *fair remuneration* for work performed, commensurate with the employee's skills and responsibilities, including criteria that prevent discrimination in wage setting, reflecting the company's ethical principles.
- *health and safety*, establishing a clearly defined set of mandatory rules and measures applicable to all employees, contractors and participants in the company's activities. The document emphasizes the importance of ongoing employee training in the field of health and safety through general and periodic induction training, as well as through the continuous assessment of workplace risks.
- the prevention *of occupational diseases* through risk assessments and regular training. The regulations encourage the use of personal protective equipment and the constant monitoring of working conditions.
- *the rejection* of gender-based *pay discrimination*, promoting equal opportunities and equal pay for equal work. Furthermore, the document emphasizes the obligation to periodically review pay policies to prevent the emergence of unfair differences.
- The document explicitly prohibits any form of *harassment or violence in the workplace*, establishing clear disciplinary sanctions. It is important for us to promote an environment based on mutual respect and safety. Furthermore, the regulations include mechanisms for the confidential reporting of incidents and the protection of employees involved.
- Ensuring a package of salary benefits that supports the financial and social stability of employees. Salary benefits are tailored according to the complexity and responsibility of the role.
- The policy defines professional development as a priority, establishing the employer's obligation to provide training programs at least once every two years. We are committed to supporting the development of employees' skills to meet the demands of the labour market. Programs are tailored to suit the specific nature of each role and professional development needs.
- the integration and adaptation of workplaces for people with disabilities, prohibiting any discrimination. The regulations stipulate the removal of physical and organizational barriers to facilitate access and integration for these individuals.
- It incorporates fundamental human rights principles, ensuring respect for equal opportunities, fair treatment and the protection of employees.
- By establishing clear standards, it prohibits any form of discrimination, harassment or violence in the workplace, promotes diversity and inclusion, and guarantees employees' right to health and safety at work.
- compliance with national legislation on the protection of employees, including regulations prohibiting the employment of minors under the legal age.

Policy on the prevention and combating of discrimination and harassment in the workplace

The policy on preventing and combating harassment and violence, designed to ensure a safe and non-discriminatory organizational environment for all employees, aims to prevent, identify and sanction any behaviour that may constitute harassment, violence or unfair treatment, thereby protect employees and promote a harmonious and professional working environment.

The policy applies to all MedLife Group employees, regardless of their position, as well as to contractors and partners carrying out activities within the organization. Furthermore, by establishing clear reporting mechanisms that ensure employees can submit complaints in a secure and confidential manner, it implicitly reflects the level of involvement of employees, as well as other stakeholders, in the process of drafting and reviewing the policy.

The document has been drawn up in accordance with the Labour Code, the Constitution of Romania, Law No. 202/2002 on equal opportunities and treatment between women and men, Law No. 167/2020 on the prevention and sanctioning of all forms of harassment, as well as the applicable European Union Directives in the field of preventing and combating harassment in the workplace. The policy is implemented and monitored by the Human Resources Department, which ensures compliance with the measures set out, manages complaints and coordinates prevention and remedial actions.

The main objectives of the policy are:

- To create a safe working environment where respect and professionalism are fundamental values.
- Establishing a clear and accessible mechanism for reporting and investigating incidents of harassment and violence.
- Protecting employees who report such incidents, ensuring their confidentiality and protection against retaliation.
- Implementing training and awareness sessions to prevent and manage situations of harassment or violence.

The policy is available for consultation at the Human Resources Department and is made available to employees via the intranet and the e-learning platform.

Occupational Health and Safety Policy and Management Plan

The purpose of this document is to establish measures for the prevention and reduction of the risks of accidents and occupational illness, ensuring a safe working environment and compliance with occupational health and safety legislation. The OHS policy applies to all MedLife departments and work sites. Through this policy, MedLife undertakes to identify and assess all risks associated with its activities, ensuring that

workplaces are suitably equipped and that staff receive ongoing training to minimize health and safety incidents, thereby contributing to the prevention and reduction of the effects of potential health and safety incidents (S6). At the same time, it is a priority to implement strict measures to prevent occupational diseases, including the continuous monitoring of employees' health, the adaptation of workstations to ergonomic requirements and the provision of appropriate personal protective equipment, thereby reducing the risk of occupational diseases developing among employees (S7).

Overall responsibility for the implementation of the OHS policy lies with the Managing Director of MedLife, who may delegate certain duties to a designated representative, without being relieved of their legal responsibilities. By implementing this policy, MedLife complies with all applicable legal regulations and the European Directives on occupational health and safety. The OHS policy is communicated to all employees through regular training, workplace notices and specific briefings.

The main purpose of **the OSH Regulations** is to regulate and implement the necessary measures to ensure the health and safety of employees in the workplace. Through these regulations, specific responsibilities, preventive measures and mechanisms for monitoring working conditions are established, so as to reduce the risks associated with the activities carried out within the organization.

Responsibility for implementation lies primarily with the Health and Safety Committee (HSC), as well as with designated managers within the units, who must ensure that the established measures are observed and applied appropriately. Responsibility also lies with employees, who must comply with the rules and measures established for the protection of health and safety at work. The document is communicated to employees through internal information procedures and through the involvement of the structures responsible for health and safety at work. It is brought to their attention primarily through meetings of the Health and Safety Committee (HSC), by displaying it in the workplace and through official communications sent to employees.

The document applies to all employees within the organization, with particular relevance for those exposed to occupational risks in MedLife facilities, such as clinics, laboratories and hospitals. It also applies to administrative staff and other employees working in environments where occupational health and safety must be continuously monitored and improved.

[S1- 2] - PROCESSES FOR ENGAGING WITH OWN EMPLOYEES AND EMPLOYEE REPRESENTATIVES REGARDING IMPACTS

At MedLife, there are no trade unions or designated employee representatives. Consultation with employees regarding impacts on the workforce does not take place within a formalized framework. The Group plans to develop and implement, in the coming years, a general consultation process that includes mechanisms for gathering feedback from employees.

Operational responsibility for ensuring collaboration between employees and the company lies with the Human Resources Department, which reviews employee concerns and implements measures to improve the working environment.

Currently, MedLife has not entered into any global framework agreements or other formal agreements with employee representatives regarding respect for human rights for its own workforce. Furthermore, there are no trade unions or designated employee representatives within the company to participate in collective bargaining.

To ensure that its own employees are involved in identifying and managing the impacts on them, MedLife uses structured mechanisms for gathering feedback and fostering internal dialogue. During the reporting year, the Group implemented an entity-wide engagement survey for the first time, which will be conducted annually. The survey was addressed to all MED Life SA employees and recorded a participation rate of over 50%, providing a relevant insight into employees' perceptions of the working environment, organizational culture, professional development opportunities and work-life balance. The survey results are analyzed at management level, and based on these, action plans are defined for the areas identified as priorities. The implementation of these measures is monitored internally, and the conclusions are integrated into human resources management processes, contributing to the continuous improvement of working conditions and the management of impacts on employees.

The effectiveness of collaboration is also assessed through the following internal mechanisms:

- Permanent direct channels of communication between employees and their line managers, which allow concerns regarding working conditions to be raised and appropriate solutions to be identified.
- The role of the Human Resources Department, which analyzes employees' requests and complaints, provides feedback and implements measures to improve the working environment.
- Confidential reporting mechanisms, such as *the Policy on the Protection of Whistleblowers in the Public Interest*, through which employees can report issues relating to working conditions, discrimination or other ethical concerns via internal confidential reporting channels. Responsibility for managing this mechanism lies with the Board of Directors and third parties designated by it.
- Exit interviews organized by the Human Resources Department to understand how working conditions can be improved or the causes that led to those situations.
- Bi-annual training sessions on health and safety at work organized by the Health and Safety Officer, where employees can provide feedback on their working conditions.

These collaboration mechanisms are permanently available to all employees and collaborators of MedLife Group, and may be accessed by them whenever necessary. The collaboration processes outlined above include all categories of employees, regardless of gender, race, religious affiliation, sexual orientation, age, social background or any other criteria that could lead to discrimination. The Group has not yet adopted specific measures to understand the perspectives of members of its workforce who may be particularly vulnerable to impact or marginalized, such as women, migrants or people with disabilities.

[S 1-3] - PROCESSES FOR MITIGATING NEGATIVE IMPACTS AND CHANNELS THROUGH WHICH STAFF CAN RAISE CONCERNS

The Group has a mechanism for resolving complaints or grievances relating to personnel matters. *The internal regulations* provide for a clear procedure through which employees can lodge complaints regarding employment relations, working conditions, performance appraisals or other issues encountered within the company. For individual complaints or requests from employees, the procedure involves submitting a written complaint, which must be sent to the Human Resources Department. Complaints are recorded in a register and are analyzed in accordance with the rules established by the company. These are resolved by designated staff within the Human Resources Department, who examine the request and propose remedial measures. There is also the possibility of mediating individual labour disputes, meaning that, before more drastic measures are taken, there is an internal mediation mechanism through which the employee and the company can reach an amicable solution.

In addition, for issues relating to health and safety at work, MedLife has established an *Occupational Health and Safety Committee (OHS Committee),* where employees can directly report any issues regarding working conditions or the risks to which they are exposed to designated representatives. The OSHC is responsible for monitoring and proposing measures to improve workplace safety.

MedLife considers the Integrity Alert Form, available on the company's website, to be the primary formal confidential channel in the process of addressing potential negative impacts on employees. Through this form, any interested party may submit complaints and reports, or report irregularities or unethical or illegal practices, by following the steps outlined in the form.

Reports received are recorded in an electronic register containing information such as the date of receipt of the report, the name and surname of the whistleblower, the whistleblower's contact details (if known), the subject of the report, and the proposed resolution. With regard to the resolution process, a designated independent external team will analyze the report and make proposals for subsequent action to the relevant persons within MedLife. To the extent that the report relates to matters of significance to MedLife's operations, the Board of Directors is also informed immediately. Within a maximum of three months of the acknowledgement of receipt of the report being sent, the whistleblower will be informed by the designated

team regarding the status of the subsequent actions and, subsequently, whenever there are developments in the progress of the subsequent actions, unless such information could jeopardize their conduct. Following the investigation, if the report is substantiated, MedLife's management may take measures such as: disciplinary proceedings, referral to criminal investigation authorities, or the improvement of MedLife's policies and regulations to prevent the recurrence of the risks and breaches identified. Subsequently, depending on the outcome of the investigation, the designated person will draw up a report on the resolution or closure of the report, which they will communicate to the whistleblower. The policy also covers situations where a report made for valid reasons is closed, as well as the rights of the persons concerned by the report. Particular attention is paid to protecting whistleblowers from retaliation, and their confidentiality is guaranteed. MedLife prohibits any form of retaliation, such as suspension of the employment contract, reduction in salary, harassment or discrimination.

To facilitate employees' access to these resources, the relevant policies and procedures are available from the Human Resources Department, are brought to their attention upon employment, or are publicly available on the Group's website.

To monitor and ensure the effectiveness of the channels for submitting complaints and reports, we regularly review the issues raised through these mechanisms, tracking how they are resolved and identifying opportunities for improvement. Currently, MedLife does not conduct regular surveys to assess employee satisfaction with these channels, but intends to implement such surveys in the future as part of a continuous improvement process.

[S1–4] - ADOPTING MEASURES REGARDING SIGNIFICANT IMPACTS ON THE COMPANY'S WORKFORCE AND APPROACHES TO MITIGATE SIGNIFICANT RISKS AND TO PURSUE SIGNIFICANT OPPORTUNITIES RELATED TO THE WORKFORCE, AS WELL AS THE EFFECTIVENESS OF THESE ACTIONS

Within the Group, the process by which we identify and determine the necessary and appropriate actions in the face of an actual or potential negative impact on the workforce is guided by the existing legislative framework, as well as international best practices.

We identify the necessary and appropriate actions to manage actual or potential negative impacts on the workforce through a structured process, which involves the continuous monitoring of working conditions, the analysis of data collected from time-recording systems, training sessions and regular consultations with employees. To this end, we use internal communication channels, discussions with the Human Resources Department, as well as confidential reporting mechanisms, which allow employees to raise any concerns regarding working conditions, working hours or the organizational environment. Corrective actions and preventive measures are established in accordance with applicable legislation, internal regulations and best practices in the field.

These measures apply to all employees and non-salaried workers. To assess the effectiveness of corrective measures, we monitor compliance with internal procedures, periodically analyze the risks associated with data processing, and review security systems in accordance with legal requirements. We also ensure that any data protection request is handled in accordance with the law and that employees have access to clear mechanisms for exercising their rights, including the right to access, rectify or erase data. To implement and strengthen these measures, MedLife has allocated substantial financial resources from the Group's operational budgets.

We constantly strive to ensure that our practices do not generate or contribute to significant negative impacts on the workforce, by implementing internal policies and mechanisms designed to protect employees' rights and well-being. Where tensions arise between preventing negative impacts and commercial pressures, we prioritize employee safety and satisfaction in the decision-making process.

Table on actions relating to our own workforce ESRS S1

IRO	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
S1	Maintaining and expanding benefit packages	Ongoing	All employees	Not applicable	Monitored
S2	Active monitoring of working hours via time and attendance systems to prevent exceeding legal working hour limits and employee overwork	Ongoing	All employees	Not applicable	Quarterly reporting by the Human Resources Department and compliance with legislation
S3	Salary adjustments in line with applicable legislation	Ongoing	All employees	Not applicable	
S4	Respecting the right of association through appropriate policies	Ongoing	All employees	Not applicable	Measured through direct collaboration processes and subsequently through employee engagement surveys
	Direct dialogue and consultation	Ongoing	All employees	Not applicable	
	Clear policies on non-discrimination and non-retaliation	Ongoing	All employees	Not applicable	
	Access to information and resources relating to relevant legislation	Ongoing	All employees	Not applicable	
	Promoting a climate of respect and collaboration	Ongoing	All employees	Not applicable	
S5	See S4	Ongoing	All employees	Not applicable	
S7	Organizing regular training sessions for staff on safety measures.	Ongoing	All employees	Not applicable	Measured operationally using indicators such as: # of reported occupational illnesses
	Regular medical assessments by occupational health services	Ongoing	All employees	Not applicable	Monitored
S8	Clear non-discrimination policies	Ongoing	All employees	Not applicable	Quarterly reporting by the HR Department and compliance with legislation
S9	Implementation of the e-learning platform	Ongoing	All employees	Not applicable	Measured through direct collaboration processes, training costs and subsequently through employee engagement surveys
	Consolidation and expansion of programs such as Life Academy and Good Practice – Nurses School	Ongoing	All employees	Not applicable	
	Facilitating access to continuing professional development courses	Ongoing	All employees	Not applicable	
S10	Clear non-discrimination policies	Ongoing	All employees	Not applicable	
S11	Continued use of dedicated channels for reporting incidents	Ongoing	All employees	Not applicable	

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes*

With regard to *S1 Salary benefits, which provide economic and social protection for employees,* the employee remuneration structure (applicable to the entire workforce across all our operational entities) includes a basic salary, variable remuneration linked to performance or aligned with regulations on overtime pay, as well as additional benefits such as meal vouchers and gift vouchers, designed to support their financial stability and well-being. Other benefits include a minimum number of annual leave days, holiday pay, self-service platforms, remote working where the role permits, other benefits in the form of discounts on services, as well as salary agreements with partner banks and referral programs. As regards the development of these initiatives, we intend to monitor labour market trends and internal feedback to identify potential improvements to our compensation and benefits policies, so as to ensure a stable and sustainable working environment for all our employees.

To mitigate the impact of intensive work programs, clear regulations regarding working hours and rest periods have been implemented, in accordance with the provisions of the Internal Regulations and relevant legislation, ensuring compliance with legal standards regarding working hours and mandatory rest periods. These measures are monitored by the Human Resources Department with the aim of helping to mitigate the effects associated with the *S2* risk factor: *Potential intense work schedules* in our own operations. We regularly assess the data collected and intervene promptly to adjust work schedules, redistribute tasks and reorganize activities. In the long term, we aim to optimize monitoring and prevention mechanisms so that we can identify and resolve any imbalances before they affect the health and safety of our staff.

The actions taken form an integral part of the Occupational Health and Safety (OHS) Management Policy and the Internal Regulations, documents which set out clear measures for preventing overwork, monitoring working hours and protecting employees' health, as well as methods for remunerating overtime. These measures are implemented across all Group entities, including clinics, laboratories, hospitals and other administrative units.

With regard to the current impact associated *with S3*, we are committed to ensuring an appropriate level of remuneration, tailored to the responsibilities and complexity of each role, for both doctors and other team members. Although there are employees who are paid the minimum wage, they are generally found in entry-level or administrative positions without significant responsibilities. MedLife implements measures to support their financial security by offering non-wage benefits, support for professional development through training programs, and access to career progression opportunities. To ensure the effectiveness of corrective measures, MedLife constantly monitors employee retention rates, analyzes feedback gathered during periodic appraisal processes, and adjusts salary policies in line with labour market dynamics, current legislation and organizational requirements.

Regarding sustainability aspects S4 and S5, to date, within MedLife, there are no elected employee representatives to negotiate their rights, nor are there any collective bargaining agreements establishing a unified framework for negotiation. The reasons why these structures do not exist include, amongst others, the specific nature of the sector, the current geographical structure of the workforce, and the structure of the Group's entities. MedLife recognizes the importance of these aspects and, through internal policies, implements initiatives aimed at reducing or preventing the effects of these impacts. Annually, MedLife informs employees about relevant legislation and provides them with all necessary information, officially recognizing employees' right to form or join a trade union without fear of reprisal. The Internal Regulations and Sustainability Policy clearly state that employees have freedom of association, in accordance with labour legislation. However, the Group maintains a working environment based on communication and transparency, encouraging open dialogue between employees and management. The Human Resources Department actively manages employee requests, collects constant feedback and implements measures to improve working conditions. Furthermore, through *the Policy on the Protection of Whistleblowers in the Public Interest*, MedLife provides a confidential mechanism through which employees can report any issues related to working conditions, guaranteeing protection against retaliation.

With regard to the prevention of occupational diseases *(S7),* we have continued to provide regular medical assessments through occupational health services, thereby ensuring the monitoring of employees' health and mitigating the impact that occupational risk factors may have on them. Furthermore, we are committed to continuously adapting working conditions to ergonomic requirements and ensuring ongoing training for employees to recognize and prevent occupational diseases. With regard to the impact of activities on employees' health, including the risk of occupational diseases (S7), the measures implemented apply to all Group entities, regardless of the type of activity carried out.

At MedLife, we apply clear and comprehensive policies to prevent discrimination, combat harassment and promote a fair and inclusive working environment. *The Sustainability Policy*, *the Code of Ethical Conduct*, and *MedLife Group*'s *Internal Regulations* contain essential provisions that contribute to the elimination of discrimination and the observance of the principles of equal opportunities, in accordance with international human rights standards.

At MedLife, the remuneration policy is based on each employee's experience, skills and level of responsibility. The principles of equal pay are integrated into our working framework, and all employees are entitled to equal pay for work of equal value, without any discrimination based on gender. In the absence of a specific internal pay framework, remuneration is determined through individual negotiation, based on criteria such as experience and professional expertise. To prevent any pay gaps between women and men, we regularly analyze the remuneration structure within the main occupational categories and assess the effectiveness of our measures by monitoring progress regarding pay equity. Furthermore, the Group has already initiated actions aimed at aligning with legislation on pay transparency.

We also implement *the Policy on the Prevention and Combating of Harassment and Violence in the Workplace*, through which we commit to protecting employees' rights and preventing any discriminatory treatment. Our policies prohibit any form of direct or indirect discrimination on grounds of race, nationality, ethnicity, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national or social origin, and any other criteria regulated by national and European legislation. Respect for human rights within MedLife is ensured through clear reporting mechanisms, so that employees can raise any concerns regarding their rights.

MedLife assesses the effectiveness of corrective measures by analyzing the complaints received and staff retention rates.

MedLife supports the professional development of employees through continuous training programs, with the aim of improving skills and enhancing the quality of medical services. In 2025, key actions include strengthening and expanding programs such as Life Academy and Good Practice – Nurses School, which provide educational resources for the professional development of medical staff, as well as facilitating access to continuing professional development courses, essential for renewing practice certificates and developing skills specific to each field. The actions target the entire workforce, including both medical and administrative staff. Financial resources have been allocated for the continuing professional development programs, as detailed in the table below.

In 2025, reports received from staff were handled in accordance with *the Policy on the Protection of Whistleblowers in the Public Interest*.

[S1-5] - TARGETS RELATED TO MANAGING SIGNIFICANT NEGATIVE IMPACTS, PROMOTING POSITIVE IMPACTS AND MANAGING SIGNIFICANT RISKS AND OPPORTUNITIES

The targets set to date at MedLife Group level are not specifically aligned with all the significant sustainability aspects identified in the Double Materiality process. Furthermore, they do not fully meet the requirements set out by the ESRS regarding the definition of measurable, results-oriented objectives within a clear timeframe. For this reason, we do not include such specific targets in the current report.

At the reporting date, MedLife had not yet established specific and measurable targets relating to all material aspects concerning its own workforce, in accordance with the requirements of ESRS S1. This reflects the fact that the organization is in the process of developing and consolidating internal processes for the collection, harmonization and monitoring of data on social indicators across Group entities, in the context of aligning with ESRS reporting requirements. During the reporting period, the company focused on conducting the materiality assessment, developing monitoring mechanisms and improving the availability and comparability of relevant data. As these processes are consolidated, MedLife intends to define and adopt relevant and

measurable targets for material aspects related to its own workforce, with the aim of integrating them into the sustainability management framework and disclosing them in future reporting years.

However, we recognize the importance of setting clearly defined, quantifiable targets aligned with ESRS requirements, which will enable the monitoring of sustainability performance. We are currently developing a structured framework for setting targets, ensuring they are relevant, measurable and integrated into our development and reporting strategies. This approach will ensure greater transparency and facilitate the assessment of the actual impact of the initiatives implemented on employees, contributing to the consolidation of a sustainable business model.

Although specific quantifiable targets have not yet been set for the sustainability aspects identified in the Double Materiality process, we constantly track the impact of our actions through a structured monitoring system. This system includes:

- Regular analysis of operational indicators, including employee turnover or retention rates, gender breakdown, minimum wage levels, the number of reported incidents relating to health and safety at work, etc.
- The collection and analysis of employee feedback, using direct channels, complaints and suggestions, to understand and improve the experience of consumers and end-users.
- Internal audits and controls, carried out within our healthcare facilities, to ensure compliance with quality, safety and medical ethics standards.
- Reporting and analyzing sustainability data by monitoring our activities and initiatives that contribute to improving access to healthcare services and reducing negative impact.
- At the same time, we regularly analyze labour market trends and our operational performance to identify areas for optimization and intervention.

[S1–6] – CHARACTERISTICS OF THE COMPANY'S EMPLOYEES

At the end of 2025, MedLife Group had a workforce of 7,807 employees, of whom 6,545 were women and 1,262 were men, highlighting a predominantly female workforce within the company, which is typical of the sector. The total number of employees is also presented in Note 23 to the consolidated financial statements for 2025. The Group has a significant presence in Romania, where 7,683 people are employed, in Hungary, where 63 employees work, and in the Republic of Moldova, where 61 employees work, thereby consolidating its regional expansion.

Total number of employees Headcount	31 December 2025	31 December 2024
Male	1,262	1,245
Female	6,544	6,148
Others	-	-
Undeclared	-	-
Total employees	**7,806**	**7,393**

MedLife Group maintains a stable and efficiently structured workforce, with over 97% (2004: 98%) of employees on permanent contracts and 93% (2024: 93%) working full-time, demonstrating a strong commitment to staff retention and operational continuity, which are essential for the efficiency and quality of the medical services provided. The following table shows the breakdown of employees by contract type:

2025 Total number of ENI employees/FTE	Total number	Female	Male
	6,962.33	**5,901.63**	**1,060.70**
Number of permanent employees	**6,772.24**	5,736.84	1,035.40
Number of temporary employees	**190.09**	164.79	25.30
Number of full-time employees	**6,525.28**	5,561.09	964.19
Number of part-time employees	**437.06**	340.54	96.51

2024 Total number of ENI employees/FTE	Total	Female	Male
	6,637.74	**5,576.63**	**1,061.11**
Number of permanent employees	6,520.21	5,478.35	1,041.86
Number of temporary employees	117.52	98.27	19.25
Number of full-time employees	6,189.00	5,233.00	956.00
Number of part-time employees	448.73	343.62	105.11

Between January and December 2025, MedLife Group recorded an employee turnover rate of 29% (31% in 2024), with a total of 2,299 departures from the company, reflecting workforce dynamics in a competitive healthcare sector that is constantly adapting to market demands.

The total number of employees for 2025 was determined based on the number of people employed by the company at the end of the reporting period (i.e. 31 December 2025). To analyze employees by contract type, the FTE (full-time equivalent) indicator was used, calculated at the end of the reporting period, thus providing a clear picture of the actual level of workforce utilization.

Staff turnover was measured by the number of employees who left the company during the reporting period (January–December 2025), including both voluntary and involuntary departures (redundancies, retirements, deaths). The employee turnover rate was calculated as the ratio of the total number of employees who left the company to the total number of employees at the end of the reporting period. The reported indicators are not certified by an independent external body, but the Group uses specialized software solutions for human resources and financial process management, ensuring the accuracy and transparency of the analyzed data.

[S1- 8] - COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

Within MedLife Group, there are no established trade unions, and employees are not affiliated to any internal trade union structures. Furthermore, no collective labour agreement has been concluded within the Group; labour relations are governed by individual employment contracts and the company's internal policies.

[S1 -9] - DIVERSITY INDICATORS

Employee diversity is presented in the following table:

Number of HC employees	Unit	31 December 2025	31 December 2024
Number of employees under 30 years of age	No	1,602	1,605
Percentage of employees under 30 years of age	%	20.52%	21.71
Number of employees aged between 30 and 50	No	4,400	4,254
Percentage of employees aged 30–50	%	56.37%	57.54
Number of employees aged over 50	no	1,804	1,534
Percentage of employees aged over 50	%	23.11%	20.75%
Total employees		**7,806**	**7,393**

In 2025, MedLife Group has a demographically balanced workforce, with 56.37% of employees aged between 30 and 50, reflecting a majority of experienced staff with professional stability. At the same time, 23.11% of employees are under 30, highlighting a strategy to attract and integrate the younger generation, whilst 20.52% of employees are over 50, ensuring an optimal mix of expertise and innovation within the team. To present employees by age, the number of employees expressed as FTE (full-time equivalent) at the end of the reporting period was used. The percentage of employees in each age category was determined as the ratio between the total number of employees in that age category and the total number of FTE employees at the end of the reporting period.

Total number of senior management HC	No	18
Senior management level 1	No	4
Male	No	3
Male	%	75%
Female	No	1
Female	%	25%
Senior management level 2	No	14
Male	No	7
Men	%	50%
Female	No	7
Female	%	50%

There were no changes in the management structures at Medlife Group level in 2025. MedLife Group has two management structures, of which four members form part of the Executive Committee, with 75% male and 25% female representation, whilst another 14 members form the Operational Management Team, distributed equally between men and women (50% each), reflecting a diverse and well-structured leadership model.

With regard to the gender distribution of senior management, the number of members was expressed in terms of the number of individuals at the end of the reporting period. The gender representation percentage was calculated as the ratio between the number of individuals of a particular gender in senior management and the total number of senior management members.

[S1-10] - ADEQUATE WAGES

In Romania, legislation on the minimum wage is regulated by Law No. 53/2003 – the Labour Code, as well as by Government Decrees which periodically set the guaranteed gross minimum wage. Although the legislative framework aims to ensure a decent standard of living for workers, national legislation does not include an explicit and standardized definition of the concept of an 'adequate minimum wage'.

At MedLife, employee remuneration is determined in accordance with the applicable legislation in the jurisdictions where the company operates. The company complies with the guaranteed gross minimum wage established by the regulations in force in Romania, ensuring that no employee is paid below the statutory minimum wage. Pay levels are reviewed periodically to reflect changes in the legislative framework and developments in the national minimum wage, ensuring ongoing compliance with applicable legal requirements.

Similarly, in Hungary and the Republic of Moldova, national legislation sets minimum pay levels through specific regulations, and MedLife complies with these provisions in its local operations, ensuring that all employees are paid at least the statutory minimum wage applicable in each jurisdiction.

All of the company's employees are remunerated in accordance with applicable legal requirements and the minimum wage levels established at national level in the jurisdictions where MedLife operates.

In the current reporting year, MedLife Group revised the reference used to assess the adequate wage indicator, using as a benchmark the statutory minimum wage set at national level in the jurisdictions in which it operates. In the previous reporting period, the benchmark for the adequate wage was determined using 50% of the average gross wage across the economy.

The change in benchmark was implemented to ensure a more direct alignment with the applicable legislative framework, with the reference levels used in practice by other reporting entities, and with the remuneration practices implemented at Group level, given that MedLife's remuneration policies are built around compliance with the guaranteed gross minimum wage established by national legislation. At the same time, this approach better reflects the context of the Romanian labour market, where, in 2024, the reference levels used in practice by employers and in market analyzes were primarily reported in relation to the statutory minimum wage, as a baseline indicator for assessing minimum remuneration.

[S1 -14] - HEALTH AND SAFETY INDICATORS

Health and safety at work	2025	2024
Percentage of the company's own workforce covered by the company's health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	100%
Percentage of self-employed workers in the workforce covered by the health and safety management system	100%	100%

MedLife Group places particular emphasis on health and safety at work, ensuring that its entire workforce is covered by a health and safety management system, in accordance with legal requirements and industry best practice. At the same time, external contractors working within the Group benefit from the same standards, contributing to an organizational culture focused on prevention, safety and professional responsibility. The assessment of this indicator included all MedLife Group employees, regardless of contract type (permanent or temporary) and working arrangements (full-time or part-time).

The percentage of employees covered by the health and safety management system was determined by dividing the total number of employees included in this system by the total number of active employees at the end of the reporting period.

The number of non-salaried workers covered by the occupational health and safety (OHS) management system represents all non-salaried workers to whom the company's OHS policies and measures apply, in accordance with the specific OHS agreements concluded between them and MedLife Group company. Under these agreements, MedLife Group company may either assume responsibility for OHS matters or transfer these obligations in full to the self-employed worker. The calculation was made by comparing the number of non-salaried workers covered by the health and safety management system to the total number of non-salaried workers carrying out their activities within the Group.

In 2025, no fatalities were recorded among employees as a result of work-related accidents or occupational diseases. Furthermore, no fatalities were reported among other workers carrying out activities within the company's operations.

With regard to workplace accidents, in 2025 there were 12 workplace accidents (2024: zero) recorded among the company's own workforce. The workplace accident rate was 0.78, calculated in relation to 15,321,600 hours actually worked during the reporting period. All accidents incurred relate to light cases.

At the same time, no cases of occupational illness were reported among employees. The total number of days of absence resulting from workplace accidents was 151 days.

[S1-16] - REMUNERATION INDICATORS (REMUNERATION DIFFERENCE AND TOTAL REMUNERATION)

Remuneration indicators	2025	2024
Pay gap between women and men	18.39%	18.23%
Ratio of the total annual remuneration of the highest-paid employee to the median remuneration	17.3	18.2

For the 2025 reporting year, the gender pay gap at Medlife Group level was 18.39% (18.23% in 2024). The 'Gender pay gap' indicator was calculated based on the average gross hourly pay, determined by dividing the total gross pay paid to each gender by the total number of hours worked during the reporting period (December 2025). *The following* formula was used to determine the percentage: *(Average gross hourly pay for men - Average gross hourly pay for women)/Average gross hourly pay for men*100.* The components of the calculation formula were determined as follows:

- The average gross hourly pay rate for all employees was determined as the ratio between the total gross earnings paid during the reporting period and the total number of hours worked by all employees.
- The average gross hourly pay rate for men was calculated by dividing the total gross earnings paid to men by the total number of hours worked by them in December 2025.
- The average gross hourly pay rate for women was calculated by dividing the total gross earnings paid to women by the total number of hours worked by them in December 2025.

In presenting this indicator, MedLife Group takes into account:

- The salary components included, namely the basic salary and any other guaranteed gross payments.
- The reporting period, with data processed at the end of 2025.
- Data sources, extracted from internal human resources and payroll management systems.

For the 2025 reporting year, the ratio of the total annual remuneration of the highest-paid employee to the median remuneration was 17.3 (18.2 in 2024). To calculate the indicator 'Ratio of the total annual remuneration of the highest-paid employee to the median remuneration', MedLife Group includes all employees and takes into account all forms of remuneration applicable under internal policies. The following formula was used to determine the level of the indicator: *Total annual remuneration of the highest-paid employee / Total annual median remuneration for all employees (excluding the highest-paid employee)*. The components of the calculation formula were determined by taking the following aspects into account:

- The total annual remuneration for the highest-paid employee includes all salary and non-salary benefits established by the individual employment contract.
- The sum of the remuneration paid to all employees, excluding the highest-paid employee, was used to determine the median salary.
- The total annual median remuneration was calculated by dividing the total sum of gross remuneration paid to all employees (excluding the highest-paid employee) by the total number of employees expressed in FTE (full-time equivalent) at the end of the reporting period, 31 December 2025.

It is important to note that pay gaps do not merely reflect the pay structure, but are influenced by a number of factors, such as:

- Sector of activity – The medical industry is characterized by significant pay differences between professional specializations, levels of expertise and management roles, which influence income distribution and the ratio between the highest salaries and median pay.
- Employment strategy – MedLife Group uses a mixed employment model, including both full-time staff and non-salaried workers and part-time employees, which may have an impact on the overall distribution of income and the remuneration ratio.
- Influencing factors – distribution of employees by role, level of experience and working hours.

[S1-17] - INCIDENTS, COMPLAINTS AND SERIOUS HUMAN RIGHTS ISSUES

As in 2024, during 2025 no confirmed complaints were received through MedLife Group's designated workforce channels for reporting issues or complaints (including through internal dispute resolution mechanisms), nor through the OECD National Contact Points for Multinational Enterprises, regarding possible human rights violations.

Furthermore, no incidents of discrimination, harassment or other violations of employees' fundamental rights were reported, including those relating to forced labour, human trafficking or the labour exploitation of minors. No complaints were recorded through internal reporting mechanisms, and no sanctions, fines or compensation for damages were imposed in connection with such situations during the reporting period. These results reflect the measures implemented by MedLife Group to prevent and manage human rights risks, as well as the company's commitment to maintaining a safe, fair and inclusive working environment.

With regard to serious human rights incidents, no such incidents were identified during the reporting period, including cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. However, certain issues raised through internal channels are currently under review in accordance with the company's internal procedures, and at the time of reporting, no violations requiring the imposition of sanctions, fines or compensation for damages have been confirmed

ESRS S2 – WORKERS IN THE VALUE CHAIN

[S2.SBM-3] - SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

The negative impacts identified following the Double Materiality process, affecting workers in the value chain, stem from MedLife Group's strategy and business model and are linked to the way in which the company collaborates with its suppliers and partners.

A key factor that may generate impacts is MedLife's value proposition, which involves the provision of high-quality medical services—an objective that requires operational efficiency and cost optimization, which may place pressure on upstream and downstream suppliers regarding working conditions, wages and the safety measures provided to workers. MedLife's value chain, which includes suppliers of medical equipment, medicines and healthcare consumables, is exposed to risks relating to product origin and transparency regarding working conditions. In the absence of robust mechanisms to verify suppliers' social compliance, there is a risk that they may fail to meet rigorous standards regarding employees' rights, including the prohibition of child labour or forced labour. Furthermore, the cost structure and revenue model may contribute to certain negative impacts on the workforce within the value chain. Pressure to improve efficiency and competitiveness may lead suppliers to keep wages at a minimum or to adopt labour practices that generate social inequalities. Furthermore, upstream and downstream activities, particularly the production and distribution of medical equipment, and the collection and disposal of hazardous waste, may expose workers to health and safety risks.

These impacts are driving MedLife to adapt its strategy and business model, strengthening due diligence measures in the supply chain and establishing stricter criteria for the selection and monitoring of suppliers. To understand the economic, social and environmental impacts on our partners and suppliers, MedLife has carried out a Tier 1 double materiality analysis, assessing relationships with direct suppliers who have a contractual relationship with the company. The following table lists the impacts, risks and opportunities related to *workers in the value chain*, which MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and where the impact occurs. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities relating to workers in the value chain ESRS S2

#	Brief description	Stakeholders						Upstream	Business lines						Downstream
		Employees & Workers	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*		*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Others*	
S13	Working practices that may generate social inequalities in upstream and downstream activities				✓			✓							✓
S14	Wage practices at the national minimum wage level in upstream and downstream activities				✓			✓							✓
S15	Potential health and safety incidents in upstream and downstream activities				✓			✓							✓
S15 Bis1	Insufficient measures to prevent child labour and communicate the Code of Conduct to suppliers regarding the prohibition of child labour				✓			✓							✓
S15 Bis2	Insufficient measures to prevent forced labour and to communicate the Code of Conduct to suppliers regarding the prohibition of forced labour				✓			✓							✓

MedLife Group's value chain is structured into two major components: upstream, which includes direct suppliers of equipment, services and resources essential for the conduct of medical activities, and downstream, where we collaborate with entities responsible for managing post-medical processes.

Upstream, commercial relationships are primarily with domestic suppliers, although we also collaborate with a small number of international partners. Partnerships include the production and distribution of medical equipment, medicines and healthcare consumables, as well as the provision of other essential goods and services, such as the development and implementation of medical programs and applications, the provision of utilities and transport services for patients and clients. These collaborations directly impact workers in upstream value chain entities involved in the manufacture, distribution and maintenance of medical equipment and resources. In this context, MedLife sets standards for quality, safety and compliance with health regulations through both supplier procurement documentation and contractual clauses, thereby influencing working conditions and imposing strict requirements regarding health protection, compliance with hygiene standards and the implementation of sustainable practices.

Downstream, we collaborate with private and state insurers, who play a fundamental role in managing contractual relationships and processing claims. Furthermore, our partners in the transport sector ensure the transport of patients and clients following their access to medical services, facilitating the continuity of their care. Another significant category of partners consists of operators specializing in the collection, transport and disposal of medical waste, whose work is essential for maintaining high standards of health safety and environmental protection. Thus, workers in entities within the downstream value chain include employees in logistics, distribution and waste management.

Categories of workers in the value chain:

- Workers in upstream value chain entities – these include staff employed in the manufacture and distribution of medical equipment, medicines, healthcare consumables and other products and services necessary for the conduct of medical activities. The impacts on these workers may be influenced by the standards imposed by MedLife regarding occupational safety, environmental protection and compliance with health regulations.

- Workers in downstream value chain entities – these include staff involved in health insurance, patient transport and medical waste management. These include employees of medical transport companies and support staff, who must comply with regulations regarding patient safety and comfort. Furthermore, staff in the medical waste collection, transport and disposal sector are exposed to significant occupational risks.
- Workers vulnerable to negative impacts – there are categories of workers who are more exposed to risks, either due to poor working conditions or a lack of access to social benefits and adequate protection. These include workers involved in upstream activities, particularly those employed in the production and distribution of medicines and medical equipment, where exposure to chemicals, specialized equipment and demanding working conditions can increase the risk of workplace accidents and occupational health problems. Similarly, in downstream activities, workers involved in hazardous waste management are exposed to significant risks, such as road accidents, contamination with pathogens or toxic substances, and other unforeseen events that can lead to injuries, loss of life and property damage.

Thus, through the commercial relationships and partnerships it has developed, MedLife can exert significant influence over working conditions within its value chain, and the double materiality analysis provides us with the necessary perspective to assess impacts and develop specific actions to ensure an ethical, safe and sustainable working environment.

MedLife Group operates primarily in Romania, with a supply chain consisting mainly of domestic suppliers and a small proportion of international partners. A small part of its operations also takes place in Hungary and the Republic of Moldova, where there is also a local supply chain.

Although the European legislative framework and sector-specific labour regulations set strict standards regarding the protection of employees' rights, and Romania and Hungary are not considered high-risk jurisdictions, the assessments carried out as part of the Double Materiality process have highlighted the existence of potential negative impacts associated with the supply chain. During the reporting period, MedLife Group developed and adopted a Supplier Code of Conduct, which sets out the company's principles and expectations regarding respect for human rights, labour standards, environmental protection and business ethics in commercial relationships. The process of communicating, integrating and adopting the Code of Conduct by suppliers is currently being implemented, with these requirements to be gradually integrated into commercial relationships and supplier assessment processes. Consequently, the identified impacts are managed through the progressive strengthening of the governance framework applicable to the supply chain and by promoting compliance with these standards by the Group's business partners.

With regard to the significant negative impacts, both current and potential (S13, S14, S15, S15bis, S15bis2), identified following the DMA analysis relating to the sub-themes *of Working Conditions* and *Other Labour Rights*, these are linked to five sub-sub-themes: *Safe workplaces, Adequate wages, Health & Safety*, *Child labour and Forced labour*; these generate or may generate the following effects:

- *It may, through its business relationships, contribute to the emergence or promotion of inequality in the social protection of employees within the value chain.*
- *It may, through its business relationships, contribute to the payment of wages that do not exceed the national minimum wage to employees in the value chain.*
- *It may, through its business relationships, contribute to the occurrence of accidents that may adversely affect the health and safety of workers in the value chain.*
- *Potential negative impact on people, generated by the Group's business relationships, as a result of insufficient communication of the Code of Conduct to suppliers and a lack of firm commitment on their part to comply with the ethical and social principles promoted by the Group.*

Labour practices that may generate social inequalities within the value chain represent a potentially significant and widespread impact on workers in the sectors of MedLife Group's upstream suppliers and downstream partners. The affected areas include the production and distribution of medical equipment, medicines and healthcare consumables, as well as the provision of utilities and the management of medical waste, where employees may be exposed to wage disparities and unequal working conditions, particularly in the case of workers employed on temporary contracts, as day labourers or as self-employed individuals.

Wage practices at the national minimum wage level within our value chain represent a significant and widespread negative impact, given the structure of the Romanian labour market and suppliers' wage policies. This impact may be systemic, influenced by remuneration practices in the manufacturing and distribution sectors, where subcontracting and outsourcing of services may contribute to maintaining low wages, particularly for workers on temporary contracts, day labourers or self-employed individuals. The sectors affected include the production and distribution of medical equipment, medicines and healthcare consumables, as well as the provision of utilities and the management of medical waste, where there is a risk that some employees may be paid at the statutory minimum wage, without additional benefits to ensure an adequate standard of living.

Negative impact *Health and safety incidents in upstream and downstream activities* are linked in particular to individual incidents, such as road accidents, injuries, loss of life or property damage, which may occur during the production and distribution of medical equipment, medicines and medical consumables, as well as in the management of hazardous waste. The sectors most exposed to this risk include the production and supply of essential goods and services, the development and implementation of medical programs and applications, as well as the provision of utilities and transport services and the management of medical waste. In particular, workers involved in the handling of hazardous materials and the transport of waste are exposed to significant risks that require strict prevention and safety measures.

Insufficient measures to prevent and communicate the Code of Conduct to suppliers regarding the prohibition of child labour and insufficient measures to prevent and communicate the Code of Conduct to suppliers regarding the prohibition of forced labour can become systemic in the absence of clear prevention and control measures. These impacts are relevant in the sectors of production and distribution of medical equipment, medicines, and medical consumables, as well as in the provision of utilities and the management of medical waste, where labour subcontracting and the lack of verification mechanisms can lead to the use of child labour in certain regions or among suppliers who do not apply strict standards for the protection of employees' rights.

The Group has not identified any risks or opportunities associated with ESRS 2 Workers in the value chain.

[S2-1] - POLICIES ON WORKERS IN THE VALUE CHAIN

MedLife Group recognizes the importance of respecting human rights and labour standards within its value chain and has adopted policies designed to identify, prevent and manage potential impacts on workers in the supply chain. These policies include the Supplier Code of Conduct, as well as the principles set out in the Group's Code of Ethical Conduct, which establish the company's expectations regarding the responsible behaviour of business partners. The policies aim to manage the material impacts, risks and opportunities associated with workers in the value chain by establishing minimum standards regarding human rights, working conditions, health and safety at work, environmental protection and business ethics.

Supplier Code of Conduct

From 2025, MedLife Group has adopted a Supplier Code of Conduct, which sets out the minimum standards of responsible behaviour that the company expects from its business partners and which aims to manage the impacts and risks associated with human rights, working conditions, environmental protection and business ethics within the value chain. The Code sets out requirements regarding respect for workers' fundamental rights, the prohibition of child labour and forced labour, the prevention of discrimination and harassment, compliance with legislation on working hours and remuneration, ensuring health and safety at work, as well as compliance with environmental protection standards and principles of business integrity, including the prevention of corruption, compliance with competition law and the prevention of money laundering. The Code also sets out requirements regarding information confidentiality, information security and the protection of personal data, as well as the obligation for suppliers to implement internal management systems, procedures and training programs to ensure compliance with these standards and the monitoring of relevant risks.

The Code applies to all MedLife Group suppliers, including their employees, agents, subcontractors and sub-suppliers, in all jurisdictions where they carry out activities for the company. Suppliers are required to integrate the principles of the Code into their own management systems and to pass them on throughout their supply chain, ensuring compliance with these standards across the entire value chain. Compliance with

the Code is a relevant criterion both in the supplier selection and evaluation process and for maintaining commercial relationships with MedLife Group.

Responsibility for implementing and monitoring compliance with the Supplier Code of Conduct lies with the Group's Executive Management, with the support of the relevant departments involved in procurement and legal processes.

MedLife Group's commitments regarding human rights are aligned with recognized international instruments and standards, including the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises, as well as the principles of the United Nations Global Compact. In this context, the company promotes respect for human rights and workers' rights in its commercial relations with suppliers and seeks to ensure compliance with these standards through monitoring mechanisms and dialogue with partners in the value chain.

In the development and implementation of the Code, the interests of the company's key stakeholders, including suppliers, employees, authorities and communities, are taken into account by promoting responsible and sustainable business practices throughout the supply chain. The Code is communicated to suppliers during the selection and contracting processes and is made available to them through the company's public and internal channels. Suppliers are encouraged to report any breaches of the principles set out in the Code through the reporting mechanisms provided by MedLife Group, including the reporting channels available on the company's website.

Should any potential breaches of the principles set out in the Supplier Code of Conduct be identified, MedLife Group may request further information or initiate investigations to assess the situation and determine appropriate measures. Suppliers and their employees may also report concerns or potential breaches of ethical principles and human rights through the reporting mechanisms provided by the company. At the time of reporting, no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises within MedLife Group's value chain involving workers in the supply chain had been identified or reported.

MedLife Group aims to ensure that, in the coming period, all key strategic suppliers are informed of and take note of the provisions of the Supplier Code of Conduct, with compliance to be gradually integrated into contracting processes and commercial relationships. To this end, the company intends to include the provisions of the Code in the relevant contractual documentation and to promote its acceptance by suppliers, as part of its efforts to strengthen ethical and sustainability standards within its supply chain.

MedLife Group Sustainability Policy

MedLife Group's Sustainability Policy reflects the company's commitment to providing a strategic framework for managing the economic, social and environmental impact of the company's activities, ensuring compliance with applicable regulations and promoting best practices in the field of sustainability. Through this policy, MedLife Group has set several key objectives for integrating sustainability into its development strategy. Among these, the Group aims to foster a safe and fair working environment, reduce its environmental impact through responsible resource management, comply with GDPR regulations and promote ethical governance, support the professional development of employees through continuous training, and strengthen relationships with communities and partners through active dialogue and social initiatives.

The information required by MDR-P 65(a) regarding the monitoring mechanism, and points (c), (e) and (f), is reported in section E1-2 'Policies related to climate change mitigation' within the ESRS E1.

MedLife Group's Sustainability Policy affirms the company's commitment to respecting human rights within the workforce, including both its own employees and all workers in the value chain. This is aligned with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

In this context, *MedLife Group's Sustainability Policy* sets out clear measures to promote a safe, fair and inclusive working environment, by prohibiting discrimination, forced labour, modern slavery, harassment and violence in the workplace, as well as by respecting freedom of association and guaranteeing decent working conditions.

MedLife is therefore committed to complying with national and international legal principles and requirements regarding human rights, which include, amongst others, the following instruments:

- Convention No. 29/1930 concerning forced labour;
- Convention No. 87/1948 concerning Freedom of Association;
- Convention No. 98/1949 concerning the right to organise and collective bargaining;
- Convention No. 100/1951 concerning equal remuneration;
- Convention No. 105/1957 concerning the Abolition of Forced Labour;
- Convention No. 111/1958 concerning Discrimination (Employment and Occupation);
- Convention No. 138/1973 concerning the minimum age;
- Convention No. 182/1999 concerning the Prohibition of the Worst Forms of Child Labour.

MedLife Group firmly condemns all forms of forced or compulsory labour, the use of child labour, discrimination, modern slavery, harassment and violence in the workplace. Furthermore, through this policy, MedLife undertakes to work only with suppliers who adhere to the same principles and regulations. Furthermore, MedLife is guided by the principle of fair and equitable remuneration, guaranteeing equal pay for work of equal value. The policy recognises and respects freedom of association, granting employees the right to join trade unions and to participate in collective bargaining. Furthermore, MedLife excludes any form of forced or compulsory labour, and the work of employees and workers in the value chain is carried out exclusively on the basis of individual employment contracts, in compliance with legislation prohibiting the employment of minors under the legal age.

MedLife aligns this policy with international sustainability standards, including the General Data Protection Regulation (GDPR), the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work.

In establishing its policy, MedLife balances the interests of stakeholders, taking into account aspects such as occupational health and safety, fair pay, professional development and the protection of their rights. Feedback received from employees, alongside other stakeholders, may influence the adjustment of the sustainability policy to address emerging concerns and changing expectations, ensuring a safe, fair and motivating working environment.

The Sustainability Policy promotes the following principles:

- equal rights and opportunities in the workplace for both women and men, based on professional competence and the fulfilment of internal requirements – employment, internal recruitment, promotion, remuneration, benefits, access to managerial positions, etc., - regardless of ethnic origin, gender, race, religion, age, disability, sexual orientation, political views, trade union membership or similar factors;
- equal treatment of all employees in employment relations, in the sense of ensuring non-discriminatory access to certain rights such as the free choice or exercise of a profession or activity, recruitment for all vacant positions, equal pay for work of equal value, performance appraisal at the workplace, working conditions that comply with health and safety at work regulations, promotion at any hierarchical and professional level, vocational training programs, and career counselling;
- respect for human dignity, with all persons employed within the Group having the right to a working environment free from violence and harassment, and being guaranteed the free and full development of their personality within a work culture based on mutual respect and dignity.
- the 'Zero Risk' principle as a fundamental principle of the internal health and safety management system to control the risk of workplace accidents, to reduce risks at source and implement collective and individual protective measures, to improve well-being at work and to prevent psychosocial risks.

[S2 -2] - PROCESSES FOR COLLABORATING WITH WORKERS IN THE VALUE CHAIN REGARDING IMPACTS

MedLife Group recognizes the importance of integrating the perspectives of workers in the value chain into the decision-making process regarding the management of actual and potential impacts on them.

At the reporting date, MedLife Group had not yet implemented a formal process for direct and regular engagement with workers in the value chain or their representatives as part of its due diligence processes. The lack of a specific framework is due to the complexity of our value chain and the diversity of suppliers in the supply chain, as well as the need for a detailed analysis to identify the most effective mechanisms for dialogue and collaboration. Interaction with suppliers takes place primarily through contractual relationships and the application of the Supplier Code of Conduct, which sets out the company's expectations regarding respect for human rights, labour standards and ethical principles within the supply chain.

In the double materiality assessment process, the company used questionnaires and consultations with relevant stakeholders to gather information on potential impacts on workers in the value chain. This information contributes to understanding potential risks and impacts and is taken into account in the development of internal policies and procedures regarding the management of supplier relationships.

Operational responsibility for managing supplier relationships and for integrating sustainability and compliance requirements into procurement processes lies with the relevant functions within the company.

MedLife aims to initiate a process to establish clear mechanisms for collaboration with workers in the value chain and their representatives, with the aim of better understanding the perspectives, challenges and risks they face. This initiative will include the development of communication channels, the integration of social criteria into supplier relationships, and the drafting of codes of conduct aligned with international principles on labour rights and sustainability.

[S2 -3] - PROCESSES FOR MITIGATING NEGATIVE IMPACTS AND CHANNELS THROUGH WHICH WORKERS IN THE VALUE CHAIN CAN RAISE THEIR CONCERNS

Our Group makes MedLife Group's *Policy on the Protection of Whistleblowers in the Public Interest* available to everyone, including workers in the value chain, through which they can raise their concerns or needs directly with the company, thereby ensuring that these are properly analyzed and addressed. This aims to encourage employees and other stakeholders to report breaches of the law, guaranteeing the protection of whistleblowers against any reprisals. This policy is published on MedLife Group's official website and is available to employees, suppliers, contractors and other stakeholders.

Alternatively, reports may also be made through external channels, namely to the competent authorities, such as the National Integrity Agency (ANI) or other public institutions with responsibilities in this area.

Currently, MedLife Group does not have a formalized assessment of the level of awareness and trust among workers in the value chain regarding the structures and mechanisms available for expressing their concerns or needs.

During 2025, no reports were received from workers in the value chain via the existing reporting mechanisms; however, in the coming period, we intend to explore the possibility of implementing mechanisms to monitor the level of use and trust in these structures, through regular consultations with our suppliers and partners, as well as by improving proactive communication regarding the rights and protections available.

[S2 -4] - ADOPTING MEASURES REGARDING SIGNIFICANT IMPACTS ON WORKERS IN THE VALUE CHAIN AND APPROACHES FOR MANAGING SIGNIFICANT RISKS AND PURSING SIGNIFICANT OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAINVALUE CHAIN, AS WELL AS THE EFFECTIVENESS OF THESE ACTIONS

In 2025, MedLife Group adopted and published the Supplier Code of Conduct, a document setting out the minimum standards of responsible behaviour that the company expects from its business partners in areas such as human rights, working conditions, health and safety at work, compliance with the statutory minimum wage and environmental protection. The Code has been made available to suppliers via the company's communication channels, and acknowledgement notices have been sent to key strategic suppliers. In the coming period, MedLife Group intends to progressively integrate the provisions of the Code into its contractual relationships with suppliers, including through the inclusion of specific clauses regarding compliance with labour, health and safety standards, as well as compliance with legislation on the minimum wage. In this context, the company intends that, upon the renewal or negotiation of commercial contracts, compliance with these principles should be formalized through the acceptance and signing of the Supplier Code of Conduct, thereby strengthening social responsibility and ethical standards within its supply chain.

IRO	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
S13	Establishing clear contractual clauses regarding social protection in relations with selected suppliers and partners	Ongoing	Tier 1	Not applicable	Monitored
	Establishing a feedback mechanism through which employees can report breaches of social rights.	Ongoing	Tier 1	Not applicable	
S14	Establishing clear contractual clauses regarding the minimum wage in relations with selected suppliers and partners	Ongoing	Tier 1	Not applicable	Monitored
	Establishing a feedback mechanism through which employees can report breaches of social rights.	Ongoing	Tier 1	Not applicable	
S15	Qualification of selected suppliers based on the existence of an OHS management system	Ongoing	Tier 1	Not applicable	Monitored
	Establishment of a feedback mechanism through which employees can report breaches of social rights.	Ongoing	Tier 1	Not applicable	
S15 Bis1	Implementation and communication of a Code of Conduct – as a contractual clause for selected suppliers	Ongoing	Tier 1	Not applicable	Monitored
	Establishment of a feedback mechanism through which employees can report breaches of social rights.	Ongoing	Tier 1	Not applicable	
S15 Bis2	Implementation and communication of a Code of Conduct – as a contractual clause for selected suppliers	Ongoing	Tier 1	Not applicable	Monitored
	Establishment of a feedback mechanism through which employees can report breaches of social rights.	Ongoing	Tier 1	Not applicable	

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, and do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress in implementing this action is monitored through the Group's internal management and reporting processes using a dedicated indicator: % of selected suppliers who have signed / total selected suppliers and number of reported incidents.*

At present, the company addresses potential impacts on value chain workers through general supplier management processes, including contractual clauses related to compliance with applicable legislation and

ethical standards. No material impacts requiring remediation have been identified, and the company does not currently implement dedicated initiatives aimed at generating positive impacts or structured programs for engagement or capacity-building with value chain partners. Monitoring is carried out on a limited basis, and formalized mechanisms to assess the effectiveness of actions or to ensure remediation processes are not yet in place. The company intends to progressively develop more structured due diligence, monitoring, and remediation processes in this area.

[S2 -5] - TARGETS RELATED TO THE MANAGEMENT OF SIGNIFICANT NEGATIVE IMPACTS, THE PROMOTION OF POSITIVE IMPACTS, AND THE MANAGEMENT OF SIGNIFICANT RISKS AND OPPORTUNITIES

The targets set to date at MedLife Group level are not specifically aligned with all the significant sustainability aspects identified in the Double Materiality process. Furthermore, they do not fully meet the requirements set out by the ESRS regarding the definition of measurable, results-oriented objectives within a clear timeframe. For this reason, we do not include such specific targets in the current report. However, we recognize the importance of setting clearly defined, quantifiable objectives aligned with ESRS requirements, which will enable the monitoring of sustainability performance. In the coming period, we aim to develop a structured framework for setting objectives, so that they are relevant, measurable and integrated into our development and reporting strategies.

ESRS S3 – AFFECTED COMMUNITIES

[S3.SBM3] – SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

The following table lists the impacts, risks and opportunities relating to Affected Communities, which MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and the location of the impact. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD.

Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities relating to affected communities

		Stakeholders							Business lines						
IRO	**Brief description**	*Employees & Workers*	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Others*	**Downstream**
S18	Contribution to the development of local communities	✓			✓				✓						
S19	Contribution to economic growth and the improvement of the population's standard of living	✓			✓	✓		✓	✓	✓	✓	✓	✓		✓

The positive impacts (S18 and S19) identified following the DMA analysis relating to *the* sub-theme '*Economic, social and cultural rights of communities'* are linked to two sub-sub-themes specific to the Group: *Market presence* and *Economic value generated and distributed*. These impacts relate to two contributions specific to the entity:

- *the positive contribution to the economic development of local communities through job creation and the employment of local labour to carry out its own activities*;
- *the contribution to economic growth* and *the improvement of the standard of living of the population as a whole through the economic value generated and distributed, including at a local level, through the conduct of its own operations*.

Both of these positive impacts stem directly from MedLife Group's expansion strategy and business model. Given that, in recent years, the Group has expanded its healthcare network not only through acquisitions but also through the investments it has made, it has generated an increase in the number of new jobs at national and international level within its own operations, through the recruitment of medical and administrative staff. Consequently, the impact is positive for several categories of stakeholders, namely employees, workers and the communities to which they belong.

At the same time, MedLife Group plays a significant role in economic growth and improving the standard of living of the population through the activities carried out within its own operations, but also across the value chain (with its suppliers also among those positively affected), which develops in line with the Group's expansion strategy, thus generating a systemic positive impact across all its business lines, both upstream and downstream. In this way, MedLife supports local and national budgets through tax contributions, thereby facilitating the financing of public infrastructure and essential services, and thus improving the quality of life for the entire population.

As a private healthcare provider, we actively contribute to the well-being of society by providing high-quality medical services that complement and relieve the burden on the public healthcare system. By meeting a significant proportion of the demand for medical services, we reduce the pressure on state-run hospitals and clinics, facilitating patients' access to prompt and effective medical care.

The communities that are positively affected by these impacts include those living or working in the vicinity of MedLife's sites, as well as more distant communities within the same county that benefit from the jobs created by MedLife. Furthermore, another beneficiary of the Group's positive impacts is the communities situated along the value chain. Through payments made to its suppliers, as well as through contributions in the form of taxes and duties, MedLife supports economic development throughout its entire value chain, facilitating the creation of new jobs and sustaining living standards in these communities. There are no indigenous populations in the areas where MedLife operates.

MedLife Group's DMA analysis did not identify any significant opportunities or risks relating to affected communities.

[S3 -1] - POLICIES RELATED TO AFFECTED COMMUNITIES

MedLife's Sustainability Policy

MedLife's Sustainability Policy addresses, among other things, the impacts on all communities presented in section S3-SBM3, highlighting positive social impacts such as creating opportunities for community development and ensuring equitable access to health and welfare services.

This policy covers aspects relating to the identification, assessment, management and remediation of significant impacts on sustainability criteria, as well as addressing the associated risks and opportunities. It sets out MedLife's commitments to creating a healthy and equitable environment for the communities in which it operates.

In establishing the policy, particular importance was given to the interests of all stakeholders, including MedLife's communities, ensuring transparency in communication with patients, employees, authorities, the community and other relevant parties. MedLife is aware of their interests both through direct engagement via events, projects and surveys conducted in previous years, and through the available feedback channels, which allow them to convey their concerns and expectations. However, no formal stakeholder consultation process was carried out for the development of this policy. The information required by MDR-P 65(a) regarding the

monitoring mechanism, and points (c), (e) and (f) is reported in section E1-2 'Policies related to climate change mitigation' within the ESRS E1.

Although MedLife does not have a specific policy dedicated to human rights for affected communities, the Group is actively committed, through its Sustainability Policy, to promoting respect for human rights. This commitment is highlighted in the Sustainability Policy and extends to all the Group's policies and processes relating to social aspects (those concerning its own employees, employees in the value chain, communities, customers, patients, etc.). The Group's activities are based on principles that require respect for the human rights of affected communities. MedLife Group recognizes and respects:

- The fundamental principles of the UN Guiding Principles on Business and Human Rights;
- The ILO Declaration on Fundamental Principles and Rights at Work;
- The Universal Declaration of Human Rights;
- The OECD Guidelines for Multinational Enterprises, thereby ensuring the respect, protection and remedy of employees' rights, the promotion of freedom of association, the elimination of all forms of forced or discriminatory labour, and the guarantee of a fair and safe working environment.

Further information on this policy is available in section S1-1 of the ESRS S1.

During the reporting year, MedLife Group did not identify any cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving affected communities, either in its own operations or within the value chain. The Group remains committed to upholding these international principles and continues to monitor the impact of its activities on communities through existing dialogue and reporting mechanisms.

It should also be noted that MedLife Group does not operate on lands owned or leased by indigenous peoples, and consequently has not prepared a policy for preventing and addressing impacts on indigenous peoples.

Dialogue with communities – whether individuals or organizations – enables the Group to adapt its strategy in line with civil society concerns, to enrich its vision and to structure a process of engagement. Thus, MedLife Group is committed to listening to the needs and expectations of stakeholders and to conducting this dialogue with integrity, in an open and transparent manner; however, it does not have a formal process for consulting affected communities in decision-making or a structured mechanism for monitoring the impact on them.

[S3- 2] - PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES REGARDING IMPACTS

MedLife Group maintains an ongoing dialogue (both formal and informal) with local authorities, employees, community representatives and other relevant stakeholders, including customers, suppliers, investors, representatives from academia and other relevant industries. These dialogues provide the Group with insight into communities' expectations regarding the impact of its own operations and/or those within the value chain, and facilitate the identification of measures necessary to build and maintain the trust of affected communities.

The Chief Executive Officer, who is also the Chairman of the Board of Directors, holds the highest position and role within MedLife Group, responsible for ensuring collaboration with affected communities regarding impacts and for integrating the results of this collaboration into the organization's strategic approach.

The Group is responsive to stakeholders' questions and concerns, initiates social or specialist dialogues, and participates in consultations with affected parties when a new consultation process is launched. Dialogue with the community may include, but is not limited to: receiving reports and complaints, petitions, sponsorship requests, requests for material aid, job applications, initiatives and partnerships within or with the community and/or with relevant community representatives, health improvement programs, and the facilitation of volunteering and work experience activities.

The Group has received various requests from local communities, which it has successfully managed. To date, dialogue with the local community has taken place in all forms: participation, consultation or information sharing, without a set frequency. Examples of dialogue with local communities initiated on a case-by-case basis include:

- in situations mentioned/required under current legislation – certain investment projects promoted and implemented by MedLife have been subject to public debate – in accordance with applicable legislation;
- in situations where such dialogue was requested by the community regarding specific interests, concerns and/or needs expressed and requested by the community through written requests or public hearings;
- within decision-making or advisory bodies at local or county level, of which MedLife representatives are members;
- within partnerships with various associations and foundations, and decentralized public institutions for the organization of public interest initiatives;
- through local and national media – important events taking place within MedLife are publicized among the local community, and campaigns with a national impact are communicated as such.

As part of the DMA process, the Group has initiated a consultation process with stakeholders, including community representatives in their capacity as affected stakeholders, with the aim of identifying and validating current and potential impacts in areas of interest, in accordance with ESRS sustainability reporting standards.

Furthermore, MedLife has tools in place to collect information regarding local communities' concerns about the Group's operations so that these can be managed transparently and responsibly. Thus, there are external communication channels published on the MedLife website under the 'Contact' section: *the Satisfaction Questionnaire* and *the Integrity Reporting Form*, through which any stakeholder may submit complaints and reports by following the steps outlined in each form. Through these easily accessible communication tools, freedom of expression is promoted and encouraged, particularly for clients/patients, but they are available to all interested parties, including the wider community. This ensures the implementation of appropriate and accessible channels for submitting reports and complaints, thereby facilitating open and constructive communication with a view to the continuous improvement of the Group's operations.

Complaints and reports may be submitted in writing, by telephone, electronically, or via the MedLife website. Furthermore, in 2025, no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving affected communities were reported within its operations.

At present, however, MedLife Group does not have a formal process for assessing the effectiveness of its engagement with affected communities, but it constantly monitors feedback received through existing communication channels and complaints in order to improve its interaction with them. MedLife Group does not have a formalized general process for consulting affected communities, but is in the process of improving mechanisms for dialogue and monitoring the impact on communities, in accordance with the requirements of sustainability standards. At the same time, the Group has not implemented a dedicated process for obtaining specific perspectives from vulnerable or marginalized communities; however, through its public health initiatives and partnerships with local organizations, it responds to the needs expressed by various social groups, including disadvantaged groups. Further information regarding the Group's initiatives for different social groups is provided in section S4-4 of the ESRS S4. MedLife Group does not operate on lands owned or leased by indigenous peoples and, therefore, has not developed a specific consultation process with them.

[S3- 3] - PROCESSES FOR MITIGATING NEGATIVE IMPACTS AND CHANNELS THROUGH WHICH AFFECTED COMMUNITIES CAN EXPRESS THEIR CONCERNS

Within MedLife, there are several channels through which stakeholders, including affected communities, can express their concerns. This demonstrates MedLife's commitment to providing them with effective and easily accessible means for submitting reports and/or complaints or other requests, as well as MedLife's concern regarding the identification of negative impacts that may arise from these reports and their remediation.

In accordance with the Policy on the Protection of Whistleblowers in the Public Interest, MedLife considers *the Integrity Report Form* available on the company's website to be the primary formal channel in the process of addressing potential negative impacts on communities. Through this form, complaints and reports, as well as reports of irregularities or unethical or illegal practices, may be submitted by any interested party, following the steps outlined in the form.

In addition to this communication channel, another form called *the Satisfaction Questionnaire* is also available and easily accessible on the MedLife website, within the same *Contact* section. This form can be used to submit feedback on MedLife's services, and there are sections where additional information can be included alongside the predefined questions in the questionnaire. This form is available to the public, including affected communities or their representatives, and is easy to access. Furthermore, as mentioned in the previous section, other reports and complaints can be made in writing, by telephone, electronically, or via the MedLife website. With the exception of the integrity alert form, the resolution mechanisms associated with each channel for raising concerns are not formalized in official documents.

MedLife encourages its business partners to implement similar mechanisms for reporting and remedying negative impacts on communities, but there is currently no formalized process through which the Group monitors these issues within the value chain.

[S3-4] - ADOPTING MEASURES REGARDING SIGNIFICANT IMPACTS ON AFFECTED COMMUNITIES AND APPROACHES FOR MANAGING SIGNIFICANT RISKS AND FOR PURSUING SIGNIFICANT OPPORTUNITIES RELATED TO AFFECTED COMMUNITIES, AS WELL AS THE EFFECTIVENESS OF THESE ACTIONS

By expanding its geographical presence, MedLife is opening clinics and medical centers in several urban locations across various counties in the country, thereby facilitating access for people in neighboring rural areas who have traditionally had limited access to medical services, requiring them to travel to major cities to receive them. The Group's expansion reduces the distance patients in these areas must travel to reach a clinic or hospital, thereby facilitating their access to high-quality and diverse medical care. Furthermore, by offering such a wide range of high-quality medical services in these areas, MedLife contributes to improving the health and well-being of rural communities, reducing disparities in access to healthcare between urban and rural areas. This increased accessibility to medical services for patients in rural or isolated areas, as well as for other vulnerable groups, promotes preventive care and health education and represents a real pillar of support for the development and prosperity of local communities by ensuring a healthier and, consequently, more productive population, thus having a direct impact on improving their quality of life.

With regard to investments in local communities, in accordance with internal procedures, requests of this nature are reviewed and approved by designated committees at company level. Involvement in the local community is achieved through several methods, namely: free screening campaigns or those specializing in specific health topics, charitable contributions, donations, funds allocated for the needs of the local community (social, medical, educational, sporting) etc.

[S3- 5] - TARGETS RELATED TO THE MANAGEMENT OF SIGNIFICANT NEGATIVE IMPACTS, THE PROMOTION OF POSITIVE IMPACTS, AND THE MANAGEMENT OF SIGNIFICANT RISKS AND OPPORTUNITIES

MedLife Group has not formally committed to defining medium- and long-term sustainability targets aimed at promoting the positive impacts generated by its relationship with communities. By extension, the short-term (i.e. annual) targets relating to the entity's specific positive impacts may be considered to be the financial figures reported for the coming year in MedLife Group's consolidated budget (economic value generated, value of salaries and social security contributions, etc.).

[S3X] - PRESENTATION OF GROUP-SPECIFIC INFORMATION

As presented above in sections S3-SBM3, following the double materiality process, two impacts – S18 and S19 – were identified at Group level, which were associated with different sub-sub-themes but form part of the sub-theme '*Economic, social and cultural rights of communities*': *Market Presence* and *Economic Value Generated and Distributed*.

Economic value generated and distributed (GRI Standards)

Table on economic value generated and distributed

GRI 201-1 Economic value generated and distributed	2025	2024
Economic value generated (kRON)	3,176,488	2,718,387
Economic value distributed (kRON)	1,747,718	1,483,392
Economic value retained (kRON)	1,428,770	1,234,995

Economic value generated and distributed (EVG&D) is calculated on an accrual basis, in accordance with the requirements of GRI Standard 201-1. The 'economic value generated' component includes total reported revenue, whilst 'economic value distributed' comprises operating costs, employee salaries and benefits, payments to capital providers, taxes paid to the authorities and community investments. "Economic value retained" is determined by the difference between economic value generated and economic value distributed. Where certain data are presented on a cash basis, this is duly justified.

The financial data used to calculate EVG&D is taken from the Group's audited financial statements. At present, there is no specific validation of this indicator by an external body, other than the financial auditor who audits the Group's financial statements.

The indicator is termed "Economic Value Generated and Distributed" (EVG&D), in accordance with GRI Standard 201-1, and reflects the Group's economic impact on stakeholders through the distribution of revenue to various categories of beneficiaries. The reported figures are expressed in the currency in which the Group's financial statements are presented, namely RON, thereby ensuring the consistency and comparability of the financial data.

Table on the proportion of management employed from the local community

202-2 Proportion of management employed from the local community	UM	2025	2024
202-2-a Proportion of management employed from the local community	%	100%	100

Management employed from the local community includes those individuals who reside in the same county as the companies' operations. For this indicator, the Group has included Level 1 and Level 2 senior management.

ESRS S4 - CONSUMERS AND END USERS

[S4.SBM-3] - SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The actual and potential impacts on consumers and end users are intrinsically linked to our strategy and business model, determining both the directions of development and the mechanisms through which we ensure that the services we offer meet the highest standards of quality and safety. These impacts stem from our business model, but also constantly influence its adaptation through initiatives designed to mitigate risks and maximise opportunities. We constantly adapt our business model to meet both the ever-increasing expectations of consumers and regulatory requirements, which demands a dynamic and excellence-oriented approach. Thus, by integrating the identified impacts into our strategy, we ensure that MedLife's services remain accessible, safe and tailored to the diverse needs of patients.

The following table lists the impacts, risks and opportunities relating to consumers and end-users (hereinafter also referred to as 'patients and customers'), which MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and the location of the impact. This disclosure should be read in conjunction with ESRS 2, in particular IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities relating to consumers and end-users ESRS E4

		Stakeholders							Business lines						
#	Brief description	*Employees & Workers*	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*	**Upstream**	*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Others*	**Downstream**
S21	Access to high-quality information about the medical services offered by the Group		✓	✓					✓	✓	✓	✓	✓	✓	
S21 bis	Freedom of expression through appropriate channels for submitting complaints		✓	✓					✓	✓	✓	✓	✓	✓	
S21 New	High-quality services that contribute to patient health and safety, as evidenced by high levels of satisfaction		✓	✓					✓	✓	✓	✓	✓	✓	
S20	Protection of patients' personal data		✓	✓					✓	✓	✓	✓	✓	✓	
RO24	Fines for security breaches relating to the handling of patients' and customers' personal data								✓	✓	✓	✓	✓	✓	
S27	Increased access to healthcare services for the community as a result of organic development, including the social inclusion of low-income patients, those from rural areas or vulnerable groups		✓	✓					✓	✓	✓	✓			
RO29	Improving access to healthcare through investment in medical infrastructure and nationwide expansion, including for low-income patients by providing services at affordable prices									✓					
S26	Improving the experience of pediatric patients through regular training sessions for healthcare assistants			✓						✓	✓	✓			
S22	Potential medical errors or negligence.		✓	✓						✓	✓	✓	✓		
S23	Potential contribution to the development of antimicrobial resistance and nosocomial infections			✓								✓			
S25	Potential violations of children's rights			✓						✓	✓	✓			
RO26	Antimicrobial resistance and its impact on hospitals' reputation.											✓			

The relationship between the significant risks and opportunities arising from the impacts and dependencies on consumers and our business model is underpinned by the need to strike a balance between managing operational challenges and realizing the potential for sustainable growth. The identified risks, such as vulnerabilities related to patient data protection or the potential impact of antimicrobial resistance on reputation and medical safety, require rigorous compliance and prevention measures. These risks are managed through the strategic integration of specific regulations into our operational processes and by adopting advanced technological solutions that ensure both information security and the optimization of medical care. On the other hand, the opportunities arising from the impacts on consumers are integrated into our development strategy through targeted investments and the continuous adaptation of the business model to the evolving needs of patients.

With regard to the positive impacts (S21, S21 bis, S21 new) identified following the DMA analysis relating to the sub-theme *'Impacts related to information for consumers and/or end-users'*, at MedLife Group level these are linked to three sub-sub-themes: *Access to information, Freedom of expression, Quality of medical services and patient satisfaction*. These impacts relate to:

- *Increasing the level of information available to patients and clients regarding available medical services and treatment options, by providing varied and comprehensive sources of information about the services offered.*
- *A positive impact on clients and patients generated by promoting freedom of expression, by ensuring appropriate channels for reporting concerns.*
- *High-quality medical services contribute directly to improving health and increasing patient safety, through the application of effective medical practices tailored to their needs. A high level of patient satisfaction reflects trust in medical care and confirms the effectiveness of the services provided by the hospital. This strengthens the institution's reputation and supports the continued provision of safe and high-quality medical care*.

Through its work, MedLife Group takes on the role of informing and educating its patients and clients via a wide range of sources and communication channels, ensuring they have access to accurate, up-to-date and easy-to-understand information regarding medical services and treatment options. This approach not only supports patients in making informed decisions about their health, but also helps to create an environment of trust and transparency. The means of communication are: information provided by doctors during

consultations and investigations, written consents, reception and nursing staff, the website, the mobile app and the 'Doctor's Advice' platform, articles for patient health education, etc.

The promotion of freedom of expression for clients and patients is ensured through the implementation of appropriate and accessible channels for submitting feedback, thereby facilitating open and constructive communication, with a view to the continuous improvement of the services provided.

Patient quality and satisfaction are achieved through a combination of well-trained medical staff, adherence to clinical protocols and the use of modern equipment, all validated by national accreditations. Furthermore, effective communication with patients, monitoring of waiting times and feedback contribute to the continuous improvement of medical services. Through regular performance evaluation and the adaptation of services to patients' needs, Medlife maintains high standards of safety and quality.

The positive impact (S27) identified following the DMA analysis relating to the sub-theme *'Social inclusion of consumers and/or* end-users' is linked to two sub-sub-themes: Non-discrimination and Access to products and services. These impacts relate to:

- *Facilitating access to the Group's medical services for low-income patients, ensuring they have access to quality medical care without being discriminated against or marginalized on financial grounds.*
- *Increasing access to healthcare services for the community through the Group's investments in medical infrastructure, its expansion of its national presence, and the provision of high-quality services*
- *Improving access to healthcare services for patients in rural or remote areas and for other vulnerable groups, and promoting preventive care and health education.*

MedLife offers a range of options for patients on low incomes, including clinics operating under the Sfânta Maria brand, where fees are more affordable. This enables these patients to access high-quality medical services at a lower cost. Furthermore, by participating in the national health insurance scheme, MedLife provides services that are reimbursed by the state budget for insured patients, ensuring they have access to medical care without being affected by their limited financial resources. According to the 2025 Annual Report, 34% of the Group's sales came from the treatment of patients insured by the National Health Insurance Fund (CNAS), which demonstrates that the medical services provided by MedLife can also be accessed by people on lower incomes through public health insurance. The Group's strategy aims not only to consolidate its presence in large cities with over 150,000 inhabitants through the MedLife brand network, but also in medium-sized and small towns through the Sfânta Maria brand, given the large number of acquisitions in recent years.

The expansion of the Group's coverage area has enabled access to medical services for the community. At the same time, the Group has expanded its regional sales teams over time to meet the needs of this market. Significant investments have also been made, including the MedLife Pitești Hyperclinic, the expansion of the operating theatre at Craiova Hospital, the development of blood collection centers nationwide, and the acquisition of the Medstar Cluj group announced in 2025.

By expanding its geographical presence, MedLife is opening clinics and medical centers in several medium-sized urban towns across different counties in the country, thereby enabling easier access for the population in nearby rural areas, who traditionally have more limited access to medical services, as they would otherwise need to travel to major cities. The Group's expansion reduces the distance patients in these areas would otherwise have to travel to reach a clinic or hospital, thereby facilitating their access to medical care. Furthermore, by offering a wide range of high-quality medical services in these areas, MedLife contributes to improving the health and well-being of rural communities, reducing disparities in access to healthcare between urban and rural areas.

With regard to the positive impact S26, identified following the DMA analysis relating to the sub-theme *'Personal safety of consumers and/or end-users'*, at MedLife Group level this is linked to the sub-sub-theme: Child protection. This impact refers to:

- *Improving the experience of pediatric patients through the implementation of specific periodic training programs for healthcare assistants.*

Minor patients represent a distinct category of the Group's clients and end-users. Therefore, the specific approach involves appropriate communication and interaction between healthcare assistants and child patients to reduce their anxiety and fear regarding medical treatments.

The DMA analysis at MedLife Group level identified four negative impacts (S20, S22, S23 and S25) related to the sub-themes *'Impacts related to information for consumers and/or end-users' and 'Personal safety of consumers and/or end-users', which* are linked to four sub-sub-themes*: Confidentiality, Health and safety, and Child protection*

- *The generation of potential negative impacts on patients and clients in the event of cyber security breaches that would lead to the disclosure or loss of personal data.*
- *Impact on the health and safety of patients as a result of medical errors or negligence.*
- *Impact on patient health and safety through medical services provided, with the potential for the development of antimicrobial resistance and nosocomial infections.*
- *Potential violation of children's rights through failure to follow procedures for verifying parent-child relationships, which could allow unauthorized persons to gain access to medical information.*

In presenting this section, we include all consumers and end-users who are at risk of being significantly affected by our activities carried out within our own operations, including through the medical services provided and through our business relationships. MedLife operates in a sector with a direct impact on patient health and safety, and our business model incorporates prevention and protection mechanisms to minimize risks and maximize benefits for end users.

Potential impacts include risks associated with medical practice, such as medical errors or negligence, antimicrobial resistance and healthcare-associated infections. To minimize these risks, we implement rigorous medical protocols, continuous training programs for medical staff and mechanisms for monitoring service quality. Consumers and end-users of our services may be affected by issues relating to the confidentiality of personal data, including the protection of patient data and the right to freedom of expression through appropriate reporting channels. In this regard, we adopt advanced cybersecurity measures, comply with GDPR regulations, and provide patients with secure mechanisms for submitting complaints and reports.

Our patients rely on accurate and accessible information about the medical services provided, requiring complete transparency regarding treatments, costs and care options. We ensure this by providing clear and accessible information at all points of contact with patients, including on our digital platforms, through direct medical advice and via personalized information guides.

An important category of end-users is vulnerable patients, including children and those on low incomes. Children's rights can be affected, and to improve their experience, we implement regular training programs for medical staff dedicated to the care of minors. In addition, we support access to healthcare for patients on low incomes and are expanding our infrastructure to serve isolated or disadvantaged communities, thereby helping to reduce inequalities in access to healthcare.

The protection of patients' personal data (*S20)* has a significant systemic impact across all our facilities – clinics, laboratories, hospitals, pharmacies and corporate structures. Any security breach can affect any consumer or user of healthcare services, with consequences for data, patient confidentiality, patient trust and compliance with GDPR regulations. In this context, the protection of patient data is not only a necessity but also a firm commitment, with cybersecurity measures being implemented in accordance with privacy regulations.

Medical errors or negligence (S22) can have direct effects on patients accessing services in clinics, laboratories, hospitals and pharmacies. These individual incidents can affect patients' health and create legal and reputational risks for the Group; therefore, we implement medical protocols, provide ongoing staff training and apply effective mechanisms for preventing and rectifying errors.

Antimicrobial resistance and healthcare-associated infections (S23) pose a significant risk in hospital settings, affecting inpatients and contributing to an increase in post-treatment complications. To manage this risk effectively, the Group implements the controlled use of antibiotics, strict monitoring of nosocomial infections

and the implementation of strict hygiene protocols, which have a direct impact on the Group's reputation and operational efficiency.

Violations of children's rights (S25) represent a significant risk in facilities providing pediatric care, with clinics and laboratories being directly responsible for the protection and safety of minor patients. To minimize this impact, strict child protection procedures, staff specialized in pediatric care, and effective reporting and intervention mechanisms in cases of vulnerability are in place.

The analysis of significant impacts on consumers and end-users is based on a thorough understanding of how certain categories of patients may be exposed to a higher risk of harm, given the specific nature of the medical services we provide. We therefore identify patient groups requiring additional protective measures and service adaptations to ensure they have equitable access to care and to minimize the risks associated with medical treatment.

- Patients with chronic conditions and those with compromised immunity are particularly vulnerable to the risks of healthcare-associated infections and antimicrobial resistance *(S23).*
- Furthermore, children and minors are a group with special needs, exposed to risks relating to children's rights within the healthcare setting *(S25),* and to ensure they have an appropriate experience, we have implemented dedicated training programs for healthcare staff *(S26)* and are adapting healthcare facilities to provide them with a friendly and safe environment.
- Furthermore, patients from disadvantaged backgrounds and those in rural or isolated areas have reduced access to quality healthcare services and may face financial difficulties in obtaining the necessary treatment (*S27).*
- At the same time, the protection of personal data and the confidentiality of medical information remains a major concern for all categories of patients, but particularly for those requiring sensitive medical services, such as treatments for psychological conditions or rare chronic diseases *(S20).*

In the process of analyzing significant risks and opportunities, we assessed our impacts on and dependencies regarding consumers and end-users, taking into account both internal factors and external influences. We analyzed how patients' requirements and expectations influence our activities, as well as the effects of strict regulations regarding consumer protection, data privacy and medical safety standards. In this regard, the risks and opportunities identified at Medlife Group level (RO24, RO26, RO29), resulting from the DMA analysis, stem from all three sub-themes related to the standard and cover all categories of consumers and end users:

- *Risks related to fines in the event of security breaches concerning the management of patients' and customers' personal data.*
- *Risks related to antimicrobial resistance and the impact on the reputation of hospitals.*
- *Increasing the number of low-income patients by offering affordable services and improving access to healthcare through investment in medical infrastructure and national expansion.*

In analyzing the significant risks and opportunities arising from the impacts and dependencies on consumers and end-users, we have identified the target patient groups based on their characteristics:

- Risks relating to the protection of personal data (RO24) concern all beneficiaries of the Group's healthcare services, given the importance of the confidentiality and security of medical information.
- The risk related to antimicrobial resistance and the impact on hospitals' reputation (RO26) specifically concerns hospitalised patients and those with chronic conditions, who are particularly vulnerable to healthcare-associated infections.
- In terms of opportunities, increasing access to healthcare services for low-income patients (RO29) directly targets people from vulnerable socio-economic groups. The expansion of infrastructure and the Group's organic growth relate in particular to patients in rural or isolated areas, where access to services is limited.

[S4-1] - POLICIES REGARDING CONSUMERS AND END-USERS

MedLife's Sustainability Policy

MedLife's Sustainability Policy addresses, amongst other things, the impacts on customers and end-users outlined in section S3-SBM3. This policy covers aspects relating to the identification, assessment, management and remediation of significant impacts on sustainability criteria, as well as the approach to associated risks and opportunities. It sets out MedLife's commitments to creating a healthy and equitable environment for the customers and end-users who benefit from its services.

In establishing the policy, particular importance was given to the interests of all stakeholders, including MedLife's clients and end-users, ensuring transparency in communication with patients, employees, authorities, the community and other relevant parties. MedLife is aware of their interests both through direct engagement via events, projects and surveys conducted in previous years, and through the available feedback channels, which allow them to convey their concerns and expectations. However, no formal stakeholder consultation process was carried out for the development of this policy. The information required by MDR-P 65(a) regarding the monitoring mechanism, and points (c), (e) and (f), is reported in section E1-2 'Policies related to climate change mitigation' within the ESRS E1.

Although MedLife does not have a specific policy dedicated to human rights for customers and end-users, the Group is actively committed, through its Sustainability Policy, to promoting respect for human rights. This commitment is highlighted in the Sustainability Policy and extends to all the Group's policies and processes relating to social aspects (those concerning its own employees, employees in the value chain, communities, customers, patients, etc.). The Group's activities are based on principles that require respect for the human rights of patients and customers. MedLife Group recognizes and respects:

- The fundamental principles of the UN Guiding Principles on Business and Human Rights;
- The ILO Declaration on Fundamental Principles and Rights at Work;
- The Universal Declaration of Human Rights;
- The OECD Guidelines for Multinational Enterprises, thereby ensuring the respect, protection and remedy of employees' rights, the promotion of freedom of association, the elimination of all forms of forced or discriminatory labour, and the guarantee of a fair and safe working environment.

Further information on this policy is available in section S1-1 of the ESRS S1.

MedLife is therefore committed to complying with national and international legal principles and requirements regarding human rights, which include, amongst others, the following instruments:

- Convention No. 29/1930 concerning forced labour;
- Convention No. 87/1948 concerning Freedom of Association;
- Convention No. 98/1949 concerning the right to organize and collective bargaining;
- Convention No. 100/1951 concerning equal remuneration;
- Convention No. 105/1957 concerning the Abolition of Forced Labour;
- Convention No. 111/1958 concerning Discrimination (Employment and Occupation);
- Convention No. 138/1973 concerning the minimum age;
- Convention No. 182/1999 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.

During the reporting year, MedLife Group did not identify any instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving affected communities, either in its own operations or within its value chain. The Group remains committed to upholding these international principles and continues to monitor the impact of its activities on communities through existing dialogue and reporting mechanisms.

The main impacts, risks or opportunities managed in the Sustainability Policy with regard to patients are:

- Service quality and patient satisfaction. Policies on service quality and patient satisfaction are implemented at MedLife level through the ISO 9001 Quality Policy and through operational quality policies defined in each medical unit. The Group aims to provide safe, high-quality medical services, constantly monitors the patient experience, invests in staff professional development and evaluates service performance using specific indicators. Furthermore, risk and incident management mechanisms are in place, promoting an organizational culture focused on quality, accountability and the continuous improvement of medical services.
- Data privacy. The principles of the General Data Protection Regulation (GDPR) applicable to medical practice are essential for protecting patients' data. These principles ensure confidentiality, integrity and transparency in the management of personal data. MedLife Group fully complies with the General Data Protection Regulation and has a dedicated policy in this regard. The policy covers the collection, use, storage, processing, disclosure and destruction of this information, in accordance with legal requirements and best practices in the field.
- Transparency and communication of medical service prices. The policy aims both to inform patients about the costs of procedures and to set out how information on service prices is published. MedLife implements policies and initiatives to ensure the transparency of medical procedure prices and to clearly communicate relevant information to patients prior to treatment.
- Access to information, in line with applicable laws and regulations, covers the right to be informed, in accessible language, about diagnosis, treatment and medical progress; access to medical records upon request; the right to receive information about hospital procedures, service costs and their rights within the healthcare facility, etc.
- Freedom of expression and communication is encouraged, either directly to staff or through the Group's feedback mechanisms. MedLife encourages open and constructive communication, but prohibits offensive or discriminatory speech, or false information that could affect patient safety or the Group's integrity. MedLife provides official channels for the submission and resolution of complaints from patients and employees. All complaints are analyzed transparently, and responses are provided within the legal timeframe.
- Patient health and safety. In this regard, MedLife reaffirms its commitment to protecting the health and safety of patients by implementing appropriate risk management, in compliance with current regulations and legislation, and with a continuous focus on continuous improvement.

By the nature of its activities, the focus of existing policies and procedures covers the following sub-themes: *Access to quality information about medical services* and *the personal safety of consumers and/or end-users.*

Quality management system

The Group's quality management system is structured across several complementary levels to ensure strategic coherence and the effective implementation of quality and patient safety standards. At Group level, the commitment to quality is defined by the Sustainability Policy, which sets out the general principles regarding the provision of safe, high-quality healthcare services, patient-centred care, compliance with applicable standards and the continuous improvement of healthcare services. This policy provides the strategic framework for all units within the network.

At an operational level, each healthcare facility (hospital or clinic) has implemented local quality policies and procedures, tailored to the specific nature of its activities. These include the application of clinical protocols, monitoring of performance indicators, risk and incident management, as well as mechanisms for collecting and analyzing patient feedback, including satisfaction surveys and complaint handling.

The framework is complemented by compliance with the accreditation standards set by the National Authority for Quality Management in Healthcare (ANMCS), which impose requirements regarding the implementation of a quality management system, monitoring of patient safety, respect for patients' rights, and the continuous assessment of patient experience and satisfaction. By integrating these levels – strategy, operational implementation and compliance with accreditation requirements – the organization ensures the provision of safe, efficient and patient-centred healthcare services.

These policies on the quality of healthcare services and patient satisfaction are approved at the organizational management level by the Medical Director and are implemented through the management structures of the healthcare facilities. Responsibility for coordinating and monitoring their implementation lies with the functions dedicated to quality management and patient safety, in collaboration with the operational management of the healthcare facilities. The management of healthcare units is responsible for applying these policies at local level and for integrating quality requirements into operational processes. The policies apply to all healthcare units within the group and cover the clinical and operational processes relevant to the provision of healthcare services, including patient safety, monitoring of patient satisfaction, complaint management and continuous improvement of services.

The policies are based on standards and regulations relevant to the healthcare sector, including accreditation requirements set by the National Authority for Quality Management in Healthcare (ANMCS), international quality management standards (e.g. ISO 9001) and best practices in the field of healthcare quality management and patient safety.

The implementation of policies is monitored using relevant performance indicators, which include clinical indicators, operational indicators and patient satisfaction indicators. The results of the monitoring are analyzed periodically at management level, and the conclusions are used to define and implement measures to improve healthcare services. Policies are reviewed periodically to reflect legislative developments, accreditation requirements and best practices in the field of healthcare quality management. The review process involves the relevant management structures and aims to maintain an effective framework for quality and patient safety governance.

Operational procedure for "Obtaining informed consent"

The operational procedure for obtaining informed consent aims to ensure that patients are accurately informed about the medical investigations, treatments and procedures to which they are to be subjected, as well as to obtain their conscious and informed consent (S21). The main objectives of the policy are geared towards ensuring respect for patients' rights and promoting effective communication between them and healthcare professionals. To this end, the policy aims to provide clear, accessible and detailed information regarding the nature and purpose of investigations, the benefits and risks of treatments, as well as available alternative options, to protect vulnerable groups and to ensure rigorous documentation of informed consent.

The procedure applies to all patients accessing MedLife's medical services, regardless of whether they are admitted for day care or inpatient treatment. It is also implemented across all MedLife facilities. However, there are exceptional cases where the policy cannot be applied, such as in emergency situations where medical intervention is necessary to save the patient's life and prior consent cannot be obtained. Furthermore, patients who expressly refuse to be informed about their health status, in accordance with their legal rights, are exempt from this procedure.

The procedure for obtaining informed consent covers several relevant aspects within ESRS S4 – Consumers and End Users, addressing both the protection of patients' personal data (S20, RO24) and their access to essential information about healthcare services.

Like the Sustainability Policy, the Procedure for obtaining informed consent covers: the impacts and risks related to data confidentiality, access to information and freedom of expression, as patients have the right to refuse certain treatments and to express their opinion regarding medical care. At the same time, the procedure addresses the personal safety of minors by adhering to strict procedures when dealing with minors, and the policy clarifies the situations in which the consent of their legal representatives is required.

The implementation of this procedure is the responsibility of the Chief Executive, the Medical Director, the heads of departments/units, as well as the senior nurses and medical registrars. To ensure correct implementation, the procedure is communicated to medical staff via internal mailing lists, and all doctors, nurses and medical registrars are regularly trained on their duties.

The procedure is drawn up in accordance with national legislation, including Law 95/2006 on healthcare reform, Law 46/2003 on patients' rights, Order 1410/2016 on the implementing rules for the Patient Rights Act, and Order 1411/2016 on emergency medical care. It also complies with international standards on the civil liability of medical staff, in accordance with Act 95/2006.

Operational procedure for "Prudent use of antibiotics"

The main purpose of **the operational procedure** for **the prudent use of antibiotics** is to regulate and optimize the process of prescribing and administering antibiotics in the group's healthcare facilities (S23, RO26). It seeks to prevent the inappropriate use of antimicrobial treatments, reduce the risk of bacterial resistance and limit healthcare-associated infections. By implementing rigorous antibiotic therapy practices, MedLife aims to improve patient outcomes, reduce the length of hospital stays and minimize the costs associated with medical care, without compromising the quality of care.

The main objectives of the procedure are focused on ensuring the responsible and effective use of antibiotics, through the implementation of mechanisms to monitor and control their prescription. Priorities include promoting strict protocols on the use of antibiotics in the treatment of infections and perioperative prophylaxis, reducing the unjustified use of antibiotics, and applying preventive measures to limit antimicrobial resistance. At the same time, the procedure provides for the creation of an internal regulatory framework to authorize the use of reserve and last-resort antibiotics.

This procedure addresses the significant risks associated with the inappropriate use of antibiotics, which stem directly from the nature of medical practice and the management of infections in healthcare facilities. The main risks and impacts covered are: *Risks related to antimicrobial resistance and the impact on hospitals' reputation*; *Potential medical errors or negligence; and Potential contribution to the development of antimicrobial resistance and infections.* The procedure aims to reduce the incidence of prescribing errors, limit the inappropriate use of antibiotics, and prevent the development of healthcare-associated infections.

The procedure applies to all MedLife hospitals and outpatient departments and covers all doctors, nurses and staff involved in the prescribing and administration of antibiotics, ensuring rigorous control over their use. Responsibility for implementing the procedure lies with MedLife Group's medical management, and is overseen by the Director of Health and Operations, who coordinates its application, monitors compliance with internal and national regulations, and ensures that the measures implemented contribute to achieving the established objectives.

In applying the procedure, MedLife aligns itself with relevant national and international regulations and standards for the control of antibiotic use and the prevention of antimicrobial resistance. These include Law 185/2017 on quality assurance in the healthcare system, Law 95/2006 on healthcare reform, as well as Law 3/2021 and Government Decision 1005/2023, which regulate the prevention and control of healthcare-associated infections. Furthermore, to ensure compliance with international practices, MedLife adheres to the standards of the World Health Organization (WHO), European Union guidelines and the recommendations of the National Institute of Public Health.

To ensure effective implementation, the procedure is communicated and made available to all relevant departments and wards within MedLife facilities, in accordance with an internal distribution list. Compliance with the procedure is monitored on a half-yearly basis, through the assessment of antibiotic consumption and the incidence of healthcare-associated infections.

Operational procedure for "Perioperative antibiotic prophylaxis"

The main aim of **the operational procedure for perioperative antibiotic prophylaxis** is to reduce the risk of postoperative infections through the rational use of antibiotics during surgical procedures at MedLife facilities (S23, RO26). It seeks to reduce morbidity associated with surgical infections, reduce the excessive or inappropriate use of antibiotics, limit the emergence of bacterial resistance, and prevent healthcare-associated infections.

This procedure aims to implement a rigorous protocol for the use of antibiotics in perioperative prophylaxis, with the primary objective of optimizing the use of antimicrobials to prevent infections and minimize the development of bacterial resistance. Its objectives include applying strict criteria for selecting patients requiring antibiotic prophylaxis, determining the type of antibiotics used according to the specific nature of the surgical procedure, and monitoring their efficacy.

The procedure addresses several significant impacts and risks identified, such as *risks related to antimicrobial resistance*, *potential medical errors or negligence, and the potential contribution to the development of antimicrobial resistance and infections.*

The procedure applies to all surgical departments and units in MedLife hospitals, in accordance with the internal distribution list. It covers surgical procedures requiring antibiotic prophylaxis, taking into account the type of procedure, the microorganisms involved and the patient's risk factors. The protocol also includes specific measures for patients with chronic conditions, immunocompromised patients and those with increased risk factors for postoperative infections.

Responsibility for implementing the procedure lies with the medical management of MedLife Group, and is overseen by the Director of Health and Operations, who coordinates its application and monitors compliance. The procedure aligns with multiple national and international standards regarding the use of antibiotics in perioperative prophylaxis. Key reference documents include Order No. 1528/2013 of the Minister of Health approving the Guidelines on Antibiotic Prophylaxis in Surgery, as well as international guidelines such as the ASHP Clinical Practice Guidelines for Antimicrobial Prophylaxis in Surgery (2022) and the European Centre for Disease Prevention and Control (ECDC) – Guidance on Perioperative Antibiotic Prophylaxis. Furthermore, MedLife adheres to the recommendations of the "Prof. Dr. Matei Balș" National Institute of Infectious Diseases and the guidelines developed by the National Institute of Public Health regarding antimicrobial resistance and healthcare-associated infections.

The procedure is distributed internally to all surgical departments and wards within MedLife facilities. It is made available to doctors, pharmacists and nurses involved in the administration of antibiotics, and is included in the internal protocols for the management of healthcare-associated infections.

Other policies

We promote an open and transparent relationship with patients and clients through a series of policies and mechanisms designed to facilitate their collaboration and active involvement. **Our Code of Ethical Conduct** emphasizes our commitment to treating patients fairly (S25, S26), building a climate of trust and applying best medical practices. At the same time, through **our Social Responsibility Code**, we commit to complying with consumer protection regulations (S20, RO24) and maintaining high standards of quality and safety in the services we provide.

Furthermore, through **our Whistleblower Protection Policy**, we guarantee that anyone who reports issues relating to our services is protected against retaliation (S21bis). In this way, we contribute to a climate of trust and ensure that any irregularities reported by patients are taken seriously and resolved appropriately.

A key element of our collaboration with patients is **our Call Centre Department's Feedback and Complaints Procedure**, which establishes a structured system for receiving, analyzing and resolving reports regarding our services (S21bis). We have implemented multiple communication channels, such as telephone calls, email, online forms and face-to-face interactions at our medical facilities, ensuring accessibility and transparency. We constantly analyze the feedback received and implement improvement measures to best meet the needs of patients and end-users. MedLife has implemented the Call Centre Department's Feedback and Complaints Procedure, supporting the right to freedom of expression and petition, and contributing to the improvement of services and the effective management of patient feedback.

At present, there are as yet no formalized, dedicated policies in place to address certain significant impacts, risks and opportunities identified within MedLife Group; however, these are already informally integrated into our business model and the Group's development strategy. For example, IRO 26 – *Improving the experience of pediatric patients through regular training for healthcare assistants* – is supported by our continuing professional development programs for medical staff, which ensure an improvement in the quality of pediatric services. Other initiatives, such as *IRO S27,* reflect our organic development strategy, through which we are expanding medical infrastructure and increasing access to healthcare services for disadvantaged communities, low-income patients, or people in rural and isolated areas. This is further supported by *RO29,* strategic

opportunities that enable us to consolidate our leading position in the provision of accessible and efficient healthcare services.

[S4-2] - PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS REGARDING IMPACTS

MedLife Group maintains ongoing collaboration with consumers and end-users through both direct mechanisms and indirect collaboration with their representatives. These dialogues provide the Group with insight into communities' expectations regarding the impact of its own operations and/or those within the value chain, and facilitate the identification of measures necessary to build and maintain the trust of affected communities.

The Chief Executive Officer and Chairman of the Board of Directors hold the highest position and role within MedLife Group, responsible for ensuring engagement with affected communities regarding impacts and for integrating the results of this engagement into the organization's strategic approach.

Direct engagement takes place through satisfaction surveys, which are distributed to patients after they have accessed medical services, and through feedback and complaints mechanisms. These tools allow patients to voice their concerns and offer suggestions, contributing to the improvement of service quality.

Collaboration takes place at different stages of the patient experience, including post-service evaluation via questionnaires and the real-time reporting of issues through complaints channels. Feedback is collected on an ongoing basis, and it is analyzed periodically to identify trends and potential improvements. In the case of indirect collaboration, meetings with NGOs and associations are held at a strategic level, depending on specific needs and initiatives.

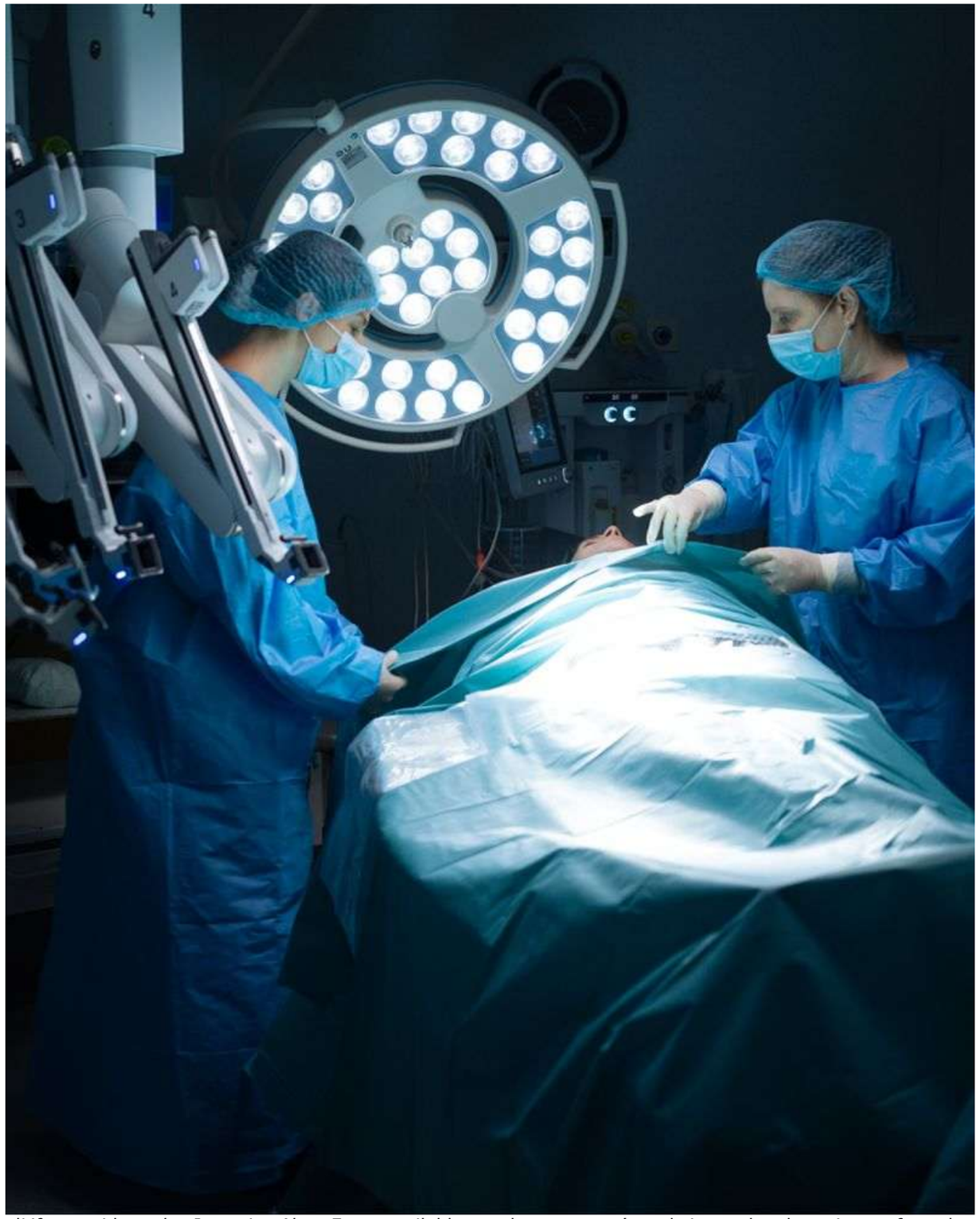
Responsibility for implementing and monitoring these collaborations lies with the Director of Quality and Patient Experience, who coordinates feedback collection and analysis activities, as well as with the Medical Director, who ensures that the findings are integrated into strategies for improving medical care.

The effectiveness of the collaboration is assessed through the periodic analysis of the results of satisfaction surveys and complaints, and by monitoring the implementation of corrective measures resulting from these processes. In this way, MedLife ensures a constant dialogue with consumers, integrating their perspectives into decisions and strategies for improving medical services.

[S4-3] - PROCESSES FOR MITIGATING NEGATIVE IMPACTS AND CHANNELS THROUGH WHICH CONSUMERS AND END-USERS CAN EXPRESS THEIR CONCERNS

MedLife manages negative impacts on consumers through a remediation strategy based on transparency, prevention and continuous improvement, aligning with medical quality and safety standards, as follows:

- With regard to the protection of patients' personal data (*S20),* the Group implements strict IT security measures and monitors access to data; should any breaches be identified, immediate corrective and notification measures are taken in accordance with legal requirements, thereby preventing reputational risks and financial penalties.
- With regard to patient safety *(S22, S23),* MedLife applies strict protocols to prevent medical errors and infections, including through the procedure for perioperative antibiotic prophylaxis. In the event of incidents, these are investigated internally, and corrective measures are implemented to prevent recurrence.
- Furthermore, in the event of potential breaches of children's rights *(S25),* the Group places particular emphasis on training medical staff and applying the procedure for obtaining informed consent, to ensure that the rights of minor patients are respected. The effectiveness of remedial measures is assessed through continuous monitoring of complaints, internal audits and consultations with patients to adapt strategies for preventing and remedying negative impacts.



MedLife considers *the Integrity Alert Form* available on the company's website to be the primary formal channel in the process of addressing potential negative impacts on clients and end-users. Complaints and reports can be submitted via this form by following the steps outlined therein.

The reports received are recorded in an electronic register containing information such as the date of receipt of the report, the name and surname of the whistleblower, the whistleblower's contact details (if known), the

subject of the report, and the proposed method of resolution. With regard to the resolution process, a designated independent external team will analyze the report and make proposals for subsequent action to the relevant persons within MedLife. To the extent that the report relates to matters of significance to MedLife's operations, the Board of Directors is also informed immediately. Within a maximum of three months of the acknowledgement of receipt of the report being sent, the whistleblower will be informed by the designated team regarding the status of the subsequent actions and, subsequently, whenever there are developments in the progress of the subsequent actions, unless such information could jeopardize their conduct. Following the investigation, if the report is substantiated, MedLife's management may take measures such as: disciplinary proceedings, referral to criminal investigation authorities, or the improvement of MedLife's policies and regulations to prevent the recurrence of the risks and breaches identified. Subsequently, depending on the outcome of the investigation, the designated person will draw up a report on the resolution or closure of the report, which they will communicate to the whistleblower. The policy also covers situations where a report made for valid reasons is closed, as well as the rights of the persons concerned by the report. Particular attention is paid to protecting whistleblowers from retaliation, and their confidentiality is guaranteed.

MedLife also provides multiple other channels through which consumers and end-users can express their concerns and needs, managing them in a structured and efficient manner. Thus, there are external communication channels published on the MedLife website under the 'Contact' section: *the Satisfaction Survey* and *the Contact Form*, through which complaints and reports can be submitted by any interested party, following the steps outlined in each form. Through these easily accessible communication tools, freedom of expression is promoted and encouraged, particularly among clients/patients. Furthermore, patient complaints are handled and resolved by offering multiple communication options, including by telephone, via email (sesizari@medlife.ro ,programarionline@medlife.ro), at medical facilities, via online forms, or through the mobile app. These mechanisms ensure transparency and accessibility, providing patients with an open channel of communication with the organization. Patients also receive automated feedback forms, through which they can express their satisfaction with the services received and offer suggestions for improvement.

These channels operate through a well-defined process for collecting, analyzing and resolving complaints and suggestions. Reports received are automatically directed to the Customer Relations team, which analyzes them and forwards them, if necessary, to the relevant departments, such as reception, doctors, medical directors or the quality department. Responses are provided to patients within an optimal timeframe of 5–7 days, in accordance with internal regulations, although legislation allows for their resolution within a period of up to 30 days. In addition, feedback reports are updated every two months, and the data is analyzed by the management of each unit and at central level to identify areas requiring improvement and to implement corrective measures. This system enables MedLife to maintain a high level of patient satisfaction, optimize medical services and strengthen consumer confidence in the quality of medical care.

To ensure these mechanisms are in place, MedLife supports an integrated complaints and feedback management system, working in collaboration with the Customer Relations Department, the Quality Department and the medical facilities within the network. The Group allocates essential resources to ensure the efficient operation of communication channels, including specialist staff responsible for their administration, modern IT infrastructure and monitoring systems, which ensure transparency and efficiency in the management of consumer feedback.

Clear rules and procedures are also in place to guarantee the confidentiality and safety of staff and patients using these channels, promoting an open and inclusive communication environment.

Monitoring of issues raised by consumers is carried out through the centralization and periodic analysis of complaints, using internal dashboards to assess trends and implement the necessary measures. In addition, MedLife conducts half-yearly and annual analyzes of patient satisfaction levels, using indicators such as retention rates, the efficiency of complaint resolution and customer loyalty.

We assess our patients' awareness of and trust in our complaint management structures and processes through satisfaction surveys sent to all categories of patients, including vulnerable patients, half-yearly analyzes, and monitoring of feedback received via our reporting channels, such as the call center, email and mobile app. The data collected enables us to identify the level of use of these mechanisms and the efficiency perceived by patients in resolving the issues raised. We also update feedback reports periodically and analyze them at management level, so as to constantly improve the transparency and accessibility of these processes.

[S4-4] - ADOPTING MEASURES REGARDING SIGNIFICANT IMPACTS ON CONSUMERS AND END USERS, AND APPROACHES FOR MANAGING SIGNIFICANT RISKS AND PURSING SIGNIFICANT OPPORTUNITIES RELATED TO CONSUMERS AND END USERS, AS WELL AS THE EFFECTIVENESS OF THESE MEASURES

Within the Group, the process by which we identify and determine the necessary and appropriate actions in the face of an actual or potential negative impact on customers and end-users is based on the existing legislative framework, as well as international best practices.

Table on actions relating to consumers and end users

IRO no.	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
S21	Constant updating of the website (details of medical services offered, specialities and available doctors, dedicated sections for bookings, patient guides and information on costs and insurance)	Ongoing	All patients	Not applicable	Monitored
	Digital app for patients (secure online portal where patients can access their medical history, test results and appointments, chat features or online support, etc.)	Ongoing	All patients	Not applicable	Monitored
	Transparent information through educational materials (blog, medical dictionary, articles, podcasts or live sessions with specialists, social media awareness campaigns, etc.)	Ongoing	All patients	Not applicable	Monitored
	Efficient call system (dedicated helplines where patients can quickly obtain information about services, appointments and procedures)	Ongoing	All patients	Not applicable	Monitored
	Partnerships with the media and the community (i.e. collaboration with the media and publications to disseminate information about new services, technologies and health campaigns)	Ongoing	All patients	Not applicable	Monitored
S21 bis	Procedures for obtaining informed consent	Ongoing	All patients	Not applicable	Monitored
	Omni-channel: physical and digital (public email addresses, call centres, dedicated helplines where patients can quickly obtain solutions, physical reception desks, etc.)	Ongoing	All patients	Not applicable	Monitored
	Public and confidential communication channel for whistleblowers	Ongoing	All patients	Not applicable	Monitored
S 21 new	Updating and implementing clinical protocols in accordance with medical guidelines and accreditation requirements	Ongoing	All patients	Not applicable	Monitored
	Implementation and monitoring of the incident and adverse event reporting system	Ongoing	All patients	Not applicable	Monitored
	Organization of continuing professional development programs and participation in medical courses and conferences	Ongoing	All patients	Not applicable	Monitored
	Implementation and monitoring of mechanisms for collecting patient feedback and for recording and resolving complaints	Ongoing	All patients	Not applicable	Monitored
	Analysis and optimisation of operational and administrative processes	Ongoing	All patients	Not applicable	Monitored
	Regular assessment of clinical, operational and patient satisfaction indicators	Ongoing	All patients	Not applicable	Monitored
S20	Continued application of the GDPR procedure	Ongoing	All patients	Not applicable	Monitored

IRO no.	Actions	Timeframe	Purpose of the action	Capex / Opex*	Progress**
	Implementation of cybersecurity systems to protect data (encryption, multi-factor authentication).	Ongoing	All patients	Not applicable	Monitored
	Training of medical staff on GDPR compliance and good data protection practices.	Ongoing	All patients	Not applicable	Monitored
	Adoption of a regular audit system to verify compliance with patient data confidentiality rules.	Ongoing	All patients	Not applicable	Monitored
RO24	See S20	Continuous	All patients	Not applicable	Monitored
S27	Strategy for organic growth at regional level, covering middle-income residential areas to facilitate access for communities in neighboring areas (including patients with reduced mobility) to quality healthcare services	Ongoing	All patients	Not applicable	Monitored
RO29	See S27	Continuous	All patients	Not applicable	Monitored
S22	Implementation of strict protocols for verification and double-checking of treatments and procedures.	Ongoing	All patients	Not applicable	Monitored
	Ongoing training of medical staff to improve the quality of medical care and reduce errors.	Ongoing	All patients	Not applicable	Monitored
	Establishment of anonymous internal reporting systems to identify and prevent errors.	Ongoing	All patients	Not applicable	Monitored
S23	Monitoring of antibiotic use and promotion of a rational use program.	Ongoing	Hospital patients	Not applicable	Monitored
	Developing and implementing strict hygiene and disinfection policies in healthcare facilities.	Ongoing	Hospital patients	Not applicable	Monitored
	Surveillance and reporting of healthcare-associated infections to enable rapid preventive measures.	Ongoing	Hospital patients	Not applicable	Monitored
RO26	See 23	Continuous	Hospital patients	Not applicable	Monitored
S25	Ensuring children have access to appropriate medical care, without discrimination.	Ongoing	Minor patients	Not applicable	Monitored
	Training of healthcare staff in ethics and children's rights in healthcare.	Ongoing	Minor patients	Not applicable	Monitored
	Implementation of reporting and rapid response mechanisms in cases of abuse or neglect.	Ongoing	Minor patients	Not applicable	Monitored
S26	See S25	Continuous	Minor patients	Not applicable	Monitored

**Resources allocated – as the measures implemented form part of the Group's day-to-day operations and are integrated into existing organizational and compliance processes, they do not currently involve significant capital allocations or dedicated operational expenditure.*
***Progress on the implementation of this action is monitored through the Group's internal management and reporting processes*

The effectiveness of the actions implemented to:

- Improving the quality of medical services and the patient experience is monitored through an integrated set of operational, clinical and satisfaction indicators. Performance is assessed through the results of satisfaction surveys, including indicators such as the Satisfaction Index and Net Promoter Score (NPS), as well as through the level of reported concerns and complaints.
- For digital channels, success is monitored through adoption indicators, such as the number of patients enrolled on digital platforms, whilst for patient relations services, specific operational indicators for the Call Centre are tracked (response time and rate, abandonment rate).
- In parallel, indicators relating to the quality of medical care and patient safety are monitored, such as the number of updated protocols and the rate of compliance with them, the number of incidents reported and analyzed and the rate of implementation of corrective measures, as well as relevant clinical indicators. Indicators regarding staff skills development (training hours and participation in training programs) and the efficiency of operational processes (average waiting time and duration of administrative processes) are also tracked.
- Patient data protection is monitored both through the number of data privacy incidents and through staff training levels and the existence of GDPR consents.
- The positive impact of services is assessed through operational indicators such as the number of patients and locations served, the diversity of medical services and procedures offered, and regional coverage, whilst potential negative impacts are monitored through indicators such as the rate of nosocomial infections, the number of reported incidents, and the number of complaints or malpractice disputes.
- The indicators are analyzed and reported periodically at the level of each medical unit, contributing to performance monitoring and the implementation of measures for the continuous improvement of services.

In 2025, MedLife continued to implement and consolidate initiatives aimed at enhancing the quality of medical care and improving the patient experience across the entire network. The Group's healthcare facilities maintained and updated their accreditation processes in accordance with the standards of the National Authority for Quality Management in Healthcare (ANMCS), carrying out quality indicator monitoring, internal audits and updates to clinical protocols. At the same time, the Group has invested in developing the professional skills of medical and administrative staff through continuing professional development programs, specialist courses and initiatives to share best practice, designed to support the provision of safe and effective healthcare services. Patient experience and satisfaction were constantly monitored through dedicated feedback collection tools, including satisfaction surveys and indicators such as the Net Promoter Score (NPS), which highlighted a high level of trust and recommendation from patients. At the same time, MedLife continued to analyze the reports and complaints received, as well as operational indicators regarding access to services and response times, using this information to implement measures for the continuous improvement of healthcare services and the patient experience.

We have continued to implement internal medical procedures and protocols designed to prevent medical errors and negligence, thereby strengthening safety and quality standards across the entire MedLife Group. These measures apply to all our medical facilities, aiming to optimize medical care, reduce operational risks and improve control and monitoring processes. The actions implemented cover all MedLife facilities – clinics, hospitals, laboratories and pharmacies – involving both doctors and nurses, as well as the quality control and risk management departments. We also collaborate with suppliers of medical equipment and technologies to ensure compliance with safety standards across the entire network of medical services. In recent years, the measures implemented have led to a reduction in reported incidents and improved compliance with medical protocols. We monitor the effectiveness of our actions through regular audits, analysis of quality indicators and the collection of feedback from patients and medical staff.

We have continued to meet the objectives set out in *the Perioperative Antibiotic Prophylaxis Procedure and the Operational Procedure on the Prudent Use of Antibiotics*, ensuring the implementation of strict measures to combat antimicrobial resistance and prevent healthcare-associated infections. These measures are implemented across all MedLife facilities, including hospitals, clinics and laboratories, and apply to both medical staff, who are responsible for administering treatments, and patients, who benefit from safe and effective therapeutic approaches. In addition, we collaborate with pharmaceutical suppliers and regulatory authorities to ensure that the use of antibiotics complies with the latest scientific and legislative recommendations.

Where cases of inappropriate antibiotic use or healthcare-associated infections are identified, we implement immediate corrective measures, including reviewing treatment protocols, re-evaluating affected patients and adjusting prevention strategies. We also investigate every incident through dedicated medical committees, ensuring remedial measures for patients and the continuous optimisation of clinical processes.

Regarding the progress of these measures over the years, we have observed an improvement in compliance with antibiotic use protocols, reflected in a decrease in inappropriate use and a reduction in the incidence of healthcare-associated infections. We monitor the effectiveness of these actions through internal audits,

consumption analyzes and epidemiological studies, thereby ensuring a sustainable and effective approach to antibiotic management.

We have continued to implement the legal provisions on *the protection of personal data*, complying with Law No. 46/2003 on patients' rights, as well as the objectives set out in *the Procedure on obtaining informed consent*. We have thus continued to implement data security measures within laboratory procedures, using unique codes to identify samples and restricting access to results solely on the basis of an access code and the patient's Personal Identification Number (PIN). We have also strengthened the authentication of staff handling patient data, using individual usernames and passwords to prevent unauthorized access. We are continuing to modernize our IT infrastructure and further automate processes for accessing and managing personal data. These measures have been implemented across all MedLife Group medical facilities and apply to patients, as well as the medical and administrative staff who handle this information, and the IT service providers responsible for the digital infrastructure.

These actions are implemented on an ongoing basis, with the aim of continuously improving the way we manage patient data. In the event of security breaches or unauthorized access, we have implemented a clear notification and rapid response protocol, in accordance with GDPR regulations, ensuring an efficient and transparent response in such situations. Over the past year, no incidents involving data security breaches have been reported within our medical facilities, which reflects the effectiveness of the prevention and control measures implemented. We continue to constantly monitor data protection processes and improve security systems to maintain the highest standards of compliance and patient safety.

The group has implemented strict measures for informing and validating consent for all treatments administered to minors, training medical staff in standardized consent procedures, thereby fulfilling the objectives set out in *the procedure for obtaining informed consent* and ensuring the protection of children's rights within the medical context. Looking ahead, we aim to optimize the consent process by integrating it into digital platforms accessible to parents and legal guardians, thereby facilitating greater transparency and accessibility. These measures are implemented across all MedLife facilities, including clinics, hospitals and laboratories, and apply to both minor patients and the medical and administrative staff who manage consent documents. We also collaborate with regulatory authorities and organizations specializing in child protection to align ourselves with best practices in the field. We apply these measures on an ongoing basis, with annual reviews and optimizations of processes to adapt to new legislative requirements. In the medium term (1–3 years), we will expand the full digitization of documentation and introduce systems for the automatic verification of consent validity, and in the long term (over 3 years), we aim to automate administrative workflows related to the protection of minors. In 2025, no significant incidents involving minor patients were recorded. We intend that, should any irregularities be identified in the process of obtaining consent, we will apply internal audit mechanisms, review procedures and, if necessary, inform the competent authorities. During 2025, we continued to run regular training programs for nursing staff, with the aim of improving the experience of minor patients. These training sessions are designed to develop healthcare assistants' communication and interaction skills, enabling them to apply techniques tailored to children's age and developmental level, thereby reducing their anxiety and fear of medical treatments.

We use a wide range of channels and initiatives to ensure *patients' freedom of expression*, as well as *consumers' access to accurate*, up-to-date and easy-to-understand *information* about treatments, procedures and medical staff, thereby strengthening patient trust and brand loyalty.

To this end, we have focused on developing effective communication mechanisms, including direct patient information provided by doctors, nurses and reception staff during consultations and medical examinations, supplemented by detailed written consent forms that clarify the nature of procedures and treatments. In addition, patients benefit from online access to essential information via the MedLife website, which lists the services offered, associated prices, doctors' profiles and available facilities, facilitating informed decision-making. The 'Doctor's Advice' platform and articles published for medical education help to increase medical knowledge among consumers, supporting prevention and early diagnosis.

The obligation of healthcare professionals to provide comprehensive and detailed information to all patients is a priority in our policy on transparency and medical ethics. We aim to expand these initiatives by automating communication and personalizing the information provided to patients, using advanced digital solutions to improve the user experience and ensure a higher level of trust in our medical services.

To ensure a high level of accessibility and real-time support, we have strengthened our Call Centre service, where patients can obtain information about services, appointments and medical advice. We also provide

patients with an open feedback channel, through which they can express their concerns, dissatisfaction and suggestions, contributing to the continuous improvement of their experience.

To achieve and promote significant positive impacts on our patients, we focus on creating and maintaining effective communication channels that allow them rapid access to information, the opportunity to express their opinions, and to submit complaints in a transparent and secure manner. This strategy helps to increase patient satisfaction, strengthening trust and loyalty towards the medical services provided by MedLife Group.

Through the concept "Together We Make Romania Better", MedLife continues to support medical education by regularly publishing informative content in partnership with relevant editorial platforms. The topics covered mainly focus on prevention, healthy lifestyles and medical recommendations validated by MedLife specialists, helping to increase the level of information among the population. In 2025, the editorial project recorded over 250 published articles, generating 3.7 million views and over 11.2 million display impressions. At the same time, it reached 182 million unique users. In the traditional media sector, MedLife continued its TV and radio partnerships dedicated to medical education, recording 81 appearances by doctors on programs with an estimated cumulative audience of 29.7 million people.

Furthermore, through our Whistleblower Protection Policy, we have ensured a secure and confidential mechanism for reporting any irregularities, thereby strengthening transparency and accountability in our relationship with patients. We constantly monitor the feedback received, and the results are integrated into our continuous improvement processes, ensuring that the patient experience remains a central priority in the Group's development strategy.

Throughout 2025, we continued to implement social inclusion initiatives, offering low-income patients access to quality healthcare through a combination of affordable facilities, partnerships with the public health system, and pricing policies tailored to the needs of vulnerable communities. To support this initiative, we offer healthcare services at more affordable rates through the clinics in the Sfânta Maria network, thereby providing a high-quality alternative for patients in medium-sized and small towns. Furthermore, by participating in the national health insurance scheme, we provide state-funded treatments and investigations for insured patients, removing financial barriers to accessing healthcare. By opening new clinics, hospitals and medical centers in several regions of the country, we have focused on reducing the geographical barriers that limit patients' access to quality medical care. These initiatives have had a significant positive impact, facilitating access to modern medical services for people in isolated areas and vulnerable communities, without the need to travel long distances for treatment.

In addition, MedLife runs community projects, offering medical solutions tailored to local issues, strengthening its presence in communities and contributing to the development of public health.

Through our expansion strategy, we continue to strengthen our presence in major cities via the MedLife network, as well as in medium-sized and small towns through the Sfânta Maria brand, thereby expanding access to healthcare for diverse socio-economic groups, which has enabled patients in rural areas to access local medical services.

In the long term, we intend to expand these initiatives by investing in medical infrastructure and accessible technologies to ensure equitable access to healthcare services for all patients, regardless of their financial situation. This strategic approach not only supports national public health efforts.

Another way in which MedLife manages to mitigate the negative impacts on communities affected by its operations is through the implementation of various initiatives and campaigns designed to support local communities and ensure equitable access to quality healthcare services.

Furthermore, starting in 2023, MedLife launched the 'Hope Does Not Die of Cancer' program, offering free genetic testing for children with cancer and thereby ensuring access to personalized treatments for a significant number of children, thus helping to improve their prognosis and quality of life. In 2025, 195 new patients were enrolled in the program (247 in 2024), bringing the total number of beneficiary children since the program's launch to 722. Through this initiative, MedLife contributes to the personalization of treatments and to increasing the chances of therapeutic success, reducing the gaps compared to international standards in pediatric oncology.

Health education for young people remained a priority in 2025, with the continuation of the "Testat e Hot" campaign, dedicated to raising awareness of the importance of sexual health, thereby contributing to the health and well-being of communities. During large-scale events, MedLife offered free screening packages for sexually transmitted infections, alongside information sessions and discussions with specialist doctors. The initiative helps reduce the stigma associated with testing and promotes responsible behaviour among young people.

At the same time, MedLife has continued to develop initiatives dedicated to improving access to healthcare services for vulnerable communities. Through the "Health Caravan" project, carried out in several towns across the country, over 500 people received free medical consultations (approx. 200 beneficiaries in 2024), laboratory tests and personalized recommendations, contributing to the early detection of certain conditions and increasing access to basic healthcare services in resource-limited areas.

At the same time, MedLife has maintained its commitment to supporting vulnerable patients through pro bono medical interventions. In 2025, it performed highly complex procedures, including robot-assisted breast reconstruction and surgical interventions for severe conditions, providing free access to advanced treatments and helping to improve patients' quality of life.

In 2025, MedLife Group continued to implement rigorous measures to prevent and mitigate negative impacts on patients and end-users, ensuring a balance between commercial objectives and ethical responsibility towards consumers. Our strategy includes the protection of personal data, the prevention of medical risks, transparent communication of services, and the strengthening of feedback and redress mechanisms. Where tensions arise between the prevention of negative impacts and commercial pressures, we prioritize patient safety and satisfaction in the decision-making process.

[S4-5] OBJECTIVES RELATED TO MANAGING SIGNIFICANT NEGATIVE IMPACTS, PROMOTING POSITIVE IMPACTS, AND MANAGING SIGNIFICANT RISKS AND OPPORTUNITIES

The objectives set out below reflect MedLife Group's current strategic directions regarding access to healthcare services, the quality of medical care and the patient experience. These represent an initial set of operational benchmarks used to monitor performance and guide the organization's actions in the coming period.

In the context of the process of progressive alignment with sustainability reporting standards and the evolution of the reporting framework, MedLife Group continuously assesses the need to review and consolidate these objectives, including by defining additional indicators or adjusting target levels. Thus, the objectives presented may be subject to updates or refinements depending on the results of internal monitoring, changes in the operational context and the development of the sustainability reporting framework.

Target	Target year
Over **5 million** patient visits nationwide*	Annual
+10% Expanding patient access to healthcare services through digital solutions	Annual
+10% Increase in the number of patients enrolled in prevention programs	2030
+5% increase in patient satisfaction score (NPS)	2030
Quality – hospitals: maintaining Level 2 accreditation for hospitals that have already achieved this level and raising the accreditation level for the rest	2030
Quality – laboratories: maintaining international accreditations	2030
Rate of reported medical incidents**	Annual
Zero major patient data security **incidents**	Annual

**in the clinics, hospitals and laboratories business lines*
*** Reported medical incidents = adverse events associated with medical care – less than 1 in 1,000*

Currently, the targets set at MedLife Group level are not specifically aligned with all the material sustainability aspects identified in the Double Materiality process and do not fully meet the requirements set out in the ESRS standards regarding the definition of fully measurable, results-oriented objectives within a clear timeframe. For this reason, we do not include further details regarding these targets in the current report.

However, we monitor the effectiveness of our policies and actions through regular assessments, analyzing the impact of the services we provide, operational risks and opportunities for improvement. We thus ensure that our strategic decisions are informed and adapted to market realities, even in the absence of precise numerical targets, whilst maintaining a firm commitment to the continuous improvement of healthcare services. This monitoring process is carried out through:

- Regular analysis of operational indicators, including the number of patients treated, trends in demand for specific healthcare services, and the utilization rate of our healthcare infrastructure.
- Collecting and analyzing patient feedback, using satisfaction surveys, complaints and suggestions, to understand and improve the experience of consumers and end-users.
- Internal audits and controls, carried out within our healthcare facilities, to ensure compliance with quality, safety and medical ethics standards.
- Reporting and analyzing sustainability data by monitoring our activities and initiatives that contribute to improving access to healthcare services and reducing negative impacts.

Regular consultations with stakeholders, including authorities, healthcare organizations and civil society, to adapt development strategies and respond effectively to the needs of the community

ESRS G1 – PROFESSIONAL CONDUCT

[G1.IRO-1] – DESCRIPTION OF PROCESSES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES RELATED TO GOVERNANCE

The following table lists the impacts, risks and opportunities related to Professional Conduct that MedLife has identified and assessed as significant following its double materiality assessment (DMA), including the categories of affected stakeholders and the location of the impact. This disclosure should be read in conjunction with ESRS 2, in particular GOV 1, IRO-1 and SBM-3, in accordance with the CSRD. Abbreviations (where applicable) are provided in Appendix 1.

Table on impacts, risks and opportunities related to professional conduct

		Stakeholders						Upstream	Business lines						Downstream
#	**Brief description**	*Employees & Workers*	*Customers*	*Patients*	*Suppliers*	*Community*	*Silent stakeholder*		*Corporate*	*Clinics*	*Laboratories*	*Hospitals*	*Pharmacies*	*Others*	
G7	Promoting a favorable legislative framework		✓	✓		✓			✓						
G13	No confirmed cases of corruption or bribery within our own operations		✓	✓	✓				✓	✓	✓	✓	✓	✓	
G12	Lack of measures to prevent and detect corruption and bribery	✓	✓	✓	✓	✓			✓	✓	✓	✓			
G1	Creating a positive and attractive working environment, governed by fair and transparent policies and procedures	✓							✓						
G2	Promoting transparency in the pricing and billing of healthcare services.		✓	✓					✓	✓	✓	✓	✓	v	
G3	The absence of fraud and the elimination of unnecessary procedures in the provision of healthcare services.		✓	✓					✓	✓	✓	✓	✓		
G4	Promoting competitive behavior		✓	✓					✓						
G8	Promoting and developing local suppliers				✓			✓	✓	✓	✓	✓	✓	✓	✓
G9	Quality control in the supply chain for the distribution and marketing of pharmaceutical products		✓	✓					✓				✓	✓	
RO34	Inadequate management of environmental and social impacts by suppliers poses a risk to the Group's reputation							✓							✓
G5	Protecting the rights of whistleblowers	✓						✓	✓						✓
G14	Increasing patients' access to modern, efficient and preventive services through the digitalization or implementation of AI in healthcare systems	✓	✓	✓					✓	✓	✓	✓	✓	✓	
RO36	Security breaches or IT infrastructure failures due to outdated or inadequately protected equipment	✓	✓	✓					✓	✓	✓	✓	✓	✓	
RO37	Increasing patient access to modern, efficient and preventive services through the digitalization or implementation of AI in healthcare systems	✓	✓	✓					✓	✓	✓	✓	✓	✓	

The positive impacts identified following the DMA analysis relate to several sub-themes:

- G1, G2, G3, G4 relating to the sub-theme *Corporate Culture.* At MedLife Group level, G2, G3, and G4 are linked to two sub-sub-themes specific to the Group: *Market Presence* and *Economic Value Generated and Distributed*. These impacts relate to two contributions that are specific to the entity:
  - ✓ *Increasing the level of information provided to patients and customers regarding transparency in pricing and the billing process for medical services.*
  - ✓ *Improving the quality of care and reducing costs for patients by preventing fraud and eliminating unnecessary procedures in the provision of medical services.*
  - ✓ *Ensuring patients have access to diverse options and fair prices by eliminating anti-competitive behavior*
- G13, relating to the sub-theme *Corruption and Bribery,* refers to the contribution to *improving the trust and satisfaction of partners, clients and patients, due to the absence of confirmed cases of corruption and bribery within the organization's own operations.*
- G5, relating to the sub-theme *'Whistleblower protection',* refers to the contribution regarding *the protection of whistleblowers' rights through the development of a specific policy and its outsourcing to a third party*.
- *G7,* relating to *the* sub-theme *'Political Commitment',* refers to the contribution regarding *active participation in the processes of developing a more favorable legislative framework for activities in the health sector.*
- G8 and G9, relating to the sub-theme *'Management of supplier relations, including payment practices',* refer to the contribution regarding *the promotion and development of local suppliers in various regions, including local manufacturers of medicines and medical consumables*, *and the protection of*

patient health and the delivery of safe, high-quality products through the implementation of effective quality control measures in the supply chain for the distribution and marketing of pharmaceutical products

- G14, relating to the sub-theme *Digitalization and Cyber Security*, refers to *increasing patients' access to modern, efficient and preventive services through digitalization or the implementation of AI in healthcare systems.*

The DMA analysis at MedLife Group level identified a single negative impact (G12) relating to the sub-theme *Corruption and bribery*. This impact generates the following negative effect

- *a possible decline in the trust of employees, patients and partners in the company, as well as* an increased risk of unethical practices.

The DMA analysis at MedLife Group level revealed a significant risk (RO34) related to professional conduct, linked to the sub-theme *'Management of supplier relationships, including payment practices*. This may generate the following effects:

- *the Group's reputation may be damaged as a result of a lack of concern regarding how suppliers manage negative impacts on the environment and people. If suppliers do not comply with sustainability and social responsibility standards, this may reflect negatively on the Group, compromising its image and public trust.*

The DMA analysis at MedLife Group level also identified a significant risk (RO36) related to *digitalization and cyber security*. This may result in the following effects:

- *Security breaches or IT infrastructure failures may occur as a result of using outdated or inadequately protected IT equipment or systems. These vulnerabilities may increase exposure to cyber-attacks, unauthorized access or IT system disruptions. Consequently, such situations may affect the availability of digital services and the company's operational continuity.*

Last but not least, the DMA analysis also identified an opportunity (RO 37) related to the sub-theme *of Digitalization and Cyber Security,* which may generate the following effects*:*

- *The digitalization and integration of artificial intelligence-based solutions into healthcare systems can help improve patients' access to modern, efficient and prevention-oriented services. These technologies enable the optimization of medical processes, faster data analysis and support for medical staff in the diagnosis and monitoring of patients. At the same time, they can facilitate better coordination of healthcare services and an improved patient experience*.

Through the process of identifying, analyzing and assessing significant OIRs across the entire Group, carried out in 2024 and 2025, those OIRs relating to the theme of sustainability and professional conduct were also identified. Thus, detailed assessments were carried out within the Group of the actual and potential impacts on the environment and people, such as corporate culture, supplier relationship management, the prevention and detection of corruption and the giving or taking of bribes, compliance issues relating to corruption or the giving or receiving of bribes, the exercise of political influence and lobbying activities, and payment practices.

The analysis process aimed to identify IROs related to this topic, both within the company's own operations and across the value chain, covering all business lines operated by the company in Romania, Hungary and the Republic of Moldova. According to the information presented in ESRS 2 IRO-1, several internal workshops were organized to identify these IROs, with the participation of experts from the sustainability team in a coordinating role and the extended sustainability team comprising members selected from the main companies within MedLife Group. They analyzed all the sustainability sub-themes and sub-sub-themes included in ESRS 1 for the ESRS G1 standard, taking into account the following information: the geographical areas in which the Group operates, the type and country of origin of suppliers, the existence or otherwise of cases of corruption or bribery, the existence and description of complaints received from suppliers, employees or other stakeholders regarding business ethics issues, complaints from patients and customers regarding aspects of service delivery that may be related to business conduct, the existence and details of whistleblowing reports, as well as other information specific to the healthcare sector. At the same time, the Group's existing policies and procedures relating to professional conduct were analyzed. This analysis revealed that all sub-themes and sub-sub-themes considered potentially relevant by ESRS 1 for the theme of professional conduct are relevant to MedLife Group.

Furthermore, from the sector analysis, which examined some of the sustainability reports of similar companies, as well as sector-specific standards, as described in the ESRS 1 IRO-1 section, the following sub-sub-themes emerged which are also relevant to MedLife Group and which are not covered by the themes in ESRS 1, being considered entity-specific themes: *Pricing and billing transparency, Fraud and unnecessary procedures, Anti-competitive behavior, Digitalization and cyber security*.

For each sub-sub-theme, actual or potential IROs, both positive and negative, were identified. The IROs were assessed by both external and internal stakeholders. IROs relating to the theme of Professional Conduct were also included in a consultation process with the following stakeholders: employees, suppliers, customers and patients, and the community.

[G1-1] - POLICIES RELATED TO BUSINESS CONDUCT AND CORPORATE CULTURE

MedLife Group has implemented a governance system to support and promote appropriate professional conduct, which is an essential component in ensuring the efficient and responsible management of its human and financial resources. This system is based on the following documents:

- **MedLife's Code of Ethical Conduct;**
- **Anti-Bribery Policy;**
- **Social Responsibility Code;**
- **Policy on the Protection of Whistleblowers in the Public Interest;**
- **Sustainability Policy;**
- **Remuneration Policy;**
- **Internal Regulations;**
- **Anti-Harassment Policy;**
- **Supplier Code of Conduct;**
- **Cybersecurity Policy;**
- **Corporate Governance Charter**.

Each of these policies and codes sets out clear standards of behavior, promotes integrity, transparency and accountability, and helps to create a safe and fair working environment. They apply to all employees and anyone working for or on behalf of Medlife (including healthcare professionals and suppliers, research institutions and patient organizations).

These procedures are reviewed, updated and supplemented as necessary, in line with the dynamic legal and regulatory environment, as well as the risks associated with Medlife's activities. They are not designed to comprehensively address all circumstances that may arise. If a particular situation is not covered or the provisions of the procedures are unclear to an employee, they must consult their manager and/or the Legal Department.

MedLife's Code of Ethical Conduct

MedLife's Code of Ethical Conduct ("the Code") addresses the following impacts, risks and opportunities: G1, G4, G8 and G13. The Code of Ethics and Conduct explicitly prohibit any form of bribery and corruption, including the promise, offering, acceptance or solicitation of bribes, and is aligned with general international principles on corruption. It also requires employees to report any unethical or illegal behavior, thereby contributing to the effective prevention and detection of cases of corruption. Through this document, the Group undertakes to promote free and fair competition and not to enter into any agreements with its competitors. Furthermore, through the Code, the Group encourages compliance with the rules of fair competition in the financial market and the prevention of anti-competitive practices among all employees, who are prohibited from engaging in market manipulation activities in relation to securities issued by MedLife, including carrying out transactions or placing orders that give, or may give, false or misleading signals regarding their demand, supply or price. Furthermore, the document sets out MedLife's commitment to treating suppliers fairly, selecting and contracting them on the basis of merit and objective business standards,

whilst avoiding favoritism (G8). These documents establish a zero-tolerance policy towards corruption and provide clear mechanisms for reporting and investigating breaches.

The Code sets out a set of rules regarding conduct and standards of behavior applicable to MedLife and all its subsidiaries. This includes: compliance with applicable laws and regulations; responsibility towards customers, suppliers and competitors; relationships with colleagues, ensuring a safe and respectful working environment; management of conflicts of interest; zero tolerance of corruption; information management and confidentiality; prevention of market abuse; and open and transparent external communication. The Code emphasizes the Group's commitment to treating patients, competitors and suppliers fairly, to maintaining mutually beneficial relationships with patients, and to selecting suppliers on the basis of merit and objective business standards.

Furthermore, by implementing the provisions of this Code, MedLife undertakes to treat all employees with respect and fairness, recognizing their diversity. The Code applies to all levels of the MedLife hierarchy, including directors, executive directors, managers, employees and subcontractors or consultants, whether they are permanent or temporary staff.

The principles set out in the Code of Conduct also serve as benchmarks for partners in the value chain, including suppliers, contractors and other business partners. The company expects them to adhere to equivalent principles of integrity and ethical conduct in their commercial dealings with the Group.

The Board of Directors is responsible for ensuring that the Code is implemented and adhered to. The Code emphasizes compliance with the laws and regulations applicable in any country where MedLife operates, including industry standards and internationally accepted best practices.

In developing this framework, the Group did not follow a formal stakeholder consultation process, but relied on its accumulated experience and in-depth understanding of their expectations and needs. The Code is available to all MedLife colleagues, who are required to comply with its provisions in the course of their work, upon employment. The Code is available for consultation on the intranet, at Human Resources offices and on the company's website.

Anti-Bribery Policy

In 2025, MedLife Group adopted the Policy on the Prevention and Combating of Bribery, which establishes the internal framework for the prevention, identification and management of risks associated with corruption and bribery in all the Group's activities and business relationships.

This policy is aligned with the general principles of integrity and ethical conduct promoted at international level, including the UN Global Compact, and complements the provisions of the Group's Code of Ethical Conduct. The aim of the policy is to ensure that business is conducted in accordance with the highest ethical standards and applicable legislation, preventing situations involving bribery, influence peddling, facilitation payments or other undue advantages.

The document defines bribery as the offering, promising, soliciting or accepting of an undue advantage for the purpose of influencing a decision or action, and expressly prohibits any form of bribery, influence peddling or facilitation payments.

The policy applies to all employees and representatives of MedLife Group, as well as, where applicable, business partners acting on behalf of the company. The scope covers all activities and operations carried out by Group entities, as well as interactions with partners in the value chain, including suppliers, consultants or intermediaries, in all jurisdictions where the company operates.

The policy sets out rules regarding gifts and hospitality, the granting of commercial discounts, commissions and bonuses, as well as charitable donations and the prohibition of political contributions. It also provides for the application of due diligence processes for business partners, risk assessment in mergers and acquisitions, and the inclusion of anti-bribery clauses in relevant commercial relationships.

Implementation of the policy is the responsibility of executive management, with the support of the Legal and Human Resources Departments, and employees are obliged to comply with its provisions and to report any suspected breaches. Reports may be made through the internal whistleblowing mechanisms provided for in the whistleblower policy, including anonymously, as the company applies a zero-tolerance policy towards corruption and prohibits any form of retaliation against persons who report in good faith.

The policy is reviewed periodically to reflect relevant legislative, operational or organizational changes and is supported by dedicated training programs, organized periodically for employees and departments exposed to higher risks.

In developing and implementing the policy, the interests of the company's key stakeholders, including employees, business partners and authorities, are taken into account by promoting responsible and transparent business practices. The policy is communicated to employees and made available to relevant individuals through internal communication channels and training processes, and business partners are informed, where appropriate, of the applicable ethical standards and the obligation to comply with anti-bribery principles in their contractual relationships with MedLife Group.

Social Responsibility Code

The Social Responsibility Code ("SRC") sets out the Group's commitments to comply with legal provisions regarding the environment, health, fire prevention and safety. The document includes references to the World Bank's ("WB") environmental and social guidelines and the environmental and social policies of the International Finance Corporation. It also specifies prohibited activities, such as the production of weapons, alcohol, tobacco, radioactive materials and other harmful activities. Thus, this code addresses G1 impacts by creating a positive and attractive working environment as a result of the internal regulations established and compliance with the law mentioned in the CRS Code, as well as the environmental and social impacts detailed in the specific sections of this sustainability statement. G8 is also addressed by the CRS Code through a commitment to comply with all legal provisions and to maintain ethical and responsible relationships with all its partners. The CRS Code applies to all MedLife subsidiaries, administrators, executive directors, employees, subcontractors and consultants, regardless of their employment status (permanent or temporary), but does not cover activities and entities in the upstream and downstream value chain. Exclusions include the prohibited activities mentioned above, such as the production of weapons, alcohol, tobacco and other harmful activities. Responsibility for the implementation of this document lies with the Board of Directors. In drafting this code, the Group did not follow a formal stakeholder consultation process. The Code is available on the company's website.

Sustainability Policy

The Sustainability Policy sets out several of the Group's commitments, including sound economic governance to enable long-term financial competitiveness. The policy addresses legal and ethical compliance through strict adherence to local and international medical and environmental regulations and by ensuring transparency in communication with patients, employees, authorities and other stakeholders. (G1 and G2). Furthermore, the Policy promotes responsible procurement and encourages collaboration with suppliers who have clear sustainability policies, as well as the adoption of environmentally friendly medical and administrative products. (G8 and RO34). The information required by MDR-P 65(a) regarding the monitoring mechanism, and points (c), (d), (e) and (f) are reported in section E1-2 'Policies related to climate change mitigation' within the ESRS E1.

Remuneration Policy

MedLife's remuneration policy sets out the rules and principles governing the remuneration of directors and senior management, with the aim of contributing to the company's business strategy, sustainability and long-term interests. The policy forms part of the regulatory framework established at Group level and relates to G1 impact, contributing to the creation of a positive and attractive working environment, governed by fair and transparent policies and procedures. The policy applies to members of the Board of Directors and MedLife's directors. The policy was drawn up by the Board of Directors on the recommendation of the Remuneration Committee.

The Board of Directors is responsible for overseeing the application of the policy, and the Remuneration Committee makes recommendations regarding its implementation. The policy complies with the provisions of Law No. 24/2017 on issuers of financial instruments and market operations and the Corporate Governance Code of the Bucharest Stock Exchange. Furthermore, the recommendations of the Romanian Association for

Investor Relations on the Romanian Stock Exchange (ARIR) were also taken into account when drafting this policy. The policy takes into account the interests of shareholders and other stakeholders by establishing clear and transparent rules on remuneration, thereby ensuring a competitive and fair system. Furthermore, the policy discourages risky or inappropriate behaviour, aligning with MedLife's long-term business strategy. The policy is communicated externally via the Remuneration Report published on the website. Thus, stakeholders have access to relevant information regarding remuneration and can express their views on the statements included therein.

Corporate Governance Charter

The Corporate Governance Charter establishes the corporate governance framework in accordance with applicable legislation, including Companies Act No. 31/1990, Law No. 297/2004 on the capital market, secondary legislation adopted by the Financial Supervisory Authority ('ASF'), the Bucharest Stock Exchange ('BVB') Code and the BVB Corporate Governance Code. The document details the structure of the AGM, the Board of Directors, the Advisory Committees and the Executive Committee. The document relates to G1, contributing to the creation of a positive and attractive working environment, governed by fair and transparent policies and procedures. The policy applies to all management and administrative structures of MedLife Group, including the General Meeting of Shareholders, the Board of Directors and the Executive Committee, and does not apply to the upstream and downstream value chain. The policy is available on the MedLife website.

Supplier Code of Conduct

From 2025, MedLife Group has adopted a Supplier Code of Conduct, which sets out the minimum standards of responsible behaviour that the company expects from its business partners and which aims to manage the impacts and risks associated with human rights, working conditions, environmental protection and business ethics within the value chain. The Code sets out requirements regarding respect for workers' fundamental rights, the prohibition of child labour and forced labour, the prevention of discrimination and harassment, compliance with legislation on working hours and remuneration, ensuring health and safety at work, as well as compliance with environmental protection standards and principles of business integrity, including the prevention of corruption, compliance with competition law and the prevention of money laundering. The Code also sets out requirements regarding confidentiality of information, information security and the protection of personal data, as well as the obligation for suppliers to implement internal management systems, procedures and training programs to ensure compliance with these standards and the monitoring of relevant risks.

The Code applies to all MedLife Group suppliers, including their employees, agents, subcontractors and sub-suppliers, in all jurisdictions where they carry out activities for the company. Suppliers are required to integrate the principles of the Code into their own management systems and to pass them on throughout their supply chain, ensuring compliance with these standards across the entire value chain. Compliance with the Code is a relevant criterion both in the supplier selection and evaluation process and for maintaining commercial relationships with MedLife Group.

Responsibility for implementing and monitoring compliance with the Supplier Code of Conduct lies with the Group's Executive Management, with the support of the relevant departments involved in procurement and legal processes. The Code is aligned with recognised international standards and initiatives, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, the United Nations Convention against Corruption, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as the principles of the United Nations Global Compact, to which MedLife Group has adhered.

In drafting and implementing the Code, the interests of the company's key stakeholders, including suppliers, employees, authorities and communities, are taken into account by promoting responsible and sustainable business practices throughout the supply chain. The Code is communicated to suppliers during the selection and contracting processes and is made available to them through public and internal company channels. Suppliers are encouraged to report any non-compliance with the principles set out in the Code through the reporting mechanisms provided by MedLife Group, including the reporting channels available on the company's website.

Investor Relations Policy

's Investor Relations Policy sets out the principles and practices for ensuring transparent, accurate and timely communication with shareholders, potential investors, analyzts and other stakeholders in the capital markets. The policy serves as a guide for managing investor relations, complying with legal and regulatory requirements, the best practice guidelines set out in the BVB Corporate Governance Code, and MedLife's corporate governance standards, relating to G1 impact and the development of a positive and attractive working environment, governed by fair and transparent policies and procedures.

This policy applies to all employees, directors, members of the board of directors and authorised spokespersons involved in external communication with investors. The guiding principles are designed to promote transparency, fair disclosure and the proper handling of inside information. The Investor Relations function, led by the Investor Relations Manager, is responsible for implementing this policy.

The policy complies with all applicable regulatory guidelines issued by the Bucharest Stock Exchange (BVB), the Financial Supervisory Authority (ASF) and other relevant bodies, including full compliance with the Market Abuse Regulation. Furthermore, MedLife follows the best practice guidelines set out in the BVB's Corporate Governance Code. The policy takes into account the interests of shareholders and other stakeholders by ensuring transparent, prompt and accurate communication. MedLife guarantees that access to information will not be influenced by analyzts' recommendations or shareholders' investment decisions. All requests from investors are handled by the Investor Relations team to ensure consistent communication in accordance with applicable legislation and best practices in the field.

The policy is available on the MedLife website, where contact details for investors can also be found. MedLife communicates with the investment community through multiple channels, including the company's website, newsletters, the BVB and ASF platforms, presentations and conferences, teleconferences and direct enquiries from investors.

Cybersecurity Policy

MedLife Group has adopted a Cybersecurity and Information Protection Policy, which establishes the framework for the prevention, identification and management of risks associated with the security of information systems and data protection within the company's operations. The objective of the policy is to ensure the confidentiality, integrity and availability of information and IT infrastructure by implementing appropriate technical and organizational controls, continuously monitoring IT systems and managing cybersecurity incidents.

Responsibility for implementing and monitoring the policy lies with the Group's executive management, with the support of the structures responsible for information security and the IT department, which coordinates the application of security controls, incident management and compliance with applicable standards. The Group's information security management framework is aligned with the international standard ISO/IEC 27001, for which Med Life SA holds certification, reflecting the company's commitment to implementing internationally recognised practices in the field of cybersecurity and information protection.

The policy addresses risks related to unauthorized access to systems and data, loss or compromise of information, operational disruptions caused by cyber incidents, and other vulnerabilities in the IT infrastructure. The implementation and monitoring of the policy are carried out through internal information security management processes, periodic risk assessments, control measures, and dedicated training programs for employees.

The policy applies in full to all entities within MedLife Group, all employees and users of the company's IT systems, as well as, where applicable, partners and suppliers who have access to the company's IT infrastructure or information. The scope covers all activities and IT systems used in the company's operations, including data management and storage processes, digital infrastructure, and interactions with value chain partners involving access to sensitive systems or information.

In developing and implementing the policy, the interests of the company's key stakeholders, including patients, employees, partners and authorities, are taken into account by ensuring a high level of protection for the information and data managed by the company. The policy is communicated to employees through internal communication channels and dedicated training programs, and the relevant requirements are communicated to partners and suppliers involved in activities that involve access to the company's systems or data, to ensure compliance with applicable security standards.

Med Life S.A.'s Policy on the Protection of Whistleblowers

Med Life S.A.'s policy on the protection of whistleblowers is the Whistleblowing Policy. It sets out the principles and rules for reporting and investigating allegations, as well as measures to protect whistleblowers against retaliation. The policy applies to the entire MedLife group, including all companies controlled by or in which MedLife holds a majority stake. It applies to the Group's employees, associates, shareholders, members of the management bodies, partners, contractors, customers and suppliers, as well as individuals undertaking work placements, internships or the recruitment process. The reporting channel is managed externally by a third party to ensure the impartiality of the registration and resolution process. The resolution committee may also include individuals from within the Group, provided they are independent of the matter in question.
The Whistleblowing Policy complies with Law No. 361/2022 on the protection of whistleblowers in the public interest, European Union regulations and other relevant international standards. The document also addresses impacts G1, G3, G5 and G13 through measures to protect whistleblowers, prevent fraud and avoid unnecessary procedures in the provision of healthcare services. The Board of Directors is responsible for its implementation and has appointed a third party to register, examine and resolve reports. The policy is available on the MedLife website, where whistleblowers can use a dedicated form for internal reporting or may use external channels provided by the competent authorities.

Through the Whistleblowing Policy, MedLife establishes clear procedures for reporting concerns, ensuring confidentiality, impartiality and protection against retaliation, including a prohibition on the suspension of employment contracts, salary reductions or discrimination against whistleblowers. Whistleblowers may report irregularities through the internal channel, using the form available on the MedLife website, or through external channels represented by the competent authorities, the National Integrity Agency and other public institutions. Reports must contain relevant details, including the whistleblower's details (where applicable), a description of the incident and any evidence; anonymous reports are only investigated if they include full details of the misconduct. All reports are recorded in an electronic register kept for 5 years, and the designated person reviews each report, being able to propose measures such as disciplinary investigations, referral to criminal investigation authorities or a review of internal regulations. Within 3 months of receiving the report, the whistleblower is informed of the progress of the investigation and subsequently of the measures taken, except in cases where such information could jeopardize the investigation. MedLife protects whistleblowers by guaranteeing confidentiality and prohibiting retaliation, thereby fostering an ethical and transparent environment.

To maintain an ethical and transparent business environment, MedLife undertakes to investigate all reports made in good faith and to take appropriate action should they be confirmed, including disciplinary proceedings and reporting to the relevant authorities. It also undertakes to train employees regarding retaliation and the commitments made. The policy provides for the training of employees, including senior management, on the prohibition of retaliation, thereby fostering a climate of trust within the organization. Upon receipt of a report, the designated person reviews the complaint and proposes subsequent actions, ensuring compliance with the principles of impartiality and confidentiality. In significant cases, the investigation is escalated to the Board of Directors, and depending on the results, measures such as disciplinary proceedings, referral to criminal investigation authorities, or improvements to internal policies to prevent similar incidents may be ordered. All investigations are conducted in accordance with applicable legislation and internal ethical standards.

MedLife ensures the protection of whistleblowers against any form of retaliation, in accordance with applicable legislation and Directive (EU) 2019/1937. The company guarantees the confidentiality of whistleblowers, prohibiting the disclosure of their identity without their consent, except where required by law. Any person who reports breaches of internal rules or applicable legislation is protected against disciplinary action, salary reduction, changes to their contract, dismissal, intimidation, discrimination or any other measures that could affect their professional status. Retaliation is also prohibited even if the report is not substantiated, provided that the report was made in good faith and based on information believed to be true at the time of submission.

To prevent such risks, MedLife intends to review existing documents, develop additional measures and conduct an analysis to identify the roles most exposed to the risk of corruption and bribery, establishing specific actions for these. Furthermore, although MedLife has not yet implemented a formalized due diligence procedure to assess business partners and suppliers from the perspective of corruption risks, this measure is being considered for the future.

Currently, there is no dedicated training programs for employees on the subject of corruption and bribery, but MedLife is considering developing specialized programs, aimed particularly at the functions most exposed to risks. In this regard, the functions most exposed to a high risk of corruption are defined as those that can influence decisions and investment budgets (top management), roles involved in negotiations (procurement and sales), roles that interact with public authorities, roles responsible for financial reporting, and, last but not least, medical staff with very high exposure to patients and to reimbursements with the National Health Insurance House (CAS).

MedLife Group has not established specific policies for the following impacts: G7, G9 and G12, but recognizes their importance and is considering the possibility of developing appropriate frameworks in the future. Currently, there are no dedicated policies for:

- G7: Potential positive impacts on people through active participation in the development of a more favorable legislative framework for the healthcare sector. Although MedLife contributes to these initiatives, it has not yet formalized a specific policy in this regard.
- G9: Protecting patients' health and delivering safe, high-quality products through the implementation of effective quality control measures in the supply chain for the distribution and marketing of pharmaceutical products.
- G12: Potential negative impacts on people due to the failure to identify the functions most exposed to the risks of corruption, bribery and the lack of structured training activities on these topics.

The Group recognizes the need to strengthen these aspects and is considering the development of compliance policies and programs for these areas and will establish an action plan in line with evolving legislative requirements and the Group's strategic priorities.

Corporate governance objectives

MedLife Group has established a series of annual objectives in the areas of corporate governance, business ethics and information security, designed to strengthen the organization's integrity and compliance framework.

MedLife and its subsidiaries believe that ethical governance is a fundamental element in building trust and achieving sustainability objectives. In line with our values and principles, we comply with applicable legislation and guide our strategic decisions, management practices and day-to-day operations through a robust ethical framework. Our ethics policies reinforce our commitment to integrity, transparency and responsible conduct, contributing to the creation of a sustainable and credible business environment.

Objective	Target
33% independent members of the Board of Directors	Annual
Zero tolerance for any form of fraud and corruption	Annual
>95% of roles exposed to the risk of corruption trained	Annual
Zero cases sanctioned for anti-competitive behaviour or breaches of antitrust legislation	Annual
Zero major **cybersecurity incidents** affecting the availability of IT systems*	Annual
Mandatory cybersecurity training courses available on the internal platform to all eligible employees (100%)	Annual
Mandatory health and safety at work courses available on the internal platform to all eligible employees (100%)	Annual
Mandatory courses on professional ethics, compliance and personal data protection available on the internal platform to eligible employees (min. 85%)	Annual

** This indicator refers to maintaining the availability and stability of IT systems by preventing incidents that could lead to service interruptions or major operational disruptions.*

[G1-2] - MANAGEMENT OF SUPPLIER RELATIONSHIPS

Within MedLife Group, the management of supplier relationships and supply chain risks is a key element of our approach to sustainability and corporate responsibility. Through its Sustainability Policy and Supplier Code of Conduct, the Group aims to integrate principles of ethics, social responsibility and environmental protection into its procurement processes and relationships with business partners. These documents set out the Group's expectations of suppliers regarding compliance with applicable legislation, the protection of human and workers' rights, adherence to health and safety standards in the workplace, and the adoption of environmentally responsible practices.

MedLife's collaboration with local suppliers of medicines, medical consumables and pharmaceutical products has a significant positive impact on the local economy and innovation in various regions of Romania, contributing to the sustainable development of regional communities by providing access to quality medical products and services and reducing the environmental impact. Following consultation with suppliers, they reported an increase in turnover and jobs due to their collaboration with the Group. The Group currently selects its suppliers based on criteria of quality, price and delivery capacity, aiming to establish solid long-term relationships. Suppliers are encouraged to adopt appropriate management systems to ensure compliance with these principles in their own operations and supply chains, including the prevention of forced or child labour, compliance with legislation on working conditions, and the implementation of appropriate environmental protection measures. Through the Supplier Code of Conduct, the company also promotes high standards of business ethics, including the prevention of corruption, compliance with competition law, and the protection of data and confidential information.

MedLife aims to develop long-term collaborative relationships with its suppliers and to contribute to the strengthening of a responsible and resilient supply chain. To this end, the company monitors suppliers' compliance with established requirements and promotes dialogue and cooperation with partners to continuously improve sustainability practices. Following the double materiality analysis carried out at Group level, opportunities were identified to strengthen supplier assessment processes from an environmental, social and governance (ESG) perspective. In the coming period, MedLife plans to develop more structured mechanisms for assessing and monitoring supplier performance from a sustainability perspective, including through the collection of relevant information and the gradual integration of ESG criteria into internal supplier analysis and selection processes.

Through these measures, MedLife Group aims to contribute to the development of a responsible and transparent supply chain that supports its sustainability objectives and reduces the risks associated with the activities carried out by partners in the value chain.

[G1–3] – PREVENTION AND DETECTION OF CORRUPTION AND THE GIVING OR RECEIVING OF BRIBES

MedLife manages reports and complaints regarding corruption and bribery through its Code of Ethics and Conduct and Whistleblowing Policy. Consequently, the mechanisms for submitting complaints and reports regarding corruption and bribery, as well as those for their resolution, are the same as those for unethical or illegal behavior described in reporting requirement G1-1.

The governing bodies responsible for managing issues related to corruption and bribery within MedLife include the Board of Directors and the Audit Committee, which has specific responsibilities for assessing the internal control system and monitoring compliance with legal standards, as detailed in MedLife's Corporate Governance Charter. These governing bodies are responsible for overseeing compliance with internal policies and legal regulations.

With regard to prevention procedures, these include internal communications through training sessions, documents accessible on the company's intranet and through regular updates, continuous monitoring of transactions and risk assessment.

During 2025, the Group carried out an analysis to identify the functions most exposed to the risk of corruption and bribery, with a view to implementing a formal training programs on combating corruption and the giving or receiving of bribes by the end of 2026. During 2025, MedLife did not implement a formal training programs on combating corruption and the giving or taking of bribes.

[G1-4] - CONFIRMED CASES OF CORRUPTION OR BRIBERY

In the financial year 2025 or 2024, no incidents of corruption or bribery were recorded within MedLife Group.

[G1-5] - EXERCISE OF POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

As part of the DMA process, MedLife Group identified a significant positive impact **–** G7 – linked to *the political engagement* at the level of the parent company, Med Life S.A., through the generation of potential positive impacts on people via active participation in the processes of developing a more favorable legislative framework for activities in the healthcare sector. Med Life S.A.'s active involvement in regulatory processes within the healthcare sector can bring about significant improvements in the quality of medical services and ensure fair and safe access for patients. This impact will be felt at a national level, directly influencing the legislative and operational framework in the healthcare sector, thereby facilitating the creation of a more favorable environment for the entire medical industry.

This sub-theme may represent a significant opportunity for MedLife. Through active involvement in professional associations that support the stability and regulation of the medical sector, the company can contribute to creating a more stable, predictable and well-regulated business environment. By participating in consultation processes initiated by various organizations and institutions to develop new policies and regulations, the Group can help create more favorable conditions for business development. This would improve the predictability and stability of the sector, whilst also ensuring a more appropriate legislative framework for the organization's efficient operation.

Med Life SA, Clinica Polisano SRL, Personal Genetics SRL, Anima Specialty Medical Services SRL, MNT Healthcare Europe SRL, Centrul Medical Sama SA and Almina Trading SA are members of PALMED, the Association of Private Healthcare Providers – the main national 'voice' for lobbying and advocacy, and the leading advocate supporting private healthcare providers in Romania and patients' right to quality healthcare at an affordable price. Through this professional association, it has been involved in taking a stance, particularly regarding the Framework Contract on Medical Services and any other legislative proposals aimed at changes to the national healthcare system.

In accordance with MedLife Group's Code of Ethical Conduct, the company operates in a strictly politically neutral manner and does not support, directly or indirectly, political parties or candidates for public office. The policy prohibits the offering or promising of any benefit of value, including sums of money, gifts, advantages or employment opportunities, to public officials, government authorities or political candidates, for the purpose of obtaining or maintaining commercial advantages or influencing their decisions. The company's relations with public institutions and representatives of the authorities are governed by strict principles of compliance, transparency and integrity, and employees are responsible for complying with applicable legislation and relevant internal policies, including limits and rules regarding the offering of gifts or hospitality. In this context, MedLife does not engage in lobbying or political influence, and the company's approach reflects its commitment to maintaining high standards of ethics and integrity in all interactions with public authorities.

None of the companies within MedLife Group is registered in the EU Transparency Register or its equivalent. Furthermore, none of the members of the Board of Directors or existing committees held comparable positions in public administration in the previous two years. During the 2025 financial year, MedLife was not involved in lobbying activities and did not support political parties.

[G1X] - PRESENTATION OF GROUP-SPECIFIC INFORMATION

Pricing and billing transparency (SASB Health Care Delivery HC-DY)

Pricing and billing transparency is a sustainability aspect specific to the healthcare sector according to the SASB Health Care Delivery HC-DY standard. Within the healthcare industry, concerns regarding the transparency of these issues have led to increased scrutiny from regulators and heightened compliance requirements in certain jurisdictions. In this regard, entities that adopt transparent and compliant billing practices can reduce the risks associated with potential penalties and better protect shareholder value.

Promoting transparency in pricing and the billing process for medical services has a direct positive impact on MedLife Group's patients and customers. By providing clear and accessible information about service costs, patients can make informed decisions regarding their medical care, thereby avoiding unpleasant billing surprises.

In a healthcare sector where perceptions of prices can influence the decision to access services, ensuring transparency and fair billing practices becomes an essential element of corporate responsibility. The SASB standard requires the reporting of the following indicators regarding pricing and billing transparency**:**

- HC-DY-270a.1. A description of policies or initiatives to ensure that patients are adequately informed about pricing before undergoing a procedure and
- HC-DY-270a.2. A discussion of how information on service prices is made publicly available.

MedLife Group adheres to the commitments set out in its Sustainability Policy, which includes ensuring transparency in communication with patients by providing them with clear information on the prices of medical services. To facilitate patients' access to detailed and accurate information, MedLife has implemented a series of internal procedures and dedicated initiatives:

- Written communication: Patients can view the price list for medical services via the official MedLife website and mobile app. These sources provide them with details of costs before booking and accessing services.
- Personalized advice: Medical and administrative staff at MedLife facilities and the Call Centre are trained to provide patients with clear information regarding the costs of procedures, both for those paying in full and for those with health insurance. For insured patients, MedLife works with insurers to determine the amounts covered by the insurance policy and the patient's contribution, providing a detailed estimate of the costs incurred.
- Internal information procedures: MedLife has established internal procedures requiring patients to be informed of costs prior to the provision of services. These procedures apply across all facilities in the network and cover both outpatient and inpatient services.

With regard to distinguishing between patients who pay in full and those who are insured, MedLife works closely with insurers to determine the amounts borne by patients and those covered by insurance. Thus, patients receive accurate information about their personal contribution and the portion covered by insurance, enabling them to make informed decisions. MedLife provides patients with detailed cost estimates, which may include the exact total price, a price range, or other relevant information, such as the percentage or amount the patient is responsible for paying. This transparent approach enables patients to manage their financial resources effectively and plan appropriately for the necessary medical care.

This information is available for both inpatient and outpatient services, ensuring complete transparency regarding the costs associated with medical care. By providing these details, MedLife demonstrates its

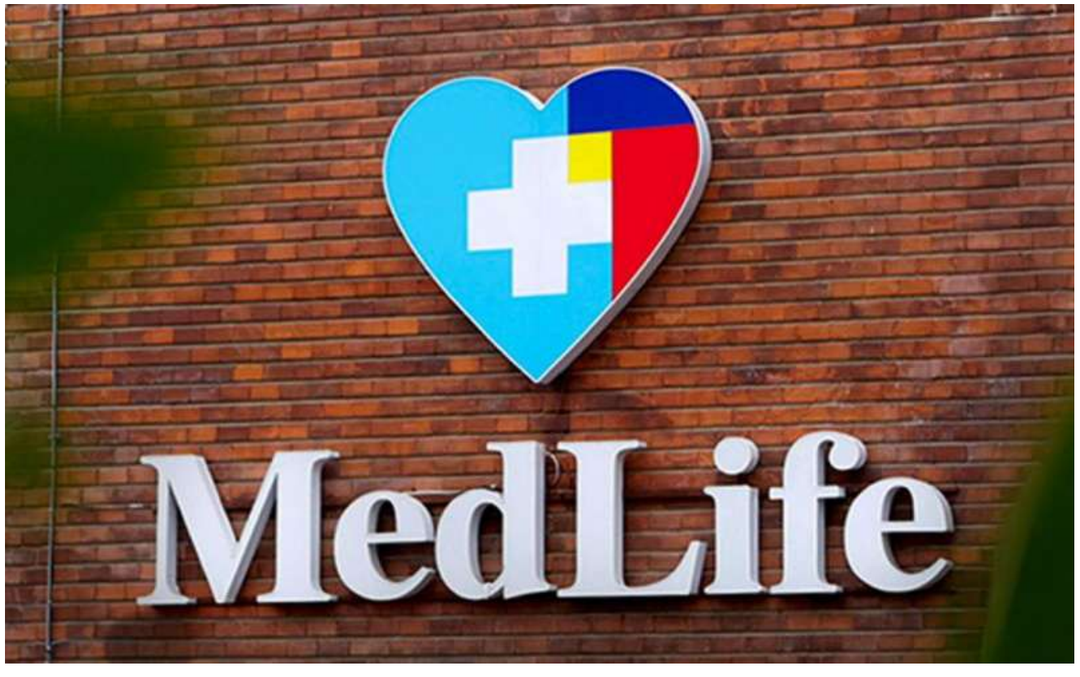
commitment to transparency and to patients' right to be accurately and fully informed before making decisions about their health.

Fraud and Unnecessary Procedures (SASB Health Care Delivery HC-DY)

Another relevant sustainability aspect under the SASB Health Care Delivery HC-DY standard is Fraud and Unnecessary Procedures. In the healthcare sector, preventing fraud and eliminating unnecessary procedures are essential for maintaining professional ethics and protecting patients. Healthcare organizations may face significant penalties if their staff are involved in fraudulent practices, such as overcharging, performing unnecessary treatments to generate revenue, or misreporting services provided. This issue is relevant to MedLife because, as the leader of the private healthcare market in Romania, the Group has a responsibility to uphold the highest standards of integrity and transparency. Furthermore, some of the healthcare services provided by MedLife are reimbursed by the National Health Insurance House (CNAS), which makes this issue all the more important, given the use of public funds.

MedLife Group has identified the positive impact G3: *the absence of fraud cases and the elimination of unnecessary procedures in the provision of medical services*, as a result of implementing effective measures to prevent these risks. Among the initiatives implemented are:

- The Sustainability Policy, which includes commitments to comply with ethical and legal standards, as well as corporate governance measures designed to eliminate the risks associated with medical fraud.
- The Code of Ethical Conduct, applicable to all employees and collaborators, which explicitly prohibits any form of fraud, such as upcoding, billing for services not performed, or justifying unnecessary medical procedures.
- Whistleblowing and whistleblower protection mechanisms established through the Whistleblowing Policy, through which employees can confidentially report any suspicious practices without the risk of reprisals, in accordance with legislation on whistleblowers.
- Strict internal control and audit procedures designed to verify the compliance of medical services and the billing process with current regulations, thereby preventing the risk of fraud and abuse.



Given that this sub-theme is specific to the entity; to understand performance in this regard, MedLife Group has selected an indicator from the SASB standards. *SASB* indicator *HC-DY-510a.1. – Total financial losses resulting from legal proceedings related to medical fraud*: MedLife Group did not record any cases of medical fraud or related litigation during the reporting period.

Anti-competitive behavior (GRI Standards)

MedLife Group has identified the positive impact G4 *Promoting competitive behavior* in line with the Global Reporting Initiative (GRI) Standards. This aspect addresses behaviors such as price fixing, market restriction, bid rigging, customer allocation and monopolistic practices, which may have a negative impact on the market and customers. Free and fair competition ensures innovation, improved service quality and greater accessibility for patients.

Management of this aspect is governed by *MedLife's Code of Ethical Conduct*, a document that sets out clear principles regarding the competitive behavior of employees and the organization as a whole. Through this Code, MedLife undertakes to comply with national and international competition law and not to enter into any agreements with its competitors that could affect free competition in the market. The Group also promotes ethical business practices and ensures that its business partners adhere to the same principles.

To date, MedLife has not been involved in unfair competition or anti-competitive behavior and has not received any sanctions, fines or adverse decisions from the Competition Council or other competent competition authorities (*GRI Disclosure Requirement 206-1 – Legal proceedings for anti-competitive behavior, antitrust and monopolistic practices*).

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Mihail Marcu
President of the Board

APPENDICES

APPENDIX 1 – ABBREVIATIONS AND SYMBOLS

Abbreviation / symbol	Abbreviation
CSRD	Corporate Sustainability Reporting Directive
ESRS	European Sustainability Reporting Standards
MFP	Ministry of Public Finance
IFRS	International Financial Reporting Standards
ESG	Environmental, Social and Governance
GRI	Global Reporting Initiative
SASB	Sustainability Accounting Standards Board
DMA	Double-bottom-line analysis
IRO	Impacts, risks and opportunities
UNEP-FI	United Nations Environment Program Finance Initiative
KPI	Key performance indicators
AGEO	Ordinary General Meeting
AGM	Annual General Meeting
BoD	Board of Directors
EC	Executive Committee
GHG	Greenhouse gas emissions
CNAS	National Health Insurance House
I p	Positive impact
I n	Negative impact
R	R
O	Opportunity
A / P	Actual / Potential
Up	Upstream value chain
Op	Own operations
Ds	Downstream value chain
☐	Indicate affected/targeted aspects
TBD	Action or measure not yet defined by the Group
SSP2-4.5	The scenario projects a global temperature increase of approximately 2.7°C by 2100, should greenhouse gas emissions stabilize in the second half of the century
SSP5-8.5	The scenario in which the widespread use of fossil fuels and the accelerated rise in emissions lead to a global temperature increase of over 4.4°C by 2100
FTE / ENI	Full-time equivalent
MDR-P	Minimum Disclosure Requirements - Policies
MDR-A	Minimum Disclosure Requirements - Actions
OSH	Occupational safety and health
CCM 1	Climate Change Mitigation
PNIESC	National Integrated Plan for Energy and Climate Change
UWWTD	Urban Waste Water Treatment Directive
TCFD	Task Force on Climate-related Financial Disclosures

Abbreviation / symbol	Abbreviation name
IPCC	Intergovernmental Panel on Climate Change
WHO	World Health Organization
REDII	Renewable Energy Directive
CEAP	Circular Economy Action Plan
MWh	Megawatt-hour
LPG	Liquefied petroleum gas
NCV	Net calorific value
GCV	Gross calorific value
kRON	thousand lei (RON)
MEUR	million EUR
tCO2e	tones (t) of carbon dioxide (CO2) equivalent (e)
CO2	Carbon dioxide
CH4	Methane
N2O	Nitrous oxide
SF6	Sulphur hexafluoride
HFC	Hydrofluorocarbons
PFC	Perfluorocarbons
NF3	Nitrogen trifluoride
GHG	Greenhouse gases
PPA	Power Purchase Agreement
GoO	Certificates of Origin / Guarantee of Origin
DEFRA UK	Department for Environment, Food & Rural Affairs
CLP	Classification, Labelling and Packaging
SVHC	Substances of Very High Concern
SOC	Substances of Concern
HGR	Government Decision
NTPA	Technical Regulation on Atmospheric Protection
SPP	Security Protection Service
Ilfov SGA	Water Management System
LAM	Medical Analysis Laboratories
SDS	Safety Data Sheets
mg/dm³	Milligrams per cubic decimeter
m3	Cubic meter
PFA	Authorized natural persons
CAS	Social Insurance House
CASS	Social Health Insurance Fund
CAM	Employment Insurance Contribution
GDPR	General Data Protection Regulation
UN	United Nations
IOM	International Organization for Migration
OECD	Organization for Economic Co-operation and Development
CSSM	Occupational Health and Safety Committee
HC-DY	Healthcare - Diagnostics
EVG&D	Economic Value Generated and Distributed
ECDC	European Centre for Disease Prevention and Control
ASHP	American Society of Health-System Pharmacists

ANNEX 2 – DATA POINTS DERIVED FROM OTHER EU LEGISLATION LISTED IN APPENDIX B OF THE ESRS 2 STANDARD

Disclosure requirement and related data point	Reference in the SFDR	Pillar 3 reference	Ref in the Benchmark Regulation	EU Ref in the Climate Act	Material/ intangible	Page
ESRS 2 GOV-1 Gender diversity in governing bodies, point 21(d)	Indicator No 13 in Table 1 of Annex 1	N/A	Commission Delegated Regulation (EU) 2020/1816(5), Annex II	N/A	Material	4
ESRS 2 GOV-1 Percentage of members of the management bodies who are independent, point 21(e)	N/A	N/A	Delegated Regulation (EU) 2020/1816, Annex II	N/A	Material	4
ESRS 2 GOV-4 Statement on the due diligence process, point 30	Indicator No 10 in Table 3 of Annex 1	N/A	N/A	N/A	Material	7
ESRS 2 SBM-1 Involvement in activities related to fossil fuels, point 40(d)(i)	Indicator No 4 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II	N/a	Immaterial	
ESRS 2 SBM-1 Involvement in activities related to the manufacture of chemicals, point 40(d)(ii)	Indicator No 9 in Table 2 of Annex 1	N/A	Delegated Regulation (EU) 2020/1816, Annex II	N/A	Non-material	
ESRS 2 SBM-1 Involvement in activities relating to controversial weapons – point 40(d)(iii)	Indicator No 14 in Table 1 of Annex 1	N/A	Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	N/A	Non-material	
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco, point 40(d)(iv)	N/A	N/A	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	N/A	Intangible	
ESRS E1-1 Transition Plan for achieving climate neutrality by 2050, paragraph 14	N/a	N/A	N/a	Regulation (EU) 2021/1119, Article 2(1)	Material	28
ESRS E1-1 Undertakings excluded from the application of benchmarks aligned with the Paris Agreement, point 16(g)	N/A	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate-related transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)	N/a	Immaterial	
ESRS E1-4 Greenhouse gas emission reduction targets, point 34;	Indicator No 4 in Table 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment indicators	Delegated Regulation (EU) 2020/1818, Article 6	N/a	Material	29
ESRS E1-5 Fossil energy consumption from disaggregated sources by source (only sectors with a high climate impact) point 38	Indicator No 5 in Table 1 and Indicator No 5 in Table 2 of Annex 1	N/a	N/a	N/a	Material	30
ESRS E1-5 Energy consumption and energy mix, point 37	Indicator No 5 in Table 1 of Annex 1	N/A	N/A	N/A	Material	30
ESRS E1-5 Energy intensity associated with activities in sectors with a high climate impact Paragraphs (40) to (43)	Indicator No 6 in Table 1 of Annex 1	N/A	N/A	N/a	Material	30
ESRS E1-6 Gross values from 1, 2, 3 and total GHG emissions, point 44	Indicators 1 and 2 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)	N/a	Material	30
ESRS E1-6 Gross GHG emissions intensity Paragraphs (53) to (55)	Indicator No 3 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment indicators	Delegated Regulation (EU) 2020/1818, Article 8(1)	N/a	Material	30
ESRS E1-7 GHG removals and carbon credits, point 56	N/A	N/A	N/A	Regulation (EU) 2021/1119, Article 2(1)	Intangible	
ESRS E1-9 Exposure of the benchmark portfolio to physical climate-related risks, point 66	N/A	N/A	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	N/A	Immaterial	
ESRS E1-9 Breakdown of monetary values according to acute and chronic physical risk, point 66(a) ESRS E1-9 Location of significant assets that are subject to significant physical risk, paragraph 66(c).	N/A	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Physical risk related to climate change: exposures subject to physical risk.	N/a	N/a	Not applicable	

Disclosure requirement and related data point	Reference in the SFDR	Pillar 3 reference	Ref in the Benchmark Regulation	EU Ref in the Climate Act	Material/ intangible	Page
ESRS E1-9 Breakdown of the carrying amount of property assets by energy efficiency classes, paragraph 67(c).	N/a	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, point 34; Form 2: Banking book – Climate change transition risk: Loans secured by immovable property – Energy efficiency of the collateral.	N/a	N/a	Intangible	
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities – paragraph 69	N/a	N/A	Delegated Regulation (EU) 2020/1818, Annex II	N/A	Immaterial	
ESRS E2-4 The quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer Register) released to air, water and land, point 28	Indicator No 8 in Table 1 of Annex 1 Indicator No 2 in Table 2 of Annex 1 Indicator No 1 in Table 2 of Annex 1 Indicator No 3 in Table 2 of Annex 1	N/a	N/a	N/A	Material (emissions to water)	36
ESRS E3-1 Water and marine resources, point 9	Indicator No 7 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS E3-1 Policy specific to point 13	Indicator No 8 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS E3-1 Sustainable oceans and seas, paragraph (14)	Indicator No 12 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS E3-4 Total recycled and reused water, point 28(c)	Indicator No 6.2 in Table 2 of Annex 1	N/A	N/A	N/A	Non-material	
ESRS E3-4 Total water consumption in m³ per net revenue from own operations, point 29	Indicator No. 6.1 in Table 2 of Annex 1	N/A	N/A	N/A	Material	39
ESRS 2 – IRO 1 – E4 point 16(a)(i)	Indicator No 7 in Table 1 of Annex 1	N/A	N/A	N/A	Intangible	
		N/A	N/A	N/A	Intangible	
ESRS 2 – IRO 1 – E4 point 16(b)	Indicator No 10 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS 2 – IRO 1 – E4(16)(c)	Indicator No 14 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS E4-2 Sustainable land/agricultural practices or policies, point 24(b)	Indicator No 11 in Table 2 of Annex 1	N/A	N/A	N/A	Intangible	
ESRS E4-2 Sustainable practices or policies regarding the oceans/seas, point 24(c)	Indicator No 12 in Table 2 of Annex 1	N/A	N/A	N/A	Non-material	
ESRS E4-2 Policies to combat deforestation, point 24(d)	Indicator No 15 in Table 2 of Annex 1	N/A	N/A	N/A	Non-material	
ESRS E5-5 Non-recycled waste, point 37(d)	Indicator No 13 in Table 2 of Annex 1	N/A	N/A	N/A	Material	43
ESRS E5-5 Hazardous waste and radioactive waste, point 39	Indicator No 9 in Table 1 of Annex 1	N/A	N/A	N/A	Material	43
ESRS 2 - SBM3 - S1 Risk of forced labour incidents, point 14(f)	Indicator No 13 in Table 3 of Annex I	N/A	N/A	N/A	Material	44
ESRS 2- SBM3 - S1 Risk of work-related incidents involving children, point 14(g)	Indicator No 12 in Table 3 of Annex I	N/A	N/A	N/A	Intangible	
ESRS S1-1 Commitments on human rights policy, paragraph (20)	Indicator No 9 in Table 3 and Indicator No 11 in Table 1 of Annex I	N/A	N/A	N/A	Material	45
ESRS S1-1 Due diligence policies regarding the issues addressed by the International Labour Organization's Fundamental Conventions 1–8, paragraph (21)		N/a	Delegated Regulation (EU) 2020/1816, Annex II	N/a	Material	45
ESRS S1-1 Processes and measures to prevent trafficking in human beings, point 22	Indicator No 11 in Table 3 of Annex I	N/A	N/A	N/A	Intangible	
ESRS S1-1 Workplace accident prevention policy or management system, point 23	Indicator No 1 in Table 3 of Annex I	N/A	N/A	N/A	Material	45
ESRS S1-3 complaints/grievance mechanisms point 32(c)	Indicator No 5 in Table 3 of Annex I	N/A	N/A	N/A	Material	48
ESRS S1-14 Number of deaths and number and rate of work-related accidents, point 88(b) and (c)	Indicator No 2 in Table 3 of Annex I	N/A	Delegated Regulation (EU) 2020/1816, Annex II	N/A	Material	52
ESRS S1-14 Number of days lost due to injuries, accidents, deaths or illnesses point 88(e)	Indicator No 3 in Table 3 of Annex I	N/A	N/A	N/A	Material	52
ESRS S1-16 Unadjusted gender pay gap – point 97(a)	Indicator No 12 in Table 1 of Annex I	N/a	Delegated Regulation (EU) 2020/1816, Annex II	N/a	Material	52
ESRS S1-16	Indicator No 8 in Table 3 of Annex I	N/A	N/A	N/A	Non-material	

Disclosure requirement and related data point	Reference in the SFDR	Pillar 3 reference	Ref in the Benchmark Regulation	EU Ref in the Climate Act	Material/ intangible	Page
An excessive ratio between the remuneration of the chief executive and that of the workforce – point 97(b)						
ESRS S1-17 Incidents of discrimination, point 103(a)	Indicator No 7 in Table 3 of Annex I	N/A	N/A	N/A	Material	53
ESRS S1-17 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, point 104(a)	Indicator No 10 in Table 1 and Indicator No 14 in Table 3 of Annex I	N/A	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)	N/A	Material	53
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, point 11(b)	Indicators 12 and 13 in Table 3 of Annex I	N/A	N/A	N/A	Material	54
ESRS S2-1 Commitments on human rights policy, point 17	Indicator No 9 in Table 3 and Indicator No 11 in Table 1 of Annex 1	N/A	N/A	N/A	Material	55
ESRS S2-1 Policies regarding workers in the value chain, point 18	Indicators 11 and 4 in Table 3 of Annex 1	N/A	N/A	N/A	Material	55
ESRS S2-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, point 19	Indicator No. 10 in Table 1 of Annex 1	N/A	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)	N/A	Material	55
ESRS S2-1 Due diligence policies regarding the issues addressed by the International Labour Organization's Core Conventions 1–8, point 19	N/A	N/A	Delegated Regulation (EU) 2020/1816, Annex II	N/A	Material	55
ESRS S2-4 Human rights aspects and incidents related to its upstream and downstream value chain, point 36	Indicator No 14 in Table 3 of Annex 1	N/A	N/A	N/A	Material	57
ESRS S3-1 Commitments on human rights policy, point 16	Indicator No 9 in Table 3 of Annex 1 and indicator No 11 in Table 1 of Annex 1	N/A	N/A	N/A	Material (excluding indigenous peoples)	59
ESRS S3-1 Failure to comply with the UN Guiding Principles on Business and Human Rights, ILO principles and/or OECD Guidelines, point 17	Indicator No 10 in Table 1 of Annex 1	N/A	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)	N/A	Material	59
ESRS S3-4 Human rights issues and incidents, point 36	Indicator No 14 in Table 3 of Annex 1	N/A	N/A	N/A	Material	61
ESRS S4-1 Policies on consumers and end-users, point 16.	Indicator No 9 in Table 3 and Indicator No 11 in Table 1 of Annex **1**	N/A	N/A	N/A	Material	64
ESRS S4-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, point 17	Indicator No 10 in Table 1 of Annex 1	N/A	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)	N/A	Material	64
ESRS S4-4 Human rights issues and incidents, point 35	Indicator No 14 in Table 3 of Annex 1	N/A	N/A	N/A	Material	68
ESRS G1-1 United Nations Convention against Corruption, Article 10(b)	Indicator No 15 in Table 3 of Annex 1	N/A	N/A	N/A	Material	74
ESRS G1-1 Whistleblower protection, point 10(d)	Indicator No 6 in Table 3 of Annex 1	N/A	N/A	N/A	Material	74
ESRS G1-4 Fines for breaches of anti-corruption laws and for giving or receiving bribes, point 24(a)	Indicator No 17 in Table 3 of Annex 1	N/A	Delegated Regulation (EU) 2020/1816, Annex II	N/A	Material	79
ESRS G1-4 Standards on combating corruption and bribery, point 24(b)	Indicator No 16 in Table 3 of Annex 1	N/A	N/A	N/A	Material	79

ANNEX 3 – ECONOMIC ACTIVITIES TAKEN INTO ACCOUNT (SECTORS WITH HIGH CLIMATE IMPACT)

CAEN	NACE Rev. 2	Cl	CAEN - Description
2110	21.10	C	Manufacture of basic pharmaceutical products
3250	32.50	C	Manufacture of medical and dental devices, appliances and instruments
4646	46.46	G	Wholesale of pharmaceutical products
4719	47.19	G	Other retail trade in non-specialized stores
4773	47.73	G	Retail sale of pharmaceutical products in specialized stores
4774	47.74	G	Retail sale of medical and orthopedic goods in specialized stores
5210	52.10	H	Warehousing
6820	68.20	L	The letting and subletting of owned or leased property

ANNEX 4: PROPORTION OF TURNOVER, CAPEX AND OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH ELIGIBLE ECONOMIC ACTIVITIES FROM THE PERSPECTIVE OF THE TAXONOMY OR ALIGNED WITH THE TAXONOMY

Information provided for the year 2025

ICP	Total	Proportion of activities eligible under the taxonomy	Activities aligned with the taxonomy	Proportion of activities aligned with the taxonomy	Breakdown of activities aligned with the taxonomy by environmental objective						Proportion of enabling activities	Proportion of transition activities	Unassessed activities considered immaterial	Activities aligned with the taxonomy in the previous financial year (N-1)	Proportion of activities aligned with the taxonomy in the previous financial year (N-1)
					Climate change mitigation	*Climate change adaptation*	*Water*	*Circular economy*	*Pollution*	*Biodiversity*					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	RON	%	RON	%	%	%	%	%	%	%	%	%	%	RON	%
Turnover	0	0%									0.02%		0	0	
CapEx	0	0%									5.5%		0	0	
OpEx	0	0%									0%		0	0	

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT
ON THE SUSTAINABILITY STATEMENT
FOR THE FINANCIAL YEAR 2025

To the Shareholders of
MED LIFE S.A.

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement of MED LIFE S.A. Group and its subsidiaries (the "Group"), as at December 31, 2025 and for the period from 1 January 2025 to 31 December 2025 (the "Consolidated Sustainability Statement"), prepared by the Group, with social premises of the parent entity registered in Romania, Address Bucharest, Calea Griviței 365, Fiscal Identification Number RO 8422035, Trade Register number 140/3709/1996.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement of the Group. is not prepared, in all material respects, in accordance with Ministry of Public Finance Order 2844/2016, Chapter 7, section 7.3 implementing the article 29(a) of the EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in the Chapter "ESRS 2 – General Information", sections "IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities"; and

- compliance of the taxonomy disclosures detailed in the Section "EU Environmental Taxonomy", with the applicable reporting requirements of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation").

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Auditor's Responsibilities* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Identification of applicable criteria

The Consolidated Sustainability Statement was prepared by the Administrators of the Group in order to satisfy the requirements of the Ministry of Public Finance Order 2844/2016, Chapter 7, section 7.3 implementing the article 29(a) of the EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Statement is in accordance with the description set out in the Chapter "ESRS 2 – General Information", sections "IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities"; and

- compliance of the taxonomy disclosures detailed in the Section "EU Environmental Taxonomy", with the applicable reporting requirements of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation").

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Inherent Limitations in Preparing the Consolidated Sustainability Statement

The criteria, nature of the Consolidated Sustainability Statement, and absence of long-standing established authoritative guidance, standard applications and reporting practices allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organizations and from year to year within an organization as methodologies evolve.

In reporting forward looking information in accordance with ESRS, the Administrators of the Group are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, the Administrators of the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

We draw your attention to the following specific limitations discussed in the Consolidated Sustainability Statement:

- Environmental reporting as applied by all companies includes information based on climate-related scenarios that are subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing, or effect of possible future physical and transitional climate-related impacts. For the avoidance of doubt, the scope of our engagement and our responsibilities will not include performing work necessary for any assurance on the reliability, proper compilation, or accuracy of the prospective information.

- Any supply chain emissions metrics listed in the Consolidated Sustainability Statement may include information provided by suppliers and third-party sources. Our procedures will not include obtaining assurance over the information provided by suppliers or third parties.

- The Consolidated Sustainability Statement may include metrics that are derived from reported events relating to employees and subcontractors. As such, our testing may not identify misstatements relating to completeness, for example in instances where events may have occurred but have not been reported.

- The Consolidated Sustainability Statement includes conversion factors in the calculation of the weight of substances of concern and material inputs, which can significantly depend on the source data. This variability may generate inconsistencies in the way the weight of substances and materials are reported.

Responsibility of the Administrators of the Group

Administrators of the Group are responsible for designing, implementing, and maintaining a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this process in the Chapter “ESRS 2 – General Information”, sections “IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities”.

This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and developing an understanding of its affected stakeholders;

- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;

- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and

- developing methodologies and making assumptions that are reasonable in the circumstances.

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Administrators of the Group are further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with Ministry of Public Finance Order 2844/2016, Chapter 7, section 7.3 implementing the article 29(a) of the EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the taxonomy disclosures of the Consolidated Sustainability Statement, in the Section "EU Environmental Taxonomy" in compliance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- designing, implementing and maintaining such internal controls that management determines are necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Auditor's Responsibility

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities in respect of the Consolidated Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the Chapter "ESRS 2 – General Information", sections "IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities".

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- Obtaining an understanding of the entity's control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error.
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Our Independence and Quality Management

We complied with the applicable independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "Code"), together with the ethical requirements that are relevant to our assurance engagement of the Consolidated Sustainability Statement in Romania, including Law 162/2017 with subsequent amendments, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
    - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
    - reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the process set out in the Chapter "ESRS 2 – General Information", sections "IRO-1 – Description of the process for identifying and assessing significant impacts, risks and opportunities".

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by
    - performing inquiries to understand the Group's control environment, processes and information systems relevant to the preparation of the sustainability statements;
- Evaluated whether material information identified by the Process to identify the information reported in the Consolidated Sustainability Statement is included in the Consolidated Sustainability Statement;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Statement;

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- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Statement;
- Obtained evidence on the methods for developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement;

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Horațiu Pîrvulescu, Audit Partner

For signature, please refer to the original Romanian version.

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under no. AF 4891

On behalf of:

DELOITTE AUDIT S.R.L.

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under no. FA 25

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March 30, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MedLife S.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the consolidated financial statements of MedLife S.A. and its subsidiaries ("the Group"), with registered office in Calea Grivitei, no. 365, district 1 Bucharest, identified by unique tax registration code 8422035, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

2. The consolidated financial statements as at 31 December 2025 are identified as follows:

• Net assets	RON 558,823,544
• Net loss for the financial year	RON 3,850,654

3. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Ministry of Public Finance Order no. 2844/2016 for the approval of accounting regulations conforming with International Financial Reporting Standards ("MoPF 2844/2016") with all subsequent amendments.

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation (EU) No. 537/2014 of the European Parliament and the Council (herein after referred to as "the Regulation") and Law 162/2017 on the statutory audit of annual financial statements and annual consolidated financial statements and on amending other pronouncements (herein after referred to as "the Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Romania, including the Regulation and the Law 162/2017. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the key audit matter
Impairment of Goodwill As at 31 December 2025, goodwill of RON 506,141,959 was included in the Consolidated Statement of Financial Position. As disclosed in Note 4, goodwill is tested annually for impairment, or more frequently if indicators of impairment exist at the level of 7 groups of cash generating units using discounted cash-flow models. The impairment assessment requires management to exercise significant judgement in estimating the recoverable amount of group of cash-generating units to which goodwill is allocated. Due to the significance of the carrying amount of goodwill, high level of judgment involved, and estimates used by management in determination of future cash-flows we have considered the impairment assessment of goodwill to be a key audit matter.	Our procedures in relation to the impairment assessment of goodwill included, but were not limited to the following: • Understanding of the process for goodwill impairment • Evaluation of the design and implementation of controls (D&I); • Evaluation of the determination of group of cash-generating units • For a sample of group CGUs, we have performed the following procedures: o involved our valuation specialists to verify the methodology used o analyzed the competence of the management experts hired by the management and evaluated their objectivity and independence o tested the mathematical accuracy of the discounted cash flow model o evaluated the assumptions used in estimating future cash flows against historical performance to determine the reasonableness of management's estimates o evaluated the sensitivity analysis prepared by management on key assumptions o carried out additional independent sensitivity analyses to assess the impact of possible changes in assumptions on the impairment test. o carried out discussions with management on the basis of their key assumptions and the reasoning for any adjustments made • We have assessed the adequacy and appropriateness of the presentations in the consolidated financial statements.

Other Information

6. The administrators are responsible for the preparation and presentation of the other information. The other information comprises the Administrators' consolidated report and the Remuneration report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and, unless otherwise explicitly mentioned in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements for the year ended 31 December 2025, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Other reporting responsibilities with respect to other information –Administrators' consolidated report

With respect to the Administrators' consolidated report, we read it and report if this has been prepared, in all material respects, in accordance with the provisions of MoPF 2844/2016 with all subsequent amendments.

On the sole basis of the procedures performed within the audit of the consolidated financial statements, in our opinion:

a) the information included in the Administrators' consolidated report for the financial year for which the consolidated financial statements have been prepared, is consistent, in all material respects, with the consolidated financial statements;

b) the Administrators' consolidated report has been prepared, in all material respects, in accordance with the provisions of MoPF 2844/2016.

Moreover, based on our knowledge and understanding concerning the Group and its environment gained during the audit on the financial statements prepared at 31 December 2025, we are required to report if we have identified a material misstatement of this Administrators' consolidated report. We have nothing to report in this regard.

Other reporting responsibilities with respect to other information – Remuneration report

With respect to the Remuneration report, we read it to determine if it presents, in all material respects, the information required by article 107, paragraphs (1) and (2) of Law 24/2017 regarding the issuers of financial instruments and market operations, republished. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with MoPF 2844/2016 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

8. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. We were appointed by the General Meeting of Shareholders on 10 October 2024 to audit the financial statements of the Group for the financial year ended 31 December 2025. The uninterrupted total duration of our commitment including renewals and reappointments is 7 years, covering the financial years ended 31 December 2016 until 31 December 2020 and 31 December 2024 until 31 December 2025.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Audit Committee of the Group that we issued the same date we issued this report. Also, in conducting our audit, we have retained our independence from the audited entity.

- No non-audit services referred to in Article 5 (1) of EU Regulation no. 537/2014 were provided.

Report on the Information Regarding Income Tax

16. For the financial year preceding the financial year for which the financial statements were prepared, the Group was not required under MoPF 2844, articles 60^{2} - 60^{6}, to publish a report on income tax information.

The engagement partner on the audit resulting in this independent auditor's report is Horațiu Pîrvulescu.

Report on compliance with the Law 162/2017 on the statutory audit of annual financial statements and annual consolidated financial statements and on amending other pronouncements ("Law 162/2017"), and Commission Delegated Regulation (EU) 2018/815 on the European Single Electronic Format Regulatory Technical Standard ("ESEF")

17. We have undertaken a reasonable assurance engagement on the compliance with Law 162/2017, and Commission Delegated Regulation (EU) 2019/815 applicable to the financial statements included in the Group's annual financial report as presented in the digital files which contain the unique LEI code 254900RJWPQ4SLGCPI85 ("**Digital Files**").

(I) Responsibilities of management and those charged with governance for the Digital Files prepared in compliance with the ESEF

Management is responsible for preparing Digital Files that comply with the ESEF. This responsibility includes:

- the design, implementation and maintenance of internal control relevant to the application of the ESEF;

- the selection and application of appropriate iXBRL mark-ups;

- ensuring consistency between the Digital Files and the consolidated financial statements to be submitted in accordance with Ministry of Public Finance Order no. 2844/2016 for the approval of accounting regulations conforming with International Financial Reporting Standards, with subsequent amendments.

Those charged with governance are responsible for overseeing the preparation of the Digital Files that comply with ESEF.

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(II) Auditor's Responsibilities for Audit of the Digital Files

Our responsibility is to express a conclusion on whether the consolidated financial statements included in the annual financial report complies in all material respects with the requirements of ESEF based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

Our firm applies International Standard on Quality Management 1 ("ISQM1"), and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with ESEF. The nature, timing and extend of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements set out in ESEF, whether due to fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the Company's process for preparation of the digital files in accordance with ESEF, including relevant internal controls;
- reconciling the digital files including the marked-up data with the audited consolidated financial statements of the Company to be submitted in accordance with Ministry of Public Finance Order no. 2844/2016 for the approval of accounting regulations conforming with International Financial Reporting Standards, with subsequent amendments;
- evaluating if all financial statements contained in the consolidated annual report have been prepared in a valid XHTML format;
- evaluating if the iXBRL mark-ups, including the voluntary mark-ups, comply with the requirements of ESEF.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the consolidated financial statements for the year ended 31 December 2025 included in the annual financial report in the Digital Files comply in all materials respects with the requirements of ESEF.

In this section, we do not express an audit opinion, review conclusion or any other assurance conclusion on the consolidated financial statements. Our opinion relating to the consolidated financial statements of the Company for the year ended 31 December 2025 is set out in the "Report on the audit of the consolidated financial statements" section above.

Horațiu Pîrvulescu, Audit Partner

For signature, please refer to the original Romanian version.

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under AF 4891

On behalf of:

DELOITTE AUDIT SRL

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under FA 25

The Mark Building, 84-98 and 100-102 Calea Griviței, 9th Floor, District 1
Bucharest, Romania
30 March 2026

MEDLIFE GROUP

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

PREPARED IN ACCORDANCE WITH THE ORDER OF THE MINISTER OF PUBLIC FINANCE NUMBER 2844/2016 FOR THE APPROVAL OF ACCOUNTING REGULATIONS IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

Name of the issuing company: MED LIFE S.A.
Registered Office: Bucharest, 365 Calea Griviței, district 1, Romania
Fax no.: 0040 374 180 470
Unique Registration Code at the National Office of Trade Registry: 8422035
Order number on the Trade Registry: J1996003709402
Subscribed and paid-in share capital: RON 132,870,492
Regulated market on which the issued securities are traded: Bucharest Stock Exchange

CONTENTS: **PAGE:**

(all amounts are expressed in RON, unless otherwise specified)

	Note	December 31, 2025	December 31, 2024
ASSETS			
Non-current Assets			
Goodwill	**4**	506,141,959	492,034,979
Intangible assets	**5**	115,543,351	120,974,820
Property, plant and equipment	**5**	1,466,340,590	1,303,969,853
Right-of-use asset	**13**	388,207,329	386,290,334
Other financial assets	**5.3**	81,805,318	54,138,411
Total Non-Current Assets		**2,558,038,547**	**2,357,408,397**
Current Assets			
Inventories	**6**	152,897,713	148,798,218
Trade Receivables	**7.1.**	301,762,702	324,106,860
Other assets	**7.2.**	54,736,653	55,880,250
Cash and cash equivalents	**8**	176,178,001	112,808,224
Prepayments	**9**	17,313,081	17,311,896
Total Current Assets		**702,888,150**	**658,905,448**
TOTAL ASSETS		**3,260,926,697**	**3,016,313,845**
LIABILITIES & SHAREHOLDER'S EQUITY			
Non-Current Liabilities			
Lease liability	**13,14**	298,868,179	286,025,347
Other long term debt	**11**	51,592,328	69,109,053
Interest-bearing loans and borrowings	**14**	1,409,725,830	1,135,073,779
Deferred tax liability	**26**	56,467,607	45,236,597
Total Non-Current Liabilities		**1,816,653,945**	**1,535,444,775**
Current Liabilities			
Trade and other payables	**10**	507,050,939	571,552,330
Overdraft	**14**	38,485,631	29,076,066
Current portion of lease liability	**13,14**	112,051,538	108,288,263
Current portion of interest-bearing loans and borrowings	**14**	72,208,446	127,417,891
Current tax liabilities	**26**	834,764	4,322,327
Provisions	**12**	12,285,324	17,409,666
Other liabilities	**11**	142,532,566	118,157,796
Total Current Liabilities		**885,449,208**	**976,224,339**
TOTAL LIABILITIES		**2,702,103,153**	**2,511,669,114**
SHAREHOLDER'S EQUITY			
Share capital and Share premium	**15**	132,562,337	132,562,337
Treasury shares		(3,227,053)	(1,760,728)
Reserves	**17**	309,584,384	232,230,657
Retained earnings		45,052,047	69,593,507
Equity attributable to owners of the Group		**483,971,715**	**432,625,773**
Non-controlling interests	**18**	74,851,830	72,018,957
TOTAL EQUITY		**558,823,544**	**504,644,731**
TOTAL LIABILITIES AND EQUITY		**3,260,926,697**	**3,016,313,845**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Note	12 months ended December 31, 2025	12 months ended December 31, 2024
Revenue from contracts with customers	**19**	3,173,518,743	2,715,574,711
Other operating income	**20**	13,006,001	8,850,263
Operating Income		**3,186,524,744**	**2,724,424,974**
Consumable materials and repair materials		(634,437,273)	(499,578,757)
Third party expenses	**21**	(905,101,423)	(765,622,489)
Salary and related expenses	**23**	(761,818,567)	(645,609,836)
Social contributions	**23**	(28,584,022)	(23,853,508)
Depreciation, amortization and impairment of fixed assets	**5,13**	(285,792,831)	(254,592,721)
Impairment losses (including reversals of impairment losses)	**7, 5.3**	(8,048,303)	(6,475,319)
Commodities expenses		(209,592,990)	(226,208,593)
Other operating expenses	**22**	(194,154,604)	(162,075,380)
Operating expenses		**(3,027,530,014)**	**(2,584,016,603)**
Operating Profit		**158,994,730**	**140,408,371**
Finance cost	**24**	(96,616,415)	(102,630,990)
Interest income	**24**	2,293,240	2,175,920
Other financial income	**24**	132,058	462,070
Other financial expenses	**24**	(45,665,966)	(1,346,241)
Financial result		**(139,857,083)**	**(101,339,241)**
Profit Before Tax		**19,137,647**	**39,069,130**
Income tax expense	**26**	(22,988,301)	(22,316,703)
(Loss) / Profit After Tax		**(3,850,654)**	**16,752,427**
Owners of the Group		11,266,998	25,035,987
Non-controlling interests	**18**	(15,117,651)	(8,283,560)
Earnings per share			
Basic earnings per share	**16**	0.021	0.047
Diluted earnings per share	**16**	0.021	0.047
Other comprehensive income items that will not be reclassified to profit or loss			
Gain on revaluation of properties		61,769,414	-
Deferred tax on other comprehensive income components		(9,883,106)	-
TOTAL OTHER COMPREHENSIVE INCOME		**51,886,308**	**-**
Total other comprehensive income attributable to:			
Owners of the Group		43,554,931	-
Non-controlling interests		8,331,378	-
TOTAL COMPREHENSIVE INCOME		**48,035,654**	**16,752,427**
Total comprehensive income attributable to:			
Owners of the Group		54,821,929	25,035,987
Non-controlling interests	**18**	(6,786,273)	(8,283,560)

Mihail Marcu,
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Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Note	12 months ended December 31, 2025	12 months ended December 31, 2024
Net profit before taxes	**26**	**19,137,647**	**39,069,130**
Adjustments for			
Depreciation and impairment of fixed assets	**5,13**	285,792,831	254,592,721
Net (gain) from revaluation of property, plant and equipment	**5**	(463,313)	-
Movements in provisions		(3,558,932)	4,727,712
Interest revenue	**24**	(2,293,240)	(2,175,920)
Interest expense	**24**	96,616,415	102,630,990
Impairment losses (including reversals of impairment losses)	**7, 5.3**	8,048,303	6,475,319
Written off and allowance of other current assets	**6**	420,853	-
Share-based payment expense	**23**	1,596,057	-
Unrealized exchange (gain) / loss	**24**	45,890,983	(812,323)
Other income	**24**	(225,017)	(441,497)
Revenues from subsidies for investment	**20**	(3,242,692)	-
Net gain on disposal of property		(1,770,323)	-
Operating cash flow before working capital changes		**445,949,572**	**404,066,132**
Decrease / (increase) in accounts receivable		(9,311,902)	(81,969,328)
Decrease / (increase) in inventories		(3,898,657)	(36,397,101)
Decrease / (increase) in prepayments		78,035	(5,484,731)
Increase / (decrease) in accounts payable		(104,030,381)	109,393,774
Cash generated from working capital changes		**(117,162,905)**	**(14,457,386)**
Cash generated from operations		**328,786,667**	**389,608,746**
Interest Paid	**14**	(82,697,212)	(83,880,922)
Interest received		2,291,879	2,175,920
Income Tax Paid	**26**	(25,681,728)	(22,280,461)
Net cash from operating activities		**222,699,606**	**285,623,283**
Acquisition of subsidiary net of cash acquired and advances for acquisition of subsidiaries	**4,27**	(10,635,628)	(51,506,359)
Purchase of intangible assets	**5**	(8,536,452)	(19,278,373)
Purchase of property, plant and equipment	**5**	(219,179,953)	(236,736,304)
Proceed from sale of fixed assets		2,665,544	-
Net cash used in investing activities		**(235,686,489)**	**(307,521,036)**
Cash flow from financing activities			
Proceeds from loans	**14**	319,745,383	221,540,083
Payment of loans	**14**	(127,606,767)	(86,221,158)
Financial lease payments	**14**	(105,191,016)	(97,366,474)
Dividends paid to NCI		(3,704,036)	(2,066,916)
Payments for purchase of treasury shares		(1,466,325)	(1,078,836)
Additional participation interest acquired	**18**	(5,420,579)	(371,815)
Net cash from financing activities		**76,356,660**	**34,434,884**
Net change in cash and cash equivalents		**63,369,777**	**12,537,131**
Cash and cash equivalents beginning of the period		112,808,224	100,271,093
Cash and cash equivalents end of the period		**176,178,001**	**112,808,224**

Mihail Marcu,
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Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	*Attributable to owners of the Group*	Non-controlling interests	*Total Equity*
Balance as at December 31, 2024	**132,870,492**	**(1,760,728)**	**(308,155)**	**82,733,608**	**149,497,049**	**69,593,507**	**432,625,774**	**72,018,957**	**504,644,731**
(Loss) for the year	-	-	-	-	-	11,266,998	11,266,998	(15,117,651)	(3,850,654)
Revaluation of Land and Constructions (Note 5)	-	-	-	-	51,851,108	-	51,851,108	9,918,307	*61,769,415*
Deferred tax related to other elements of the overall result (Note 26)	-	-	-	-	(8,296,177)	-	(8,296,177)	(1,586,929)	*(9,883,106)*
Total comprehensive income	**-**	**-**	**-**	**-**	**43,554,931**	**11,266,998**	***54,821,929***	**(6,786,273)**	***48,035,654***
Recognition of other reserves for fiscal purposes (legal reserves) (Note 17)	-	-	-	1,343,483	-	(1,343,483)	-	-	-
Recognition of other reserves (Note 17)	-	-	-	31,063,945	-	(31,063,945)	-	-	-
Transfer for the sale of property, plant and equipment (Note 17)	-	-	-	-	(204,688)	204,688	-	-	-
Stock option plan (Note 23)	-	-	-	1,596,057	-	-	1,596,057	-	1,596,057
Additional non-controlling interest arising as of result of business combinations (Note 18)	-	-	-	-	-	-	-	1,132,887	1,132,887
Subsequent acquisition of NCI (Note 18)	-	-	-	-	-	(3,605,720)	(3,605,720)	(749,081)	(4,354,801)
Distribution of dividends (Note 18)	-	-	-	-	-	-	-	(182,370)	(182,370)
Conversion of loans to Equity (Note 18)	-	-	-	-	-	-	-	9,417,710	9,417,710
Increase from own shares acquisition (Note 15)	-	(1,466,325)	-	-	-	-	(1,466,325)	-	(1,466,325)
Balance as at December 31, 2025	**132,870,492**	**(3,227,053)**	**(308,155)**	**116,737,092**	**192,847,292**	**45,052,047**	**483,971,714**	**74,851,830**	**558,823,544**

During 2025, the Group performed the revaluation of Land and Buildings owned – please refer to Note 5 and Note 26 for relevant disclosures and overall impact.
Also, please refer to Note 18 for transactions held during 2025 with Non-controlling interest.

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	Attributable to owners of the Group	Non-controlling interests	Total Equity
Balance as at December 31, 2023	**132,870,492**	**(681,892)**	**(308,155)**	**63,063,167**	**149,497,049**	**70,850,636**	**415,291,298**	**78,900,725**	**494,192,023**
Profit of the year	-	-	-	-	-	25,035,987	25,035,987	(8,283,560)	16,752,427
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**25,035,987**	**25,035,987**	**(8,283,560)**	**16,752,427**
Recognition of other reserves for fiscal purposes (legal reserves) (Note 17)	-	-	-	751,581	-	(751,581)	-	-	-
Recognition of other reserves (Note 17)	-	-	-	18,918,860	-	(18,918,860)	-	-	-
Additional non-controlling interest arising as of result of business combinations (Note 18)	-	-	-	-	-	-	-	3,065,788	3,065,788
Subsequent acquisition of NCI (Note 18)	-	-	-	-	-	(6,622,675)	(6,622,675)	197,920	(6,424,755)
Distribution of dividends (Note 18)	-	-	-	-	-	-	-	(1,861,916)	(1,861,916)
Increase from own shares acquisition (Note 15)	-	(1,078,836)	-	-	-	-	(1,078,836)	-	(1,078,836)
Balance as at December 31, 2024	**132,870,492**	**(1,760,728)**	**(308,155)**	**82,733,608**	**149,497,049**	**69,593,507**	**432,625,774**	**72,018,957**	**504,644,731**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

1. DESCRIPTION OF THE BUSINESS

Med Life S.A. ("Parent Company" or the "Company") is a joint-stock company incorporated in 1996, in accordance with the laws and regulations of Romania, with headquarters in 365 Calea Grivitei, Bucharest, with a share capital of RON 132,870,492, having a nominal share value of 0.25 RON.

The Company's activity resides in conducting healthcare services through medical centers with national coverage.

Med Life S.A., together with its subsidiaries ("Medlife Group" or the "Group"), is offering a large range of medical services, through a network of 36 hyperclinics, 79 clinics, 18 hospitals, 4 maternities and 1 Stem cells bank, 42 laboratories, 19 pharmacies and 17 dental clinics. The Group also has over 280 private clinic partners around Romania.

Med Life S.A. is the leading private health care services provider in Romania in terms of sales, having a significant market share at a national level.

The ultimate parent of the Group is Med Life S.A. In accordance with the provisions of the Law no. 129/2019, the Group has identified the following controlling parties:

The Marcu family:
1. Mr. Mihail Marcu, considering his quality of shareholder of the Company, which holds a percentage of 12.5958% of its share capital;
2. Mr. Nicolae Marcu, considering his quality of shareholder of the Company, which holds a percentage of 9.7805% of its share capital;
3. Mrs. Mihaela Gabriela Cristescu, considering her quality of shareholder of the Company, which holds a percentage of 14.0442% of its share capital.

Considering the family relations between the persons mentioned above, namely the fact that Mr. Mihail Marcu and Mr. Nicolae Marcu are the sons of Mrs. Mihaela Gabriela Cristescu, and the fact that together they own more than 25% of the total share capital of the company, it was established that they control the company together and are the final beneficiaries of its activity.

The entities part of Medlife Group as at December 31, 2025 and December 31, 2024 are as follows (ownership percentage):

(all amounts are expressed in RON, unless otherwise specified)

No.	Entity	Main activity	Location	31 December 2025	31 December 2024
1	Policlinica de Diagnostic Rapid SA	Medical Services	Brasov, Romania	83%	83%
2	Medapt SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
3	Histo SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
4	Policlinica de Diagnostic Rapid Medis SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66%	66%
5	Bahtco Invest SRL	Development of building projects	Bucharest, Romania	100%	100%
6	Med Life Ocupational SRL	Medical Services	Bucharest, Romania	100%	100%
7	Pharmalife-Med SRL	Retail Pharmacy sales	Bucharest, Romania	100%	100%
8	Med Life Broker de Asigurare si Reasigurare SRL	Insurance broker	Bucharest, Romania	99%	99%
9	Genesys Medical Clinic SRL	Medical Services	Arad, Romania	83%	83%
10	RUR Medical SRL (indirect)*	Rental Services	Brasov, Romania	83%	83%
11	Biotest Med SRL	Medical Services	Bucharest, Romania	100%	100%
12	Vital Test SRL	Medical Services	Iasi, Romania	100%	100%
13	Centrul Medical Sama SA	Medical Services	Craiova, Romania	90%	90%
14	Ultratest SA (direct and indirect)*	Medical Services	Craiova, Romania	92%	92%
15	Prima Medical SRL	Medical Services	Craiova, Romania	100%	100%
16	Stem Cells Bank SA	Medical Services	Timisoara, Romania	100%	100%
17	Dent Estet Clinic SA	Dental healthcare	Bucharest, Romania	65%	65%
18	Green Dental Clinic SRL (indirect)*	Dental healthcare	Bucharest, Romania	33%	33%
19	Aspen Laborator Dentar SRL (indirect)*	Dental healthcare	Bucharest, Romania	49%	49%
20	Centrul Medical Panduri SA	Medical Services	Bucharest, Romania	100%	100%
21	Almina Trading SA	Medical Services	Targoviste, Romania	90%	90%
22	Anima Specialty Medical Services SRL	Medical Services	Bucharest, Romania	100%	100%
23	Anima Promovare si Vanzari SRL	Medical Services	Bucharest, Romania	100%	100%
24	Valdi Medica SA	Medical Services	Cluj, Romania	55%	55%
25	Clinica Polisano SRL	Medical Services	Sibiu, Romania	100%	100%
26	Solomed Clinic SA	Medical Services	Pitesti, Romania	80%	80%
27	Solomed Plus SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%
28	Sfatul medicului SRL	Medical Platform	Bucharest, Romania	100%	100%
29	RMC Dentart (indirect)*	Dental healthcare	Budapesta, Hungary	100%	89%
30	RMC Medical (indirect)*	Medical Services	Budapesta, Hungary	100%	89%
31	RMC Medlife	Holding	Budapesta, Hungary	100%	89%
32	Badea Medical SRL	Medical Services	Cluj, Romania	65%	65%
33	Oncoteam Diagnostic SRL	Medical Services	Bucharest, Romania	100%	100%
34	Centrul medical Micromedica SRL	Medical Services	Piatra Neamt, Romania	100%	100%
35	Micromedica Targu Neamt SRL (indirect)*	Medical Services	Targu Neamt, Romania	100%	100%
36	Micromedica Bacau SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
37	Micromedica Roman SRL (indirect)*	Medical Services	Roman, Romania	100%	100%
38	Medrix Center SRL (indirect)*	Medical Services	Roznov, Romania	100%	100%
39	Spitalul Lotus SRL	Medical Services	Ploiesti, Romania	100%	100%
40	Pharmachem Distributie SRL	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	75%	75%
41	KronDent SRL (indirect)*	Dental healthcare	Brasov, Romania	39%	39%
42	Medica SA	Medical Services	Sibiu, Romania	60%	60%
43	Dent Estet Ploiesti SRL (indirect)*	Dental healthcare	Ploiesti, Romania	33%	33%
44	Stomestet SRL	Dental healthcare	Cluj, Romania	60%	60%
45	Costea Digital Dental SRL (indirect)*	Dental healthcare	Oradea, Romania	38%	38%
46	Expert Med Centrul Medical Irina (indirect)*	Medical Services	Galati, Romania	76%	76%
47	MNT Healthcare Europe SRL	Medical Services	Ilfov, Romania	50%	50%
48	MNT Asset Management SRL (indirect)*	Holding	Bucharest, Romania	50%	50%
49	Pro Life Clinics SRL (indirect)*	Medical Services	Iasi, Romania	78%	78%
50	Onco Card SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
51	Onco Card Invest SRL (indirect)*	Holding	Brasov, Romania	83%	83%
52	Tomorad Expert SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66%	66%
53	IT Repair SRL (indirect)*	Medical Services	Targu Mures, Romania	83%	50%

(all amounts are expressed in RON, unless otherwise specified)

No.	Entity	Main activity	Location	31 December 2025	31 December 2024
54	Medici's SRL	Medical Services	Timisoara, Romania	80%	80%
55	Micro-Medic SRL (indirect)*	Medical Services	Timisoara, Romania	80%	80%
56	Sweat Concept One SRL	Welness	Bucharest, Romania	75%	60%
57	OptiCristal Consult SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
58	Alinora Optimex SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
59	SC M-Profilaxis SRL (indirect)*	Medical Services	Timisoara, Romania	100%	100%
60	VitaCare Flav SRL (indirect)*	Medical Services	Pitesti, Romania	51%	51%
61	Dent Estet Genesys SRL (indirect)*	Medical Services	Arad, Romania	74%	74%
62	Sanopass SA	Medical Platform	Targoviste, Romania	100%	100%
63	Muntenia Medical Competences S.A. (indirect)*	Medical Services	Pitesti, Romania	51%	51%
64	Bios Diagnostic Medical Services SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
65	Centrul de Diagnostic si Tratament Provita S.A.	Medical Services	Bucharest, Romania	51%	51%
66	Medical City Blue SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
67	Laborator Cuza Voda SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
68	Provita Pain Clinic SA (indirect)*	Medical Services	Suceava, Romania	36%	36%
69	Policlinica Union SRL (indirect)*	Medical Services	Cluj, Romania	51%	51%
70	Brol Medical Center S.A. (indirect)*	Medical Services	Timisoara, Romania	80%	56%
71	Provita 2000 SRL (indirect)*	Medical Services	Constanta, Romania	100%	100%
72	Nord Management Solutions SRL (indirect)*	Development of building projects	Bucharest, Romania	51%	51%
73	Med Varix SRL (indirect)*	Medical Services	Timisoara, Romania	56%	56%
74	Personal Genetics SRL	Medical Services	Bucharest, Romania	100%	100%
75	Nord Soma SA (indirect)*	Medical Services	Bucharest, Romania	26%	26%
76	Super Age by Nord SA (indirect)*	Medical Services	Bucharest, Romania	38%	26%
77	VP-MED Kereskedelmi es Szolgaltato Korlatolt Felelossegu Tarsasag (indirect)*	Medical Services	Budapest, Hungary	83%	83%
78	Centrul Medical Antares SRL (indirect)*	Medical Services	Piatra Neamt, Romania	100%	100%
79	Euromedica Hospital SA(indirect)*	Medical Services	Baia Mare, Romania	80%	80%
80	Euromedica Administrator SA (indirect)*	Holding	Baia Mare, Romania	80%	80%
81	Cabinet Medical Dr. Bacila Mihai SRL (indirect)*	Medical Services	Timișoara, România	48%	0%
82	Alfalux Dent SRL (indirect)*	Dental healthcare	Tulcea, Romania	60%	0%
83	Medical Center Spital SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
84	Mega Optic SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
85	Super Optosan SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
86	Micro Medic SRL (indirect)*	Medical Services	Constanța, România	100%	0%
87	Routine Med SA	Medical Services	Tulcea, Romania	60%	0%
88	All Clinic SRL	Medical Services	Chisinau, Republica Moldova	70%	0%
89	Medlife Health	Medical Services	Chisinau, Republica Moldova	70%	0%
90	1ST ENDO MEDICAL SRL (indirect)*	Medical Services	Timișoara, România	41%	0%

**These companies are subsidiaries of other subsidiaries in the Group and are included in the consolidation, as they are controlled by the entities which are subsidiaries of the ultimate parent.*

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following IFRS and amendments to IFRS which have been adopted by the Group as of 1 January 2025:

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**

The newly adopted IFRS and amendments to IFRS did not have a material impact on the Group's accounting policies.

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**

Effective 1 January 2025, the Group has applied the amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. The amendments clarify how an entity assesses whether a currency is exchangeable and how to determine the spot exchange rate when exchangeability is lacking. A currency is considered exchangeable when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. Where a currency is not exchangeable, an entity is required to estimate the spot exchange rate at the measurement date so that it reflects the rate at which an orderly exchange transaction would take place between market participants under the prevailing economic conditions at that date.

The application of these amendments did not have a significant impact on the Group's financial statements, as the Group conducts the majority of its transactions in its functional currency, RON, and also reports in that currency, and is not exposed to jurisdictions in which the currency is considered non-exchangeable.

2.2 Standards issued, endorsed by the European Union, but not yet effective and not early adopted

- **Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments**

The amendment is effective as of 1 January 2026 and is issued by IASB on 30 May 2024. Amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features. Amendments also clarify the date on which a financial asset or financial liability is derecognised and introduce additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.
The amendments are not effective for the reporting of the Group's 2025 financial statements, however the Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity**

The amendment is effective as of 1 January 2026 and is issued by IASB on 18 December 2024. The own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent. The hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met and to measure the hedged item using the same volume assumptions as those used for the hedging instrument. Amendments to IFRS 7 and IFRS 19 to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.
The amendments are not effective for the reporting of the Group's 2025 financial statements, however the Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 – Annual Improvements to IFRS Accounting Standards – Volume 11**

On 18 July 2024, the IASB issued the Annual Improvements to IFRS Accounting Standards – Volume 11, which include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments contain clarifications and minor modifications regarding, among other things, hedge accounting for first-time adopters of IFRS, disclosures related to financial instruments and credit risk, derecognition of lease liabilities, the assessment of control in the context of a de facto agent, and certain aspects relating to the statement of cash flows.
The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and have been endorsed for use in the European Union. The Group has not early adopted these amendments in its financial statements as at 31 December 2025.
The amendments are not effective for the reporting of the Group's 2025 financial statements; however, the Group anticipates that the adoption of these new standards and amendments to existing standards will not have any significant impact on the Group's financial statements in the period of initial application.

- **The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates**

The standard requires translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.
An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index in accordance with paragraph 34 of IAS 29 Financial Reporting in Hyperinflationary Economies to the foreign operation's comparative figures. The amendments are intended to improve the usefulness of the resulting information in a cost-effective manner. The amendments apply for annual reporting periods beginning on or after 1 January 2027, earlier application is permitted.

The standard has not yet been endorsed by the European Union, however the Group anticipates that the adoption of these new standard and amendment to the existing standard will have no material impact on the financial statements of the Group in the period of initial application.

2.3 Standards that are not yet effective and that have not yet been endorsed by the European Union

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.
The amendments have not yet been endorsed by the European Union, however the Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **IFRS 18 Presentation and Disclosures in Financial Statements**

The amendment which is effective as of 1 January 2027 and is issued by IASB on 9 April 2024 will replace IAS 1 Presentation of Financial Statements. Standard introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies. The main changes in the new standard compared with IAS 1 comprise: (a) The introduction of categories (operating, investing, financing, income tax and discontinued operations) and defined subtotals in the statement of profit or loss; (b) the introduction of requirements to improve aggregation and disaggregation; (c) The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements.
The amendments have not yet been endorsed by the European Union, however the Group is currently assessing the potential impact of the adoption of these new standards and amendments to the existing standards on the financial statements of the Group in the period of initial application.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

The standard is issued by IASB on 9 May 2024 and is effective starting 1 January 2027 . Standard permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.
The standard has not yet been endorsed by the European Union, however the Group anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **IFRS 14 – Regulatory Deferral Accounts**

The standard is effective as of 1 January 2016 and was issued by the IASB on 30 January 2014. IFRS 14 permits first-time adopters of IFRS to continue recognizing regulatory deferral account balances in accordance with their previous GAAP upon transition to IFRS. However, it requires these balances to be presented separately in the financial statements and prohibits recognizing new regulatory deferral account balances after the transition date.
The standard does not apply to entities that have already adopted IFRS. It includes disclosure requirements to enhance transparency regarding the nature and financial effects of regulatory deferral accounts.
IFRS 14 has not been endorsed by the European Union, and the Group does not expect its adoption to have any impact on the financial statements, as the Group is not a first-time adopter of IFRS.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated financial statements of the Group are set out below.

3.1 Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with the provisions of Order No. 2844 / 2016, for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to commercial companies whose securities are admitted to trading on a regulated market, with subsequent amendments and clarifications („OMFP 2844/2016).
The accounting policies applied in these financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards effective as of January 1st 2025. The financial year corresponds to the calendar year.

Other aspects – format according to the requirements of the European Securities and Markets Authority ("ESMA")
Due to the technical limitations of the software used for the presentation of the consolidated financial statements in the single European electronic format ("ESEF"), the tables included in the notes to the consolidated financial statements are displayed in a linear, logical and easy to understand manner.

3.2 Basis of preparation

The consolidated financial statements of Medlife Group, hereinafter referred to also as "the Group", are presented in RON ("Romanian Leu"), using the going concern principle. The consolidated financial statements have been prepared on the historical cost basis, except for certain items that have been measured at fair value, such as certain non-current assets, as presented in the notes to the financial statements.

3.3 Going Concern

These consolidated financial statements have been prepared on a going concern basis, which assumes the Group will be able to realize its assets and discharge its liabilities in the normal course of business. The Group will continue its activity according to the normal course of business in the foreseeable future without encountering the impossibility of continuing its activity or without the significant decrease of its activity.

For the purposes of assessing liquidity and going concern, the Group has modelled scenarios reflecting suitable assumptions over the next 12–month period from signing date that serve to inform the decisions the Group takes regarding future cost savings, cash generation, debt covenants and levels of investment. The Group's financial performance to date in 2026 across all revenue streams has been in line with the modelled scenarios.

The net current liabilities position (defined as current liabilities minus current assets), which decreased from RON 317,318,891 during 2024 to RON 182,561,058 during 2025 is temporary, indicative of the Group's strategy to leverage short-term funding for growth opportunities or strategic investments, which is typical in periods of expansion.
The Group had two significant organic projects that were continued in the past two years (Hospitals in Bucharest and Timisoara), and even though they are in different stages of maturity, are already starting to yield tangible benefits. Along with these projects, in July 2025 the inauguration of a new multidisciplinary hyper-clinic took place in Pitesti and in November 2025 a new oncology medical center was opened in Bacau.

In respect of the ongoing war in Ukraine, Medlife Group does not own subsidiaries and affiliated entities on the territory of Ukraine, nor does it have any other relevant exposures in the countries directly involved in this conflict. From an operational point of view, the purchases of energy and natural gas are mainly made from the domestic market; availability, provenance and delivery of resources could be influenced by the dynamics of the conflict from region. During 2026, geopolitical tensions in the Middle East increased following the escalation of the situation involving Iran and other regional and international actors. These developments have contributed to volatility in global financial markets, particularly in relation to energy prices, international trade and supply chains. Medlife Group has not identified any direct exposure to Iran or other significant impacts on its financial position, financial performance or cash flows.

The Group maintains robust cash flow management practices, ensuring liquidity to meet its short-term obligations. Furthermore, the expected evolution of the Group remains favourable, as the decrease in liabilities is well-supported by strong operational performance, efficient working capital management and a healthy pipeline of revenue-generating activities. Based on current financial projections and market conditions, along with the cash-flow projections, there are no indications of solvency issues or risks to the Group's ability to continue as a going concern. Therefore, the financial outlook remains positive and the Group is well-positioned to meet its obligations without encountering any difficulties.

Following the increase in the syndicated loan facility signed on 25 March 2025, the Group secured access to an additional facility of EUR 50 million, of which a portion has been utilized during 2025, while the remaining amount continues to be available for future drawdowns. Together with the Group's existing liquidity, these facilities provide financial flexibility to support potential acquisition opportunities as well as ongoing organic development projects.

All measures taken have been decided upon having in mind the Group's strategy to better position itself to all the new market changes, on the long term. As a consequence, the management focused on increasing efficiency of its operations in order to obtain better flexibility over capitalizing market opportunities.

Based on the Group's current financial position and the modelled scenarios, the directors have concluded that the Group has sufficient liquidity to meet all its obligations for at least the twelve months from the date of this report and the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company (Med Life S.A.) and entities controlled by the Company (its subsidiaries).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control.

To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used

into line with the group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cashflows related to transactions between members of the Group are eliminated in full on consolidation. Non-controlling interests in subsidiaries are identified separately from the Group's equity therein.

The interests of non-controlling shareholders are initially measured at the non-controlling interests' proportionate share of the fair value of the acquired company's identifiable net assets.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3.5 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the consideration transferred which is measured at the acquisition date fair value of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognized at their fair value at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. These interests of non-controlling shareholders are initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Goodwill is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

After initial recognition, goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income/income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.6 Significant judgements, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as of the date of the statement of financial position and revenue and expenses for the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3.6.1. Judgements

In the process of applying the Group's accounting policies, the following judgments were made, particularly in respect to the following:

Determining the lease term of contracts with renewal and termination options – Group as a lessee

Medlife Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts which include extension and termination options.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. When determining the lease term to be used for the measurement of the lease, the Group takes into account all the relevant facts and circumstances that create an economic incentive for exercising either the extension or termination option of the lease term.
For leases of buildings, vehicles and equipment, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.
- If the Group considers that some of the lease agreement shall be terminated earlier, then the assumption of the tenor shall be reassessed accordingly in order to fairly represent the management's view of the leased asset's impact to the financial statements.
- In case of lease term in relation to indefinite lease contracts the assumption applied was that the lease term will be similar to other contracts signed with the same provider or based on the relevant period beyond which the exercise of any option becomes uncertain.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. Please see note 13.

Separate performance obligations for stem cells contracts

In case of revenues obtained from stem cells processing and storage, the Group considers whether there are two promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Therefore, the Group has identified two separate performance obligations of a multi-component business: the processing of stem cells and the storage of cell deposits, and allocates the part of the total transaction price corresponding to the storage component on a cost plus basis, with the remaining consideration being allocated to the processing component.

Intangible assets with definite or indefinite useful life

The Group's management normally uses judgement to assess whether its intangible assets have a definite or indefinite life and revises periodically this estimate.
The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

This assessment is made based on the way management continues to generate benefits from these assets and an important trigger for a change from indefinite to definite useful life includes the large number of business acquisitions, specific to Medlife Group in the recent years, followed by the most recent merger projects between subsidiaries, which indicated that trademarks allocated to a specific GCGU or CGU will most likely generate net cash flows for a limited period of time. Starting with 2024, the Group decided to allocate a definite useful life for trademarks, which initially had an indefinite useful life.

Cash generating units (CGUs) or Group of CGUs (GCGUs)

Management exercises judgement in determining the appropriate level of grouping assets into CGUs, based on the fact that they share significant common infrastructure.

Starting with 2024, there are 6 GCGUs included in the valuation process, as the design and management of the Group's operations is no longer determined based on the legal structure of the group, instead being influenced by the operational structure and the way in which management monitors its investment efforts and expected financial results.
Management has considered that this change related to the number of existing GCGUs is more appropriate, taking into

account the changes in Group's operations, with different utilisation of assets in undertaking the activities. Triggers for the change in which Goodwill is monitored at Group level include: the recent business combinations, specific to Group Medlife in the recent years, with merger projects implemented during 2024 and entry to or exit from new markets or regions, also specific to Group Medlife in the recent years. The Group's strategy focuses on strengthening its presence in large cities, with over 150,000 inhabitants, through the Company brand network, but also in medium and small cities through the Sfanta Maria brand, considering the large number of acquisitions in recent years. During 2025, a new GCGU has been added, the Moldova Healthcare Network, following the same judgement as above.

Management considers that **the network approach by country is more relevant and aligned** with the current Group's strategy, which aims to continue its expansion in Central and South-Eastern Europe, and that will create consistency in identification of GCGUs as the Group will penetrate other EU countries in the near future.

Control over subsidiaries
The Group assesses whether or not it has control over the acquired companies based on whether it has the practical ability to direct the relevant activities of the targets, immediately after acquisition. Please see note 27.
In relation with MNT companies (or Group Neolife, consisting of MNT Healthcare and MNT Asset Management), where 50% of the voting rights were acquired, the Group has established to have control over them. Considering the 50:50 shareholding structure, the Board of Directors structure, where the Group nominates 3 members out of 5 while MNT nominates only 2 members out of 5 and that the ratio will be preserved within each period, together with the responsibilities set for decision making process and execution of responsibilities, the Group has concluded that it has power over the investee.
In respect of exposure, or rights, to variable returns from its involvement with MNT, Group Medlife has a 50% share to the returns in the Subsidiary, in line with Articles of Incorporation.

In respect of the ability to use its power over the investee to affect the amount of the investor's returns, according to Articles of Incorporation, the Board of directors (which is controlled by the Company given the 3-2 ratio) is in charge with the preparation and approval of the budget and business plan, including investment strategy. In 2022, investment in 3 new centers was drafted and approved. Reinvestment of profit, together with Banks financing were also approved by the Board of Directors. During 2023, 2 new medical centers were opened in July, following the directions set out in the previous approved business plan. In November 2025, a new Neolife medical center was opened in Bacau, which provides access to modern and integrated oncology services for patients.

3.6.2. Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revaluation of Land and Buildings
The Group accounts for land and buildings using the fair value approach, based on market comparative valuations performed by certified ANEVAR professionals, in accordance with the International Valuation Standards. IAS 16 requires valuations to be performed with sufficient regularity as to ensure that the fair value does not materially differ from the carrying amount.
Upon revaluation, the Group is reviewing the classification of property, plant and equipment into categories, taking into account their nature, use, and characteristics, in order to ensure an appropriate classification. The review of the classification aims to faithfully reflect the nature and use of the assets in the consolidated financial statements, while also avoiding the selective revaluation of individual assets. The revaluation is applied to the entire category of property, plant and equipment in accordance with IAS 16.
As of 31 December 2025, the Group has performed revaluation procedures of land and buildings, please see Note 5 for further information, as well as Note 26 for the impact recognized in Deferred Tax.
Part of the items related to Land and Buildings are included in the group cash-generating units established for the Group and annually tested for impairment as part of the goodwill impairment testing.

Impairment of non-financial assets
The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations cover a period of six years. A long-term growth rate is calculated and applied to project future cash flows after the sixth year.
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF (discounted cash flow) model. The cash flows are derived from the budget for the next six years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU and GCGUs being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group, if the case. The key assumptions used to determine the recoverable amount for the different CGUs or GCGUs, including a sensitivity analysis, are disclosed and further explained in notes.

Allowance for expected credit losses of trade receivables and long-term receivables for stem cells processing
The Group recognises lifetime expected credit losses (ECL) for trade receivables and long-term receivables for stem cells processing. In the case of trade receivables, the expected credit losses are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In determining adjustments for impairment of receivables, management incorporates forward-looking information, exercises professional judgement and uses estimates and assumptions. Estimation of expected credit risk losses involved forecasting future macroeconomic conditions for the next year, adjusted to the average for 2026-2027 period in terms of three indicators: GDP growth, unemployment rate and inflation rate. More details on the provision matrix can be found in note 7 dedicated to receivables.

In the case of long-term receivables for stem cells processing, the Group recognises an allowance based on the loss rate assigned for the established buckets, which reflect the credit risk characteristics of the stem cells receivables, as the payments are usually due in several years. The allowance represents the Group's best estimate of the losses inherent in the receivables portfolio as of the reporting date. Please see note 3.13.1. and 5.3. for more details.

Provision for litigation
Provisions for litigation are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation (legal or constructive) arising from past events, and a reliable estimate can be made of the obligation.
Management assesses ongoing litigation cases based on the information available at the reporting date, including legal advice and historical outcomes. The provision for litigation is estimated by evaluating the likelihood of unfavourable outcomes and the associated financial impact. Due to the inherent uncertainty in litigation, actual outcomes may differ from the estimates made, potentially resulting in adjustments to the provision in future reporting periods. Please see note 12 for further details.

3.7 Foreign currency and translation

Functional and presentation currency
These consolidated financial statements are presented in Romanian Leu ("RON"), which is the currency of the primary economic environment in which almost all of the Group's companies operate (their "functional currency").

The exchange rates, as announced by the National Bank of Romania, on December 31, 2025 were RON 5.0985 for EUR 1 (December 31, 2024: RON 4.9741 for EUR 1), RON 0.2580 for MDL 1 (December 31, 2024: RON 0.2576 for MDL 1), respectively 1.3250 for HUF 100 (December 31, 2024: RON 1.2106 for HUF 100).

The average exchange rates for the 12-month period 2025 were RON 5.0415 for EUR 1 (12 months 2024: RON 4.9746 for EUR 1), RON 0.2573 for MDL 1 (12-month 2024: RON 0.2584 for MDL 1), respectively RON 1.2681 for HUF 100 (12 months 2024: RON 1.2586 for HUF 100).

Translation of foreign currencies
Transactions in foreign currencies are initially recorded at the respective functional currency exchange rate valid at the time of the transaction. Foreign currency monetary assets and liabilities are translated into the functional currency at the rates of exchange valid at the reporting date. The foreign exchange differences arising from these conversions are recognised as other financial income/expense in the income statement.

Translation of foreign operations
For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at the exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Foreign exchange differences arising from the translation are recognised in comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

3.8 Property, plant and equipment

Property, plant and equipment under the revaluation model
Land and buildings held for use in the supply of services, or for administrative purposes, are stated in the statement of financial position at their fair value, being the revalued amount at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The value of land and buildings owned presented in these consolidated financial statements is based on the valuation reports which were prepared as of December 31, 2025 by independent valuators certified by ANEVAR. The following steps were taken to estimate the market value of the assets: analysis of assets subject to valuation; the evaluation approaches were based on the category of assets analysed, their location, their characteristics, specific market information; and application of appropriate valuation methods for each asset category (i.e. land and buildings) subject to evaluation and estimation of the fair value of the assets analysed at the valuation date, 31 December 2025. The previous revaluation of land and buildings was prepared as of December 31, 2022.

Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.
Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

The Group transfers the revaluation surplus included in equity in respect of an item of property, plant and equipment directly to retained earnings when the asset is derecognised (i.e. retired or disposed of).

Property, plant and equipment using the cost model
Leasehold improvements fall in this category and are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised on a straight-line basis over the estimated useful life. The estimated useful life for this type of asset is usually over the life of the lease, considering any potential contract prolongations.

Installations and equipment are also stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Assets under construction are recorded at cost, less accumulated impairment losses and depreciated once they become available for use.

An item of property, plant and equipment is initially recorded at cost. Cost includes all costs necessary to bring the asset to working condition for its intended use. This includes not only its original purchase price, but also costs of site preparation, delivery and handling, installation, related professional fees for architects and engineers, and the estimated cost of dismantling and removing the asset and restoring the site, if the case.
Proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of the item of property, plant and equipment, but recognised in profit or loss.

An entity evaluates under the recognition principle all its property, plant and equipment costs at the time they are incurred. These costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of it.

A condition of continuing to operate an item of property, plant and equipment may be performing regular major inspections for faults regardless of whether parts of the item are replaced.

Costs with capital repairs are included in the carrying amount of the asset when it is probable that future economic benefits above the initially evaluated standard of performance of the existing asset will be transferred to the Group. Capital repairs are depreciated over the remaining useful period of the respective asset.

When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed.

Expenses for repairs and maintenance are recognized in the profit or loss account when incurred.

In case of replacements, cost includes the cost of replacing part of the plant or equipment when that cost meets the recognition criteria. If an item of property, plant and equipment consists of several components with different estimated useful lives, the individual significant components are depreciated over their individual useful lives.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition, considering the aggregation and materiality criteria. Otherwise, such items are classified as inventory.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives, residual values and depreciation method are reviewed at the end of each year, and the effects of changes in estimates are recorded prospectively.

The following useful lives are used in the calculation of depreciation:

	Years
Buildings	10 – 50 years
Leasehold improvements	Term of the expected lease term or useful life if shorter
Plant and equipment	3 – 15 years
Fixtures and fittings, including spare parts	3 – 15 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

3.9 Intangible assets

Intangible assets acquired separately are measured at initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally generated intangibles (excluding capitalised development costs for IT applications, capitalised costs for website development or capitalised costs related to research and development projects for medical purposes) are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Group's intangible assets are represented by software licenses, concessions, patents and other intangibles which are amortized straight-line over a period of 3 years.
Additionally, the Group has trademarks, customer lists and customers advantages with finite useful lives acquired as part of business combinations that are further presented under Note 5.2, which are also amortised on a straight-line basis.

The Group allocated the following useful lives for:

	Years
Customer lists	10 years
Contract advantages	5 years
Trademarks	definite useful life of 3 to 20 years
Other intangibles	average period of 3 years

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Impairment of non-financial assets
At the end of each reporting period, the Group reviews whether there is an indication that an asset may be impaired.

If any such indication exists, the recoverable amount of the asset is estimated.
Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets that are not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The Group bases its impairment calculation on most recent budgets and forecast calculations. These budgets and forecast calculations cover a period of six years. A long-term growth rate is calculated and applied to project future cash flows after the sixth year.

If the recoverable amount of an asset (or cash-generating unit or group cash-generating units) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit or group cash-generating units) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the asset is previously revalued with the revaluation taken to OCI, in which case the impairment loss is recognized in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.10 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises of all the costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The group applies FIFO ("first in, first out", meaning that oldest items purchased are assumed to be sold or used first) as a costing method.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortized cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash held at banks mainly with maturities of three months or less. For deposits at banks held with a maturity higher than there months, the Group assimilates the amounts also as cash and cash equivalents, due to the nature of the deposits, which are intended to cover short term cash commitments and not investment purposes, being highly liquid and readily convertible in cash, with no significant penalty in the case of early withdrawal.

3.12 Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

The Group has chosen to present grants related to income to be deducted in reporting the related expense.

The Group has elected to present government grants relating to the purchase of property, plant and equipment in the consolidated statement of financial position as deferred income, which is recognised in profit or loss on a systematic and rational basis over the useful life of the asset.

3.13 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.13.1 Financial assets

Initial recognition and classification

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

This classification on initial recognition depends on the Group's business model with regard to the management of financial assets and on the financial asset's contractual cash flows characteristics.

With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price as disclosed in Note 3.19 Revenue from contracts with customers recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

A financial asset is measured at amortized cost if both of the following conditions are met:
- the financial asset is held using a business model that aims to hold financial assets to collect contractual cash flows;
- and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely repayments of principal and interest on the principal outstanding.

The Group has only recognised and subsequently measured financial assets at amortised cost.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. Interest income is recognised in profit or loss.

The Group's financial assets at amortised cost includes mainly the following: trade receivables and other receivables. These assets are short-term in nature, which is why they are recognised at nominal amounts without discounting.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:
- The contractual rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.
When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment
The Group recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

For each risk bucket, an assessed loss rate is applied. These loss rates are determined through an analysis of historical trends, adjusted for current conditions and reasonable and supportable forecasts of future economic conditions. The application of these rates reflects the Group's best estimate of the losses inherent in the receivables portfolio as of the reporting date.
The ECL is updated at each reporting period to reflect changes in the credit risk profile of the receivables.

The Group recognises an impairment gain or loss in profit or loss for all trade receivables with a corresponding adjustment to their carrying amount through a loss allowance account.

Under IFRS 9 default is defined as a situation in which a financial asset is deemed to be in default, typically indicating that the borrower has failed to meet their contractual obligations. The Group considers a fully impairment adjustment for financial assets overdue more than 5 years, where collection actions are no longer performed.

3.13.2 Equity instruments and financial liabilities
Classification as equity or debt
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

a) Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

b) Financial liabilities

Initial recognition and classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The Group's financial liabilities include loans and borrowings including bank overdrafts, other long term debt.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. A contingent consideration classified as a financial liability is subsequently remeasured to fair value with the changes in fair value recognised in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified as financial liabilities at amortised cost. The Group has not designated any financial liability as at fair value through profit or loss.

This is the category most relevant to the Group and it includes loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

3.15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax for the period
Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity. It can also be recognized as other comprehensive income if the underlying transaction or event is recognized in OCI.

3.16 Share capital
Ordinary shares are classified as equity. The Group presents the amount of dividends recognised as distributions to owners during the period in the statement of changes in equity, and the related amount of dividends per share in the notes to the financial statements.

3.17 Treasury shares
Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

3.18 Share premiums
Share premiums are own funds created as a result of the difference between the issue value of the shares and the nominal value of the shares. The Group recorded share premiums as a result of the issue of shares.

3.19 Reserves

Revaluation reserve
The increases in the fair value of land and buildings are recorded against revaluation reserves. Any decreases in the fair value of land and buildings are first deducted from the revaluation reserves and then the difference is recorded through profit and loss accounts. The revaluation is performed with sufficient regularity as to ensure that the Group presents land and buildings at fair value in the consolidated financial statements. The revaluation reserve is transferred to retained earnings upon disposal of assets.

Legal reserve
In accordance with Romanian regulations, the legal reserve represents a statutory reserve required to be set aside from at a company's level net profit. The legal reserve is established to cover potential future liabilities and to strengthen the financial position of a company.
The legal reserve is computed as a specified percentage of net profit, typically 5%, until the reserve reaches 20% of a company's share capital. The legal reserve can only be used to cover losses incurred by the company or to increase share capital, subject to the approval of the company's shareholders. It cannot be distributed as dividends or used for any other purpose unless specified in the national regulations.
For the purposes of consolidated financial statements, the legal reserve is preserved from each subsidiary and it is presented within equity in the statement of financial position, separately from retained earnings. Any changes to the legal reserve are disclosed in the statement of changes in equity, along with an explanation of the nature and reason for the change.

Reserves for share-based remuneration
Starting with 2025, the fair value of the share-based awards at the grant date is recognized as an employee benefit expense (please see Note 3.22) with a corresponding increase in equity within Reserves for share-based remuneration, throughout the vesting period, based on the estimated number of awards expected to vest.

At each vesting date, shares are delivered to employees and the related amount recognised in the Reserves for share-based remuneration is decreased, along with a release on the treasury shares account. Any difference between the cost of the treasury shares and the amount derecognised in Reserves for share-based remuneration at the time of vesting is recorded directly in equity.

3.20 Provisions

Provisions are recognized when the Group has a legal or constructive obligation, as a result of a past event, it is probable that there will be a future outflow of resources in order to settle this obligation and a reliable estimate can be made of the amount of the obligation. Provisions for risks and charges are assessed at the end of each period and adjusted in order to present management's best estimate.
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Liabilities provided for legal matters require judgements regarding projected outcomes and ranges of losses based on historical experience and recommendations of legal counsel. Litigation is however unpredictable and actual costs incurred could differ from those estimated at the reporting date.

Liabilities for unused holidays refer to the entitlement for employees to accumulate vested leave benefits. The Group recognises a liability for compensated absences as it has an obligation to compensate employees for future absences attributable to employees' services already rendered, the obligation relates to rights that accumulate from period to period, it is probable that the amount will be paid and a reliable estimate can be made of the amount of the obligation.

A vesting obligation is where employees are entitled to a cash payment for unused leave entitled upon leaving the entity. The amount of the obligation will therefore be equal to the number of unused leave multiplied by the relevant employee's gross salary at the reporting date.

The obligation is initially recognised during the vesting period based on the best available estimate of the accumulated leave expected to vest. The estimate is revised each period end if subsequent information indicates that the accumulated leave expected to vest differs from previous estimates. On vesting date, the Group revises its estimate to equal the accumulated leave that ultimately vested.

3.21 Revenue from contracts with customers recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group provides health care medical services to corporate and retail customers, in which one performance obligation is a promise to transfer distinct services to the beneficiary. Another part of the business in close relationship with the medical act is the delivery of goods (mainly generic medicines) under contractual conditions.

Group's core activities

The Group's core activities are conducted through six main business lines (clinics, stomatology, hospitals, laboratories, pharmacies and corporate), providing a well-balanced business portfolio that covers all key layers of the private medical services market.

The Group's business and revenue model focuses on the spending power of corporations and private individuals on medical services, while the State's contribution through the National Health Insurance House ("NHIH") represents a complement, not the core revenue of Group's activities. However, the National Health Insurance House is considered to be one major customer that goes across multiple sectors such as: clinics, hospitals, laboratories and pharmacies, and from which the Group receives the consideration based on reaching pre-established ceilings, for the medical services provided to the State's insured patients, which are the end users of the healthcare medical services. The revenue in relation with NHIH is recognised at the end of the month, when the Group has an enforceable right to receive payment for performance completed up to date, as the end user receives and consumes the benefits provided by the Group's performance as the Group performs.

Nature and timing of satisfaction of performance obligations	**Recognition policy**
Revenues from Clinics business line The core of the Group's operations is the network of ambulatory clinics, which offer a wide range of outpatient services covering a broad range of medical specialties, including diagnostic imaging services (provided to clients other than hospital inpatients).	The revenues are recognised at a point in time when the medical services are rendered to the client and the performance obligation is satisfied.
Revenues from Stomatology business line The Group's Dentistry business line offers a full range of services, ranging from medical examinations to surgery, implants or orthodontic services. Stomatology business line is not subject to NHIH allocations. All of the sales are fee for service ("FFS") based.	The revenues are recognised at a point in time when the medical services are rendered to the client and the performance obligation is satisfied.

Revenues from Laboratories business line This business line provides the following range of services: biochemistry, pathological anatomy (cytology and histology), molecular biology and genetics, hematology, immunology, microbiology and toxicology. Sampling points are locations where the Group collects blood and other samples from patients. The Laboratories business line sources the bulk of its revenue from FFS clients.	The revenues are recognised at a point in time when the medical services are rendered to the client and the performance obligation is satisfied.
Revenues from Hospitals business line Hospital services provided to patients comprise of medical services, accommodation, meals, use of medical equipment, pharmacy stock and nursing services, with multiple performance obligations being provided. The revenues are predominantly obtained from FFS patients. The Group does not expect to have any contracts where the period between the transfer of the promised service to the patient and the payment by the patient exceeds one year. Consequently, the Group does not adjust any of the transaction price for time value of money.	The revenues are recognised at a point in time, when the consumption of the benefits for the services provided is accomplished.
Revenues from Pharmacies business line This business line refers to the delivery of goods (mainly generic medicines) to customers. Revenues are captured from the existing patient traffic in the Group's clinics and hospitals, as the pharmacies are located in the Group's own units, where the space, authorization and sales option allow and also in the proximity of these units.	The revenues are recognized at a point in time, when the goods are transferred to the clients.
Revenues from Corporate business line This business line offers HPPs (health prevention packages) on a subscription basis, generally to corporate clients, as part of the benefit packages for their employees, as follows: - Mandatory occupational health services, which mainly include the provision of annual employee check-ups and more specific services depending on the client's industry. - More general, "prevention oriented" health plans, providing expanded access to general practitioners and specialists in the Group's clinics and as well as specified laboratory tests and imaging services.	The revenue is recognized over time, on a stand-ready approach. The Group has a stand-ready obligation to corporate clients to provide healthcare services on demand and the customer benefits evenly throughout the contract period. Thus, the Group uses a straight-line measure of progress over the period during which the customer has the right to such services.
Revenues from Others business line 1. Revenues obtained as a result of distribution of generic medicine from large producers to a list of pharmacies 2. Revenues obtained through wellness services (subscription basis) 3. Revenues obtained as a result of the processing and storage of cell deposits Stem Cells Bank SA (SCB), subsidiary of Group Medlife, has as core business the collection, preparation, cryopreservation and storage of stem cells from umbilical cord blood and tissue. The processing and storage of cell deposits are separate performance obligations of a multi-component business. 4. Other types of revenues	Distribution: when the goods are transferred to the pharmacies, at a point in time. Wellness: over time, on a stand-ready approach, similar to corporate revenues. Stem cells: The Group generates revenues from processing and storing the cord blood and tissue units collected from new-borns upon childbirth. The Group has identified two performance obligations: 1)Processing of stem cells – satisfied at a point in time (at child birth); 2)Storage of stem cells – satisfied over a period of time (i.e. 20 years).

Presence of a financing component
In case of prepayment for several years, the Group receives one single prepayment for both the processing and cell deposit storage from the customer. In view of the nature of the service provided, the payment terms offered by the Group are determined for reasons other than the provision of financing to the customer. Therefore, the Group considers that these advance payments do not include a financing component.

The Group also offers annual payment contracts with a minimum contract term of several years. Transaction price for this contract is determined taking into account all payments to be made by the customer during the contract period. In these cases, the payment received from the customer at the beginning of the contract is below the production cost of the service obligations "processing and storage of a cell deposit". Both processing and storage of cell deposits are separate performance obligations of a multi-component business. Therefore, management has assessed and concluded that there is no financing component for these contracts, based on the fact that the storage of the cells is equally important as the cells itself for the patients and the deferred payment may serve as a guarantee that the Group will be ready to provide the storage service until the end of the contracts. Another reason is that the difference between the

promised consideration and the cash selling price is aimed to cover for the higher administration costs incurred with such contracts and does not take into account the changing value of money in time.

The difference between the promised consideration and the cash selling price is a business strategy to account for the costs of managing more complex transactions. This difference is mainly to recover the administrative costs incurred on the time lifespan of the contract.

Principal versus agent considerations
The Group has concluded that they are the principal in all of their revenue arrangements since they are the primary obligor in all the revenue arrangements, have pricing latitude and are also exposed to inventory, in the case of medicines sold.

Contract assets and liabilities
A contract asset (accrued income) is the right to consideration in exchange for services transferred to the customer. Where the Group transfers services to a customer over time before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration to date under the contract. Contract assets are presented within trade and other receivables (Note 7) on the Group Consolidated Statement of Financial Position and are expected to be realized in less than one year.

A contract liability (deferred income) is the obligation to transfer services to a customer for which the Group has received consideration from the customer. Where the customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. Contract liabilities are presented within trade and other payables (Note 10) on the Consolidated Statement of Financial Position.

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less. The majority of contracts are under one year. In case of processing and storage contracts for stem cells, for which payments are due over several years, management has concluded that there is no financing component within these contracts – please refer to paragraphs discussed at Presence of a financing component.

Contracts are for periods of less than one year or are billed based on services incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

3.22 Employee benefits

Employee benefits
The Group, in the normal course of business, makes payments to the Romanian State on behalf of its employees for pensions, health care and unemployment cover. The cost of these payments is charged to the statement of comprehensive income in the same period as the related salary cost.

All employees of the Group are members of the Romanian State pension plan. The Group does not operate any other pension scheme.

Bonus schemes
The Group recognizes a liability and an expense where a contractual obligation exists for short-term incentives. The amounts payable to employees in respect of the short-term incentive schemes are determined based on annual business performance targets.

Equity-settled share-based payments
Starting with 2025, the Group applies IFRS 2 (Share-based Payment) to transactions in which the award and settlement are share-based. In accordance with this standard, Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. The fair value was determined using appropriate valuation models, taking into account the specific characteristics of the plan, relevant market data at the grant date and certain assumptions made at Group level.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to Reserves for share-based remuneration (please see Note 3.19).

3.23 Fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Certain accounting policies of the Group and information presentation criteria require determination of the fair value both for the assets and the liabilities of the Group. In determining the fair value of assets and liabilities, the Group uses as

much as possible observable market values. Fair values are classified on various levels based on inputs used in valuation techniques, as follows:

- Level 1: (unadjusted) quoted prices on active markets for identical assets and liabilities
- Level 2: inputs, other than the prices included in level 1, which are observable for assets and liabilities, either directly (e.g.: prices) or indirectly (e.g.: derived from prices)
- Level 3: inputs for evaluation of assets and liabilities which are not based on observable market data.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Further information about the assumptions made in measuring fair values is included in the Note 4, Note 5.1 and Note 5.2.

3.24 Segment information

The Group has identified six core business lines, which comprise the following major categories: clinics, stomatology, hospitals, laboratories, pharmacies and corporate, with the main business activity being the provision of healthcare services, as a result of completion of the medical act.

According to IFRS 8, an operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
(c) for which discrete financial information is available.

In determining the Group's operating segments, management has primarily considered the financial information included in internal reports that are reviewed and used by the Board of Directors (who together are the chief operating decision maker of Medlife Group) in assessing performance and determining the allocation of resources.
Considering the integrated healthcare services offering, there is no distinction in control by whether the services (as defined in Romanian social insurance legislation) are attributed to the inpatient or the outpatient sector. All expenses and income which are directly or indirectly related to patients are included under the operating segments.

As a result of the same structural framework conditions, the operations of the Group with the healthcare services provided are characterised by a similar risk and rewards profile whose economic environment is largely regulated by legislation. The characteristics of healthcare services are around physical facilities staffed by professionals in direct contact with patients. The payment for these services are either direct payment by the patient or indirect via an employer paid benefit/insurance and in much smaller degree by public health funds. In all these cases the beneficiary of the service is always the individual patient.
Because of the specific nature of the source of funds that finance the provision of medical services to the end users (i.e. patients) the correct allocation of profitability for each business line is limited considering that they are complementary in servicing the patient: one would originate whereas the other might render the medical services. In this respect, the business lines could not operate on their own, proving, once again, their highly interdependent nature.

The following operating business lines were aggregated **to one reporting segment, being the provision of Healthcare Services**, since they exhibit similar economic characteristics: clinics, stomatology, hospitals, laboratories and corporate, including the processing and storage services for stem cells.

The Group generates most of all revenues for all areas of activity in Romania, with only a small share of revenues (below 1%) being generated from operations held in Hungary. Starting with 2025, a new acquisition has been completed in Moldova, the share of revenues being below 1% if compared with total results. Although there are locations in different countries, the executive management assumes that the resulting differences in the billing logic do not entail any material different opportunities and risks and these therefore do not conflict with aggregating the healthcare services into one single segment.
The other business lines (i.e. sale of pharmaceutical products or distribution of generic medicine, wellness services), which are further included in the business line named "pharmacies" or "other" (i.e. distribution of medicine, wellness services), either do not meet the definition of an operating segment or do not exceed, individually and in total, the quantitative thresholds set in IFRS 8 in order to qualify as a reportable segment.

3.25 IFRS 16 - Leases

Given its large and complex operations, the Group leases a significant number of assets including buildings and land for operational activities, medical equipment and vehicles. Contractual periods differ, depending on the lease type and the leased asset, the driver being the strategic point of view the Group has into further managing its asset portfolio.

The management has evaluated its options for early termination as well as the existence of the Group's single triggered decision to extend the lease term, on a case-by-case basis. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or to exercise a termination option, are considered.

The Group leases various buildings, equipment, vehicles and other assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The Group's assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group - except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Payments associated with short-term leases and all leases of low-value assets (including small equipment such as printers, PC's and others) are recognised on a straight-line basis as an expense in profit or loss. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments to be made over the lease term:
- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option;
- Amounts expected to be paid under residual value guarantees.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the lessee as a starting point and adjusts the rate to reflect changes in financing conditions since the third-party financing was received.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets are measured at cost comprising the following:
- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives;
- Any initial direct costs; and
- Restoration costs.

After initial recognition, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.
Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

The following useful lives on average are used in the calculation of depreciation for right-of-use assets, determined based on the lease term of the contractual agreements:

	Years
Buildings	6 – 10 years
Medical equipment	3 – 4 years
Vehicles	3 – 5 years

(all amounts are expressed in RON, unless otherwise specified)

3.26 Basic and Diluted Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share takes into account the potential dilutive effects of share based payment schemes that could potentially be converted into ordinary shares.

4. GOODWILL

The Group records goodwill resulting from business combinations. Please see below the goodwill recorded as of December 31, 2025 and December 31, 2024 (carrying amount):

Group Cash Generating Unit (GCGUs)	31 December 2025	31 December 2024
Romanian Healthcare Network	432,349,626	420,706,431
Hungarian Healthcare Network	19,544,433	19,544,433
Moldova Healthcare Network	2,463,785	-
Romanian Pharmacy Network	16,912,523	16,912,523
Generale Medicine Wholesale Distribution	10,763,546	10,763,546
Wellness	22,604,609	22,604,609
Online Platform	1,503,438	1,503,438
TOTAL	**506,141,959**	**492,034,979**

Movement in Goodwill

	31 December 2025	31 December 2024
Balance at the beginning of the year	492,034,979	445,395,617
Goodwill recognized during the year	14,106,980	46,639,362
TOTAL	**506,141,959**	**492,034,979**

During the year ended December 31, 2025, the Group obtained control over various companies and recorded an additional goodwill of RON 14,106,980 (December 31, 2024: RON 46,639,362). For further details on business combinations acquired during the year ended December 31, 2025 and the year ended December 31, 2024, please see Note 27. Accumulated impairment over Goodwill amounts to RON 313,506 as of 31 December 2025 (RON 313,506 as of 31 December 2024).

For the purpose of impairment testing, goodwill is allocated to the Group of Cash generating units (GCGU) which is expected to benefit from the synergies of the business combination. Management conducts impairment tests on an annual basis or whenever there is an indication of impairment to assess the recoverability of the carrying value of goodwill, at each individual level of the GCGU. Assets with indefinite useful life within a GCGU or CGU are annually tested as part of the impairment testing model. No impaired goodwill was identified in this context.

Starting with 2024, there are 6 GCGUs included in the valuation process, as the design and management of the Group's operations is no longer determined based on the legal structure of the group, instead being influenced by the operational structure and the way in which management monitors its investment efforts and expected financial results. In 2025, there was added another GCGU, following the acquisition of All Clinic company in Republic of Moldova, reaching a total number of 7 GCGUs. The network approach by country is more relevant and aligned with the current Group's strategy, which aims to continue its expansion in Central and South-Eastern Europe, and that will create consistency in identification of GCGUs as the Group will penetrate other EU countries in the near future.

The recoverable amount is based on fair value less cost of disposal (FVLCOD) of the underlying assets of the GCGU. The discounted future Cash flows of the GCGUs, using the DCF (discounted cash-flow) method, are determined on the basis of the approved business plans for 2026 that forecast financial position and results of operations and take into account historical values and estimated performance. Cash flows are estimated in RON, having a nominal value. The results are then extrapolated for 5 additional years using bottom-up, 5-year planning that reflects the future development of the GCGUs under current conditions.

After the six-year time period, a perpetuity value is calculated using a conservative Group-wide growth rate. To determine the present value of future Cash flows, a discount rate based on the weighted average cost of capital (WACC) is applied. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation. There are a number of key sensitive judgements made in determining the inputs into these models which include:

- Revenue growth considered for the next years and also the perpetual growth rate
- The discount rates applied to the projected future cash flows – please see below a summary on the key sensitive metrics used in the discounted cash-flow model, for both years:

(all amounts are expressed in RON, unless otherwise specified)

GCGU / CGU	Discount rate used in 2025	Discount rate used in 2024
Romanian Healthcare Network	10.5%	11.6%
Hungarian Healthcare Network	12.3%	13.4%
Online Platform	23.0%	24.0%
Generale Medicine Wholesale Distribution	10.9%	10.6%
Romanian Pharmacy Network	11.0%	8.6%
Wellness	12.6%	12.2%
Moldova Healthcare Network	20.4%	Not applicable

GCGU / CGU	Sales annual growth (for current projections)	Sales annual growth (for prior year projections)
Romanian Healthcare Network	blended average rate 9%	blended average rate 11%
Hungarian Healthcare Network	blended average rate 12%	blended average rate 12%
Online Platform	blended average rate 20%	blended average rate 20%
Generale Medicine Wholesale Distribution	blended average rate 10%	blended average rate 10%
Romanian Pharmacy Network	blended average rate 9%	blended average rate 8%
Wellness	blended average rate 24%	blended average rate 46%
Moldova Healthcare Network	blended average rate 20%	Not applicable

GCGU / CGU	Long-term growth rate used in 2025	Long-term growth rate used in 2024
Applicable for all	2.5%	2.5%

The estimated future Cash flows are derived from the business plans approved by the responsible bodies. The assumptions underlying the main planning parameters take into account not only past experience and aspects arising from the operating business. The operating margin results from the application of the assumed planning assumptions. For the subsequent years, an average of the operating margins is assumed (continuation planning period), adding a slight increase. Cash flows beyond the six-year period are extrapolated using an estimated growth rate, which is consistent with forecasts specific to the industry in which each GCGU operates. The discount rate is an after-tax rate that reflects current market assessments of the time value of money and the specific risks of every GCGU. WACC (weighted average cost of capital) is used to estimate the rate.

The discount rate is independent of the Group's capital structure and how the Group financed the purchase of the asset, because future cash flows expected to arise from an asset do not depend on how the Group financed the purchase of that asset. In the case of GCGUs subject to the impairment test, the discount rates considered are higher than the average industry level data in emerging European countries to take into account country risk, currency risk, and GCGU's size. On average, depending on the particularities of each CGU, the discount rate varies between 10.5% and 23%, depending on the specific risks associated with each GCGU.
Estimates of future cash flow management are based on the most recent 6-year forecasts (2026-2031).
The estimation of the terminal value was made based on the hypothesis of continuing the activity. The final value is given by the capitalization of the available cash flow with the capitalization rate which has in view a perpetual increase in close relation with the GDP growth and inflation forecast for Romania.

The analysis of the results shows that for the GCGUs subject to the impairment test, the related recoverable amount is higher than their net book value and, therefore, there will be no impairment of goodwill recorded. At an aggregated level for all 7 GCGUs under analysis, the recoverable amount is RON 6.2 bn, while the net book value is RON 2.0 bn.

The sensitivity analysis was performed according to the changes of the main factors: WACC discount rate plus 2 percent, operating margin decrease with 20 percent and perpetual growth rate decrease with 1 percent. In performing the sensitivity analysis, except for the online platform cash generating unit, an increase in WACC of 2 percent would give rise to a reduction in the Group-wide surplus with 20%, namely a decrease from RON 6.2 bn to RON 4.9 bn in the recoverable amount compared to a net book value of RON 2.0 bn. Except for the online platform cash generating unit, a decrease in the operating margin of 20 percent would give rise to a reduction in the Group-wide surplus with 26%, namely a decrease from RON 6.2 bn to RON 4.6 bn in the recoverable amount compared to a net book value of RON 2.0 bn. Except for the online platform cash generating unit, a decrease with 1 percentage point in the perpetual growth rate would give rise to a reduction in the Group-wide surplus with 8%, namely a decrease from RON 6.2 bn to RON 5.7 bn in the recoverable amount compared to a net book value of RON 2.0 bn.

For the online platform cash generating unit, an increase in WACC of 2 percent would give rise to a goodwill impairment of 0.4 million RON, a decrease in the operating margin of 20 percent would give rise to a goodwill impairment of 1 million RON and a decrease of 1 percentage point in the perpetual growth rate would not give rise to a goodwill impairment.

There is no reasonable scenario in which a change in the key assumptions above will potentially drive the recoverable amount to equal the carrying amount of the GCGU or CGU as of 31 December 2025, considering the sufficient existing headroom between them.

Management is confident that the business plan used in goodwill impairment testing followed a conservative approach, while negative developments in the analysed parameters are unlikely to materialize. The associated business plans have incorporated an important CAPEX component, in line with the investment development plans and strategy of the Group, moving forward. No goodwill impairment is expected in the future.

Management has engaged external specialists to assist with the impairment analysis, the entire valuation process being performed by certified ANEVAR valuators. There were no changes in the valuation techniques compared to prior year, except for the increase in the number of the GCGUs considered in testing.

(all amounts are expressed in RON, unless otherwise specified)

5. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

5.1 PROPERTY, PLANT AND EQUIPMENT

As of December 31, 2025 the Group's property, plant and equipment structure was the following.
For details regarding additions from business combinations – please see further details in Note 27.

	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	Total fixed assets
31 December 2024	**426,848,829**	**326,195,708**	**1,142,408,436**	**73,177,240**	**1,968,630,211**
Additions	7,563,627	3,459,610	181,922,521	80,516,066	273,461,824
Transfers	48,487,259	67,307,738	36,797,666	(153,486,072)	(893,409)
Disposals	(790,255)	(1,115,916)	(10,401,637)	(259,774)	(12,567,582)
Additions from business combinations	-	137,678	5,594,317	-	5,731,995
Reclassifications during the year	40,315,918	(44,653,473)	(60,995,421)	42,958,171	(22,374,805)
Disposals from business combinations	-	-	-	-	-
Revaluation impact (accumulated depreciation and impairment eliminated against cost)	(32,186,278)	-	-	-	(32,186,278)
Revaluation impact recognised in OCI	61,769,414	-	-	-	61,769,414
Impairment arising from revaluation, impact recognised in the consolidated statement of profit and loss	(171,340)	-	-	-	(171,340)
Gain from revaluation recognized in profit or loss	634,653	-	-	-	634,653
31 December 2025	**552,471,828**	**351,331,344**	**1,295,325,883**	**42,905,629**	**2,242,034,682**

	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	Total fixed assets
Depreciation					
31 December 2024	**13,150,188**	**105,357,098**	**546,153,073**	**-**	**664,660,359**
Charge of the year	10,462,540	21,869,544	122,333,379	-	154,665,463
Disposals	-	(203,060)	11,132,414	-	10,929,354
Additions from business combinations	-	-	-	-	-
Reclassifications during the year	8,573,551	(8,573,551)	(22,374,806)	-	(22,374,805)
Disposals from business combinations	-	-	-	-	-
Revaluation	(32,186,278)	-	-	-	(32,186,278)
31 December 2025	**-**	**118,450,031**	**657,244,060**	**-**	**775,694,092**
Net Book Value					
31 December 2024	**413,698,641**	**220,838,609**	**596,255,363**	**73,177,240**	**1,303,969,852**
31 December 2025	**552,471,828**	**232,881,312**	**638,081,822**	**42,905,629**	**1,466,340,590**

As at 31 December 2025, upon revaluation, in order to avoid the selective revaluation of asset categories, the Group reclassified property, plant and equipment between categories with a gross carrying amount of RON 22,374,805 and accumulated depreciation of RON 22,374,805, resulting in no impact on the net carrying amount.
During the financial year ended 31 December 2025, the Group has transferred intangible assets under development in the amount of RON 893,409 (2024: RON 1,041,893) to intangible assets – please refer to Note 5.2.

(all amounts are expressed in RON, unless otherwise specified)

As of December 31, 2024 the Group's property, plant and equipment structure was the following:

	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	Total fixed assets
31 December 2023	**418,211,423**	**200,068,988**	**886,977,515**	**125,261,031**	**1,630,518,957**
	-	-	-	-	-
Additions	195,605	2,999,025	192,852,540	108,744,691	304,791,861
Transfers	6,361,503	113,065,149	40,353,977	(160,822,522)	(1,041,893)
Disposals	-	(9,225)	(7,862,323)	(5,961)	(7,877,509)
Additions from business combinations	2,080,298	10,071,771	30,086,727	-	42,238,796
31 December 2024	**426,848,829**	**326,195,708**	**1,142,408,436**	**73,177,240**	**1,968,630,212**

	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	Total fixed assets
Depreciation					
31 December 2023	**7,891,882**	**85,383,505**	**436,228,456**	**-**	**529,503,843**
Charge of the year	5,258,306	19,973,593	115,152,158	-	140,384,057
Disposals	-	-	(5,605,412)	-	(5,605,412)
Impairment (as a result of merger projects)	-	-	377,870	-	377,870
31 December 2024	**13,150,188**	**105,357,098**	**546,153,073**	**-**	**664,660,359**
Net Book Value					
31 December 2023	**410,319,541**	**114,685,483**	**450,749,059**	**125,261,031**	**1,101,015,114**
31 December 2024	**413,698,641**	**220,838,609**	**596,255,363**	**73,177,240**	**1,303,969,853**

5.1. Land and buildings carried at fair value

The value of land and buildings of the Group are stated at their revalued amounts, being the fair value at the date of revaluation, which is 31 December 2025 (the previous revaluation process took place as of 31 December 2022).
The fair value measurements of the Group's freehold land and buildings as at 31 December 2025 were performed by independent valuers not related to the Group. They are certified by ANEVAR and have appropriate qualifications and experience in the fair value measurement of properties in the relevant locations.

The total revaluation difference was in amount of RON 61,769,415. The difference was recorded in the revaluation reserve in the amount of RON 51,851,108 as a surplus (please refer to Note 17) and on the Non-controlling interest side in the amount of RON 9,918,307 (please refer to Note 18).
In the consolidated statement of profit or loss the overall positive impact registered is of RON 463,313, which comprise a gain of RON 634,653 and an impairment expense of RON 171,340, as a result of the revaluation. Please also refer to Note 26 for impact recognised for Deferred Tax.

The fair value was determined by reference to market-based evidence, using the market comparable method, the cost and income approach. The valuation techniques are selected by the independent appraiser, in accordance with International Valuation Standards.
The fair value is overall determined to be Level 3 in the fair value measurement hierarchy. The inputs used in the valuation were:
- Level 2 inputs based on the IFRS 13 classification (e.g. current rents, prices per sqm, yields, occupancy rates, etc. publicly available on the market for similar assets and other market-corroborated inputs), or
- Level 3 (unobservable) inputs through which Group develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, rather than direct inputs from the market, with orderly adjustments performed by the appraiser in order to determine fair value.

The fair value of the free land was determined based on the market price comparison method. This method was considered appropriate due to the nature of the assets valued, which have an active market. An active market is a market that simultaneously meets the following three conditions: goods traded on the market are homogeneous, buyers and sellers can be found at any time on the market and prices are available to the public.
In estimating the value, it was taken into account the physical condition indicated by the company's representatives and found at the time of the field valuation of the assets, as well as the information available in relation to the analysed assets and data extracted from the market analysis. Assets were compared with other similar assets and adjustments were made accordingly to indicate the current value.

Key input used in the revaluation of Land is the price per square meter (EUR/sqm), which reflects observable market data derived from recent transactions of comparable properties. This input is determined by analysing sales of similar assets in comparable locations and adjusting for differences such as size, location, condition, accessibility, and permitted use. Depending on the location, the price per sqm used in the valuation are as follows: for Arad, ranging from EUR 109 to EUR 190 / sqm; for Bacau, ranging from EUR 265 to EUR 526 / sqm; for Baia Mare, ranging from EUR 247 to EUR 463 / sqm; for Brasov, ranging from EUR 200 to EUR 880 / sqm; for Bucharest, ranging from EUR 654 to EUR 1,905 / sqm; for Constanta, ranging from EUR 543 to EUR 777 / sqm; for Craiova, ranging from EUR 196 to EUR 836 / sqm; for Galati, ranging from EUR 335 to EUR 403 / sqm; for Iasi, ranging from EUR 290 to EUR 349 / sqm.

The cost approach was chosen exclusively for properties that, although directly generating profit, have an unique nature, special destination and physical characteristics. The assets which were valued with cost approach refers mostly to hospital buildings. The lack of hospital facilities on the market makes the Income or Market approach very difficult to apply due to absence of market comparable data or, if any exist, they are extremely limited and insignificant in terms of equipment or involved surface areas.
The cost method reflects the costs which a market participant would incur to construct or acquire assets of similar utility and age, adjusted for obsolescence and other relevant forms of depreciation.

The income approach is based on the idea that the real estate being appraised can be a revenue-generating investment. The rental value is obtained through direct comparisons from the appraiser's database or information obtained from real estate agencies, using the average rental values identified on the market, or, if the situation of the building requires it, the closest rental value can be selected by considering the similarity of comparable properties.
Direct capitalization is the method used to transform the estimated level of net income into a property valuation indicator. Considering the fact that certain buildings with clinical functionality can be converted into office spaces, the appraiser used the income approach. Thus, comparable rental and sale market data for relatively similar buildings were extracted to generate both an average rent and an average capitalization rate, which in turn led to a value for the analysed property. The reported rents are of a contractual nature, therefore, the facilities granted by the owner (such as free rent months or the owner's contribution to the space arrangement) are not taken into account.

For the sensitivity analysis two important elements of the income approach were analysed, namely:
- Losses due to vacancy
- Capitalization rate

Losses due to vacancy represent the loss of potential gross income in case the property that is intended to be rented cannot be rented, rent is not paid or the tenant is changed. In general, it represents the ratio between demand and supply in the real estate market at a given time. A percentage of +2.1% was used, which represents a period of one week that is added to the vacancy loss considered valid for each property, taking into account both the type of building and the size of the city. As a result, the value of the properties appraised through income approach decreased overall with RON 1,992,577.

(all amounts are expressed in RON, unless otherwise specified)

The capitalization rate (yield) expresses the ratio between the expected net operating income for one year and the total value of the property obtained from the transaction. This does not express the performance of the investment, but it can be an indicator of the real estate market performance at a given time. The capitalization rate may fluctuate depending on the income forecast and the change in the value of the property. For the sensitivity analysis a percentage of +0.25% of the capitalization rate identified by the market was added, resulting in a potential negative variation in rental values. The overall effect led to a decrease of RON 2,438,976 in the fair value of the buildings.
In order to provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the three levels prescribed under the international financial reporting standards. An explanation of each level is provided in note 3.23.
Details of the Group's freehold Land and Buildings according to the last valuation reports prepared in 2025 and information about the fair value hierarchy as at the end of the reporting period are as follows:

31 December 2025	**Level 1**	**Level 2**	**Level 3**
Land and Buildings	-	-	552,471,828

31 December 2024	**Level 1**	**Level 2**	**Level 3**
Land and Buildings	-	-	415,917,021

*The amount of RON 415,917,021 is in accordance with the Valuation Reports prepared as of 31 December 2022.

If the Land and Buildings of the Group had been valued at historical cost, their book value would have been the one presented below:

Carrying amount without revaluation	**31 December 2025**	**31 December 2024**
Land	71,548,419	64,745,957
Buildings	250,139,035	163,990,029
TOTAL	**321,687,454**	**228,735,986**

Part of the items related to Land and Buildings are included in the group cash-generating units established for the Group and annually tested for impairment as part of the goodwill impairment testing, please refer to Note 4 for more details. For the carrying value of property, plant and equipment pledged to secure the borrowings please refer to Note 14.

(all amounts are expressed in RON, unless otherwise specified)

5.2. Intangible assets

As of December 31, 2025 the Group's intangible assets' structure was the following:

	Customer List	*Contract Advantages*	*Trademarks*	*Other intangibles*	*Total*
1 January 2025	**17,697,120**	**21,466,035**	**62,401,347**	**145,340,829**	**246,905,331**
Additions	-	-	-	24,368,731	24,368,731
Transfers	-	-	-	893,410	893,410
Disposals	-	-	-	(3,397,054)	(3,397,054)
Additions from business combinations	-	-	919,000	4,500	923,500
31 December 2025	**17,697,120**	**21,466,035**	**63,320,347**	**167,210,416**	**269,693,918**

	Customer List	*Contract Advantages*	*Trademarks*	*Other intangibles*	*Total*
Depreciation					
1 January 2025	**7,492,040**	**9,443,398**	**6,700,614**	**102,294,460**	**125,930,511**
Charge of the year	1,463,878	3,054,832	4,175,725	19,911,872	28,606,306
Disposals	-	-	-	(455,084)	(455,084)
Impairment (as a result of merger projects)	-	-	68,833	-	68,833
31 December 2025	**8,955,917**	**12,498,230**	**10,945,172**	**121,751,247**	**154,150,567**
Net Book Value					
1 January 2025	**10,205,080**	**12,022,637**	**55,700,733**	**43,046,369**	**120,974,820**
31 December 2025	**8,741,203**	**8,967,805**	**52,375,175**	**45,459,169**	**115,543,352**

As of December 31, 2024 the Group's intangible assets' structure was the following:

	Customer List	*Contract Advantages*	*Trademarks*	*Other intangibles*	*Total*
1 January 2024	**17,697,120**	**21,466,035**	**58,127,347**	**124,892,279**	**222,182,781**
Additions	-	-	-	19,418,608	19,418,608
Transfers	-	-	-	1,041,893	1,041,893
Disposals		-	-	(296,637)	(296,637)
Additions from business combinations	-	-	4,274,000	284,686	4,558,686
31 December 2024	**17,697,120**	**21,466,035**	**62,401,347**	**145,340,829**	**246,905,331**

	Customer List	*Contract Advantages*	*Trademarks*	*Other intangibles*	*Total*
Depreciation					
1 January 2024	**6,028,162**	**6,388,566**	**2,643,753**	**88,216,288**	**103,276,769**
Charge of the year	1,463,878	3,054,832	3,785,861	14,136,223	22,440,793
Disposals	-	-	-	(58,051)	(58,051)
Impairment (as a result of merger projects)	-	-	271,000	-	271,000
31 December 2024	**7,492,040**	**9,443,398**	**6,700,614**	**102,294,460**	**125,930,511**
Net Book Value					
1 January 2024	**11,668,958**	**15,077,469**	**55,483,594**	**36,675,991**	**118,906,012**
31 December 2024	**10,205,080**	**12,022,637**	**55,700,733**	**43,046,369**	**120,974,820**

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). The fair value of intangible assets was assessed by an independent appraiser at acquisition date and refer to Customer lists, Contract advantages and Trademarks.

Trademarks

At initial recognition, trademarks resulted from business combinations, used to identify and distinguish the medical services had an indefinite useful life.

Starting with 01 January 2024, the Group has decided to allocate a definite useful life for trademarks, which pertain to a specific GCGU or CGU. An important trigger for this change includes the large number of business acquisitions, specific to Medlife Group in the recent years, followed by the most recent merger projects between subsidiaries, implemented

(all amounts are expressed in RON, unless otherwise specified)

during 2023 and 2024. As a result, the legal changes indicated that trademarks that are allocated to a specific GCGU or CGU, are more probable to generate net cash flows for a limited period of time, in accordance with the management's current strategy and expectations over the brand's use, as the medical activity will be associated and integrated over time under the Group's name.

Therefore, the trademarks are now being amortized over a 3 to 20-year period, on a straight-line basis, starting from January 1, 2024 and they are part of the GGCUs which are annually tested for impairment.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

As a result of the recently merger projects on Dent Estet Clinic SA and Genesys Medical Clinic SRL during 2024 and transfer of activity from IT Repair SRL to Med Life S.A. during 2025, the Group considers that some of the trademarks will no longer be in use. Therefore, as of 31 December 2025, the Group recognised an impairment for these trademarks covering their value, in the amount of RON 68,833 (31 December 2024: RON 271,000). The total accumulated impairment for these trademarks is RON 2,983,586 as of 31 December 2025 (31 December 2024: RON 2,914,753).

Customer lists and contracts advantages

The Group allocates a definite useful life for both customer lists and contract advantages. Please see note 3.9.
Both recognised Customer lists and Contract advantages arise only upon business combination. Customer lists refer to rights and agreements with customers and represent the ongoing customer relationship, while Contract advantages refer to contracts in place with the National Health Insurance House, which embed a guaranteed reimbursement or payment for the healthcare services provided to patients, thus creating a competitive advantage.

These intangibles are amortised on a straight-line basis.

Other intangibles

All the other intangibles, including those acquired through business combinations, are amortised on a straight-line basis, over a period of 3 years and include software licenses, concessions, patents and other intangibles, website development and development of internal IT applications

During 2025, the costs incurred with website development that met the capitalization criteria of IAS 38 Intangible assets were capitalised as a new intangible asset, in the amount of RON 2,091,978, which is amortized over a period of 3 years.

The capitalized cost for other intangible assets, such as development of internal IT applications, along with other accounting applications, was recognized during the year, in the amount of RON 10,169,643. Also, the capitalised costs during the year for research and development projects for medical purposes are in a total amount of RON 3,676,492.

5.3. OTHER FINANCIAL ASSETS

Carrying amount	**December 31, 2025**	**December 31, 2024**
Long-term receivables for stem cells processing	86,164,855	58,514,233
Allowance for doubtful long-term receivables	(5,056,779)	(4,849,262)
Other receivables	697,242	473,440
TOTAL	**81,805,318**	**54,138,411**

Trade receivables of stem cells processing with payments due in more than one year are presented under Other financial assets.
An allowance for expected credit losses was determined for customers, based on the loss rate assigned for the established buckets, which reflect the credit risk characteristics of the stem cells receivables.

6. INVENTORIES

	December 31, 2025	**31 December 2024**
Consumable	101,860,246	97,599,117
Materials in the form of inventory items	2,637,205	2,030,709
Merchandise	48,400,262	49,168,392
TOTAL	**152,897,713**	**148,798,218**

During 2025, an amount of RON 420,853 was recognised as an expense for inventories carried at net realisable value (2024: RON 0).

(all amounts are expressed in RON, unless otherwise specified)

7.1. TRADE RECEIVABLES

	December 31, 2025	December 31, 2024
Trade receivables	357,914,375	370,686,338
Allowance for expected credit losses on receivables	(56,151,673)	(46,579,478)
TOTAL	**301,762,702**	**324,106,860**

Credit risk for Medlife Group primarily relates to trade receivables in the ordinary course of business. Customers' compliance with agreed credit terms is monitored regularly and closely. Where payments are delayed by customers, steps are taken to restrict access to services or contracts are terminated.

Certain customers, which are public or quasi-public institutions, or subsidiaries of the Company, may have longer payment terms and services may continue to be delivered when amounts are overdue, based on management's assessment of a lower credit risk. The average maturity period for the services offered is 90 days. There is no interest on commercial receivables within the first 90 days from the date of issue of the invoice, which also represents the average contractual term.

The carrying amount of financial assets, measured at amortised cost, represents the maximum credit exposure. There are no credit enhancements or collateral held that would offset such amounts. As the customer base of the Group is very diverse, there are generally no large concentrations of credit risk.

Based on the assessed credit risk of the customers, Group`s trade receivables are split between individually assessed and collectively assessed.

December 31, 2025	**Individually assessed**	**Collectively assessed**	**Total**
Trade Receivables	160,278,745	197,635,630	357,914,375
Allowance for expected credit losses on receivables	(9,521,999)	(46,629,674)	(56,151,673)
Total	**150,756,746**	**151,005,956**	**301,762,702**

December 31, 2024	**Individually assessed**	**Collectively assessed**	**Total**
Trade Receivables	209,261,248	161,425,090	370,686,338
Allowance for expected credit losses on receivables	(10,453,526)	(36,125,952)	(46,579,478)
Total	**198,807,722**	**125,299,138**	**324,106,860**

Individually assessed items include mainly trade receivables from National Health Insurance House for which due to management`s assessment an allowance for expected credit losses of RON 7,425,082 was recognised in the financial statements in the previous years, as a result of court proceedings initiated at that time. As of 31 December 2025 and 31 December 2024, the amounts, both the trade receivables and the 100% allowance are still in closing balance.

The allowance for expected credit losses for individually assessed trade receivables include the value adjustment aforementioned in relation to the Health Insurance House as well as an allowance for certain customers for which management has assessed as having a default rate of 100% and computed an allowance for expected credit losses for the entire amount.

The Group applies the simplified approach for providing for expected credit losses (ECL) prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables which are collectively analysed. A provision matrix was prepared based on historical observed default rates over the expected life of trade receivables resulting in an ECL reflecting the predictive risk by type of customer.

Changes in economic conditions were also considered as part of forward-looking information. Estimating adjustments for expected credit losses involves forecasting future macroeconomic conditions.
The incorporation of forward-looking elements reflects the Groups expectations. GDP (Gross Domestic Product) growth, unemployment rate and inflation rate were used as macroeconomic factors considered statistically relevant for the analysed trade receivables, with average forecasts for 2026-2027 included in the model.

The allowance for expected credit losses collectively assessed based on the Group's provision matrix was determined as follows:

(all amounts are expressed in RON, unless otherwise specified)

December 31, 2025	Current	<30 days	< 90 days	< 180 days	< 365 days	> 365 days	Total
Expected credit loss rate	0.21%	1.76%	5.04%	16.10%	30.26%	61.65%	
Customers	102,886,237	7,244,239	5,188,132	4,628,958	8,315,356	69,372,706	197,635,630
Allowance for doubtful receivables	(214,002)	(127,586)	(261,510)	(745,124)	(2,516,024)	(42,765,428)	(46,629,674)
TOTAL	**102,672,236**	**7,116,653**	**4,926,622**	**3,883,834**	**5,799,332**	**26,607,278**	**151,005,956**

December 31, 2024	Current	<30 days	< 90 days	<180 days	<365 days	>365 days	Total
Expected credit loss rate	0.20%	3.67%	6.01%	15.00%	25.78%	56.58%	
Trade Receivables	83,207,376	2,974,098	4,354,775	5,903,151	6,706,248	58,279,442	161,425,090
Allowance for expected credit losses on receivables	(163,411)	(109,288)	(261,880)	(885,288)	(1,728,994)	(32,977,091)	(36,125,952)
TOTAL	**83,043,966**	**2,864,810**	**4,092,895**	**5,017,863**	**4,977,254**	**25,302,350**	**125,299,138**

For Trade Receivables in ">365 days" category, the expected credit loss rate of 61.65% represents an average of expected credit loss rates, depending on the aging of the receivables. Expected credit loss rates range from 55.5% for receivables from 2024 to 2020. For all receivables older than 2020, an allowance for doubtful receivables was computed for the entire amount as they have a default rate of 100% and are no longer included in the collection process.

A reconciliation of the allowance for expected credit losses is presented as follows:

	2025	2024
As at 1 January	**46,579,478**	**39,698,737**
Business combinations	165,998	550,452
Recognised in income statement	7,840,786	6,330,289
Reclassification from provisions	1,565,410	-
As at 31 December	**56,151,673**	**46,579,478**

For the carrying value of trade receivables pledged to secure the borrowings please refer to Note 14.

7.2. OTHER ASSETS

	31 december 2025	31 december 2024
Guarantees paid	13,823,217	12,702,011
Advances paid	21,876,428	21,010,358
Other subsidies received	7,404,735	5,211,846
Other sundry debtors	3,074,922	6,061,454
Other assets	8,557,351	10,894,580
TOTAL	**54,736,653**	**55,880,250**

As at 31 December 2025, other assets amounted to RON 54,736,653 compared to RON 55,880,250 as at 31 December 2024, representing a decrease of RON 1,143,597 year-on-year. The movement is mainly attributable to:

- an increase in advances paid of RON 866,070, reflecting higher prepayments and advances granted in the normal course of operations;
- an increase in guarantees paid of RON 1,121,206;
- an increase in other subsidies receivable of RON 2,192,889, mainly related to government support programs recognized during the year;
- partially offset by a decrease in other sundry debtors of RON 2,986,533; and
- a decrease in other assets of RON 2,337,229 compared with the prior year.

8. CASH AND BANKS

CASH AND BANKS

	December 31, 2025	31 December 2024
Cash in bank	172,083,438	108,385,767
Cash in hand	2,965,100	2,737,542
Cash equivalents	1,129,463	1,684,914
TOTAL	**176,178,001**	**112,808,224**

For the carrying value of the current accounts that are pledged in order to secure the borrowings please refer to Note 14. This pledge represents a security interest that becomes enforceable only in the event of default. The Group retains full access to and control over these accounts in the normal course of business.

9. PREPAYMENTS

As of December 31, 2025 the Group has prepayments in amount of RON 17,313,081 (RON 17,311,896 as of December 31, 2024). The prepayments balance as of December 31, 2025 and December 31, 2024 consists mainly of deferred commissions for financing related to the Syndicated loan for undrawn facilities and other amounts such as insurance policies for professionals and tangible assets.

(all amounts are expressed in RON, unless otherwise specified)

10. TRADE AND OTHER PAYABLES

	December 31, 2025	31 December 2024
Suppliers	392,414,525	411,692,407
Fixed assets suppliers	104,910,057	154,421,059
Advances paid by customers (contract liabilities)	9,726,357	5,438,865
TOTAL	**507,050,939**	**571,552,330**

The balance of the suppliers consist of payables related to the acquisition of consumables, materials and commodities. Fixed assets suppliers consists mainly of payables related to the acquisition of medical equipment.

11. OTHER SHORT TERM LIABILITIES

	31 December 2025	31 December 2024
Salary and related liabilities (including contributions)	45,079,521	36,422,953
Government grants	3,900,053	3,525,315
Deferred revenue	70,598,372	60,415,505
Other sundry creditors	5,789,946	9,108,780
Other liabilities	17,164,673	8,685,242
TOTAL	**142,532,566**	**118,157,796**

Other short term liabilities include the current portion of government grants of RON 3,900,053 (RON 3,525,315 as of December 31, 2024), while the non-current portion is presented as Other long term debt. Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants. Also, other liabilities include a deferred revenue in the amount of RON 70,598,372 (RON 60,415,505 as of December 31, 2024), which refers mainly to future income in relation with the National Health Programme, in which the Group is involved.
Other liabilities have increased from RON 8,685,242 to RON 17,164,673 as a result of classification of future payments related to business combinations on short term, starting with 31.12.2025.

12. PROVISIONS

	December 31, 2025	December 31, 2024
Carrying amount at start of year	17,409,666	11,116,544
Acquired through business combination	-	1,565,410
Charged/(credited) to profit or loss		
- additional provisions recognised	-	6,555,270
- unused amounts reversed	(3,205,524)	-
Amounts used during the year	(1,918,818)	(1,827,558)
Carrying amount at end of year	**12,285,324**	**17,409,666**

Provision booked as of 31 December 2025 (and 31 December 2024) mainly refers to provision related to untaken holidays, which covers around 91% from total balance.

(all amounts are expressed in RON, unless otherwise specified)

13. LEASES

Leasing facilities refer to buildings, vehicles and medical equipment.

Right-of-use asset	**Buildings**	**Vehicles**	**Equipment**	**Total**
Cost				
At 31 December 2024	**525,223,406**	**28,910,353**	**147,483,773**	**701,617,532**
Additions	93,869,906	14,057,518	8,446,312	**116,373,735**
Business combinations	2,151,760	252,168	-	**2,403,928**
Decrease	(10,855,790)	(889,602)	(30,850,152)	**(42,595,543)**
Value at 31 December 2025	**610,389,281**	**42,330,437**	**125,079,933**	**777,799,651**
Accumulated depreciation				
At 31 December 2024	**246,423,539**	**21,068,680**	**47,834,979**	**315,327,198**
Charge for the year	79,770,523	5,984,134	16,697,572	**102,452,229**
Decrease	(7,011,700)	(608,719)	(20,566,686)	**(28,187,105)**
Value at 31 December 2025	**319,182,362**	**26,444,095**	**43,965,865**	**389,592,322**
Carrying amount				
At 31 December 2024	**278,799,867**	**7,841,673**	**99,648,794**	**386,290,334**
At 31 December 2025	**291,206,920**	**15,886,342**	**81,114,068**	**388,207,329**

	December 31, 2025	**December 31, 2024**
Non-current - Lease Liabilities	298,868,179	286,025,347
Current portion – Lease Liabilities	112,051,538	108,288,263
TOTAL	**410,919,717**	**394,313,610**

Amounts recognized in the Statement of Profit or Loss

	12 months ended December 31, 2025	**12 months ended December 31, 2024**
Depreciation charge of right-of-use assets	102,452,229	91,119,000
Interest expense on lease liabilities for rent contracts that fall under IFRS 16 (included in finance cost)	20,083,588	19,708,123
PL (Gain) from contracts terminated earlier	101,057	362,019
Foreign exchange loss for rent contracts that fall under IFRS 16 in relation with Lease Liabilities	(8,598,662)	(227,113)
Expense relating to short-term leases (included in rent expenses)	1,260,603	1,266,597
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in rent expenses)	3,158,531	2,232,972
Other categories	17,645,997	12,982,228

The total cash outflow for leases amount to RON 125,274,604 (2024: RON 117,074,597) for contracts that fall under IFRS 16 (which refer to rental of buildings, vehicles and equipment), out of which RON 105,191,016 (2024: RON 97,366,474) refer to payments of principal and RON 20,083,588 (2024: RON 19,708,123) refer to payments of interest. For leases relating to short-term contracts or low value assets, the total cash outflow amount to RON 4,419,134 (2024: RON 3,499,569).

Extension and termination options
Extension and termination options are only included in the lease term when the Group has the right to unilaterally extend/terminate and judges that this right is reasonably certain to be exercised. For some of the Group's lease agreements with extension options, these criteria are considered met and the extension option is therefore included in the lease term, in cases in which the prolongation for the contract is automated for one additional year.
Some of the real estate leases within the Group contain termination options with a purpose to achieve operational flexibility. During 2025, management is not reasonably certain to exercise the termination options embedded in IFRS 16 lease contracts.

(all amounts are expressed in RON, unless otherwise specified)

14. NET FINANCIAL DEBT

	December 31, 2025	31 decembrie 2024
Current portion of interest bearing loans and borrowings (including overdraft)	110,694,077	156,493,957
Non - current portion of interest bearing loans and borrowings	1,409,725,830	1,135,073,779
TOTAL	**1,520,419,907**	**1,291,567,736**

	December 31, 2025	December 31, 2024
Cash and cash equivalents	176,178,001	112,808,224
Interest bearing loans and borrowings (including overdraft)	1,520,419,907	1,291,567,736
Lease liabilities	410,919,717	394,313,610
Net debt	**1,755,161,623**	**1,573,073,122**
Current debt		
Overdraft	38,485,631	29,076,066
Current portion of lease liability	112,051,538	108,288,263
Current portion of interest bearing loans and borrowings	72,208,446	127,417,891
Long Term Debt		
Lease liability	298,868,179	286,025,347
Long term interest bearing loans and borrowings	1,409,725,830	1,135,073,779

14.1 Credit facilities – Syndicated loan

On 25th of March 2025, the Group increased its existing facilities by EUR 50 million and by an additional "Accordion Facility" of up to EUR 25 million, by signing an addendum to the existing syndicated loan agreement.

The 5 Lenders that currently compose the bank syndicate are as follows: BANCA COMERCIALA ROMANA S.A. (Coordinator, Lead Arranger, Documentation Agent, Facility and Guarantee Agent and Financier), Raiffeisen Bank, BRD Groupe Societe Generale, Banca Transilvania, ING Bank N.V. Amsterdam Branch Bucharest (Lead Arrangers and Financiers).

The Group has contracted three credit facilities from its financing banks, namely Facility A, Facility B, and Facility C. Facility A and Facility C are designated to finance capital expenditures as well as mergers and acquisitions, while Facility B is contracted to support the Group's working capital needs. Facility A represents the initial facility granted, which has been fully utilized with no remaining available limit, whereas Facility C remains active and continues to provide available limit for future capital investments and acquisitions.
The balance of the syndicated loan as of December 31st 2025 is RON 1,456,219,346 (RON 1,129,646,367 as of December 31st 2024) and is summarised in the table below:

Credit Facility	Interest Rate	Currency	Year of Maturity	Total Loans as of December 31st, 2025	Total Loans as of December 31st, 2024
Facility A	EURIBOR 6M + relevant margin	EUR	2031	1,127,875,209	982,149,692
Accordion Facility	EURIBOR 6M + relevant margin	EUR	2031	100,571,904	-
Facility B	EURIBOR 6M + relevant margin	EUR	2027	72,949,306	51,771,641
Facility B	ROBOR 6M + relevant margin	RON	2027	2,990,000	-
Facility C	EURIBOR 6M + relevant margin	EUR	2031	151,832,927	73,558,630
Facility D	EURIBOR 6M + relevant margin	EUR	2031	-	22,166,404
Total				1,456,219,346	1,129,646,367

Facility B includes a roll-over option.
As at December 31, 2025 none of the Group members was in breach of any applicable term of the financing facilities.

(all amounts are expressed in RON, unless otherwise specified)

14.2 Credit facilities – Outside syndicated loan

In addition to the syndicated loan agreement, the Group has also contracted several bilateral credit agreements with various financial institutions. These bilateral facilities are presented separately from the syndicated structure and are summarized in the table below:

Company	Interest Rate	Currency	BANK	Year of Maturity	Total Loans as of December 31st, 2025	Total Loans as of December 31st, 2024
Clinica Polisano SRL	ROBOR 3M + relevant margin	RON	CEC Bank	2033	11,676,571	13,287,133
Ghencea Medical Center SA (absorbed by SC Anima Specialty Medical Service SRL)	ROBOR 6M + relevant margin	RON	Banca Transilvania	2028	255,350	343,515
Dent Estet Ploiesti SRL	ROBOR 3M + relevant margin	RON	Banca Transilvania	2028	1,118,651	1,513,502
Pro Life Clinics	ROBOR 3M + relevant margin	RON	Banca Transilvania	2031	2,310,000	-
Centrul de Diagnostic si Tratament Provita	EURIBOR 3M + relevant margin	EUR	BCR Leasing IFN S.A.	2030	769,954	-
Provita Pain Clinic SA	EURIBOR 3M + relevant margin	EUR	BCR Leasing IFN S.A.	2028	344,810	438,743
Euromedica Hospital SA	ROBOR 6M + relevant margin	RON	Banca Transilvania	2028	886,089	1,194,288
Centrul Medical Antares SRL	ROBOR 3M + relevant margin	RON	Libra Bank	2027	123,999	729,389
Micromedica Roman SRL	ROBOR 6M + relevant margin	RON	Banca Transilvania	2025	-	210,263
Centrul Medical Micromedica SRL	ROBOR 6M + relevant margin	RON	Banca Transilvania	2025	-	95,419
Pro Life Clinics SRL	ROBOR 3M + relevant margin	RON	Banca Transilvania	2031	-	1,075,695
Medical City Blue SRL	EURIBOR 3M + relevant margin	EUR	Banca Transilvania	2029	-	282,514
Centrul de Diagnostic si Tratament Provita	EURIBOR 6M + relevant margin	EUR	Banca Transilvania	2032	-	103,743,252
Policlinica Union SRL	ROBOR 3M + relevant margin	RON	Libra Bank	2026	-	59,655
Onco Team Diagnostic SRL	ROBOR 6M + relevant margin	RON	Banca Transilvania	2025	-	64,262
Personal Genetics SRL	fixed interest rate + relevant margin	RON	Banca Transilvania	*overdraft*	-	689,371
Provita Pain Clinic SA	ROBOR 6M + relevant margin	RON	Banca Transilvania	*overdraft*	209,236	-
Laborator Cuza Voda SRL	ROBOR 6M + relevant margin	RON	Banca Transilvania	*overdraft*	1,463,395	-
SC Med Life SA	EURIBOR 1M + relevant margin	EUR	Garanti Bank	*overdraft*	10,197,000	9,948,200
SC Prima Medical SRL	fixed interest rate + relevant margin	RON	Unicredit Bank	*overdraft*	800,000	800,000
Clinica Polisano SRL	ROBOR 3M + relevant margin	RON	CEC Bank	*overdraft*	18,967,396	8,491,416
Pharmachem Distributie SA	ROBOR 3M + relevant margin	RON	Banca Transilvania	*overdraft*	5,551,428	5,775,645
Routine Med SA	ROBOR 3M + relevant margin	RON	Banca Transilvania	*overdraft*	1,297,176	-
Medical City Blue SRL	ROBOR 3M + relevant margin	RON	Banca Transilvania	*overdraft*	-	500,000
Centrul de Diagnostic si Tratament Provita	ROBOR 3M + relevant margin	RON	Banca Transilvania	*overdraft*	-	2,871,435
Total					**55,971,055**	**152,113,696**

Centrul de Diagnostic si Tratament Provita SRL has refinanced its former exposure into the syndicated loan.

The amounts presented above in the tables as total borrowings represent the principal portion of the loans. As of 31 December 2025, the outstanding interest balance amounts to 8,229,506 (compared to 9,807,673 as of 31 December 2024).

14.3 Guarantees

In relation to loans (both in Syndicated Loan & Other Loans), the Group has pledged the following:

Loan Type	Property, plant & Equipment	Current accounts	Inventories	Anuual contractual values	Receivables	Shares
Syndicated Loan	662,248,468	60,626,490	-	239,723,093	-	non - monetary
Other loans	26,492,097	525,910	25,437,268	-	9,463,134	non - monetary
Total	**688,740,565**	**61,152,400**	**25,437,268**	**239,723,093**	**9,463,134**	non-monetary

(all amounts are expressed in RON, unless otherwise specified)

14.4 Reconciliation of cash and non-cash movements of loans payable and lease liabilities

	Liabilities from financing activities			
	Borrowings	**Leases**	**Overdraft**	**Total**
Financial Debt as at 31 December 2024	**1,262,491,670**	**394,313,610**	**29,076,066**	**1,685,881,346**
Cash movements				
Cash flows net related to principal	184,210,786	(105,191,016)	7,927,830	**86,947,600**
Payments of interest	(60,692,084)	(20,083,588)	(1,921,540)	**(82,697,212)**
Non-cash movements				
New leases	-	111,907,136	-	**111,907,136**
Foreign exchange adjustments	33,844,558	9,987,136	248,800	**44,080,494**
Business combinations	-	2,318,325	2,011,910	**4,330,235**
Other changes (non-cash movements)	62,079,346	17,668,114	1,142,565	**80,890,025**
Financial Debt as at 31 December 2025	**1,481,934,276**	**410,919,717**	**38,485,631**	**1,931,339,624**

**Other changes (non-cash movement) contains the accrued interest expense.*

15. SHARE CAPITAL AND SHARE PREMIUM

The issued share capital in nominal terms consists of 531,481,968 ordinary shares as at 31 December 2025 (31 December 2024: 531,481,968) with a nominal value of RON 0.25 per share. The holders of ordinary shares are entitled to one vote per share in the shareholders' meetings of the Company, except for the treasury shares bought back by the Company as part of the share buy-back program. All shares rank equally and confer equal rights to the net assets of the Company, except for treasury shares.

	31 December 2025	**31 December 2024**
Share capital	132,870,492	132,870,492
Share premium	(308,155)	(308,155)
TOTAL	**132,562,337**	**132,562,337**

During 2025 the Group reacquired own equity instruments (treasury shares) in a total amount of RON 1,466,325 (2024: RON 1,078,836) and released no shares (2024: RON 0). No amount was recognised for the difference between the fair value and cost of own shares, since no change was made. The total number of shares held by the entity is 665,983 as of 31 December 2025 (427,042 as of 31 December 2024).
The remaining treasury shares in balance will be further used by the Group to transfer free of charge the shares to its employees under the share-based payment programme (please see Notes 3.19 and 3.22) or released to minority shareholders from subsidiaries in exchange for their shares.

(all amounts are expressed in RON, unless otherwise specified)

16. EARNINGS PER SHARE

Basic and diluted earnings per share

	December 31, 2025	December 31, 2024
Total basic and diluted earnings per share attributable to the ordinary equity holders of the company	0.021	0.047

Earnings used in calculating earnings per share:

	December 31, 2025	December 31, 2024
Profit attributable to the ordinary equity holders of the company used in calculating basic and diluted earnings per share	11,266,998	25,035,987

Weighted average number of shares used as the denominator

	December 31, 2025	December 31, 2024
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	530,873,195	531,120,466

17. RESERVES

The structure of the Group's reserves is presented below:

	December 31, 2025	December 31, 2024
Legal reserves (i)	12,283,702	10,940,219
Other reserves (ii)	102,857,333	71,793,388
Reserves for share-based remuneration (iii)	1,596,057	-
Revaluation reserves (iv)	192,847,292	149,497,049
TOTAL	**309,584,384**	**232,230,657**

(i), (ii), (iii) Legal reserves and other reserves	December 31, 2025	December 31, 2024
Balance at beginning of the year	**82,733,607**	**63,063,166**
Movements	34,003,485	19,670,441
Balance at the end of the year	**116,737,092**	**82,733,607**

(iv) Revaluation reserves	December 31, 2025	December 31, 2024
Balance at beginning of the year	**149,497,049**	**149,497,049**
Transfer for the sale of property, plant and equipment	(204,688)	-
Increase due to revaluation	51,851,108	-
Deferred tax related to revaluation	(8,296,177)	-
Balance at the end of the year	**192,847,292**	**149,497,049**

Other reserves have increased in 2025 with 31,063,945 RON (2024: RON 18,918,860) in order to re-invest the profits earned during the year and to benefit from fiscal facilities granted according to the national legislation. These reserves are not distributable as dividends, cannot be used to cover accumulated losses and become taxable upon distribution or other use that is not compliant with the legal provisions established in Romania. These reserves must be maintained as long as the benefit conditions apply.

The revaluation reserve arises on the revaluation of land and buildings. During 2025, the Group engaged an independent appraiser to determine the fair value for land and buildings as of 31 December 2025. The total revaluation difference

(all amounts are expressed in RON, unless otherwise specified)

that was recorded as a revaluation surplus in the statement of changes in equity is in the amount of RON 51,851,108. When revalued land or buildings are sold or otherwise disposed of, the portion of the properties revaluation reserve that relates to that asset, and that is effectively realized, is transferred directly to general reserves. During 2025, the amount of RON 204,688 was transferred to accumulated results due to the sale of the building owned by Medlife Ocupational.

The effects of taxes on income, if any, resulting from the revaluation of property, plant and equipment are recognized and disclosed in accordance with IAS 12 Income Taxes (please see Note 26).

Starting with 2025, the fair value of the share-based awards at the grant date is recognized as an employee benefit expense with a corresponding increase in equity within Reserves for share-based remuneration, in a total amount of RON 1,596,057.

18. NON-CONTROLLING INTEREST

	December 31, 2025	December 31, 2024
Balance at beginning of year	**72,018,957**	**78,900,725**
Share of loss for the year	(15,117,651)	(8,283,560)
Gain/(loss) on revaluation of properties	9,918,307	-
Deferred tax related to revaluation reserve	(1,586,929)	-
Non-controlling interests arising on the acquisition of subsidiaries	1,132,887	3,065,788
Subsequent acquisition of NCI	(749,081)	197,920
Conversion of loan to Equity	9,417,710	-
Distribution of dividends	(182,370)	(1,861,916)
TOTAL	**74,851,830**	**72,018,957**

Changes in ownership interest without loss of control

Conversion of loan to equity for Sweat Concept
In August 2025, the Company increased its participation with 14.95% in Sweat Concept One SRL, reaching a stake of 74.954%. The loans held by the minority shareholder have also been converted into share capital, in a total amount of RON 9,417,710.

Increased participation in Brol Medical Center S.A.
In March 2025, Medici's SRL completed the acquisition of additional 30% shares in Brol Medical Center S.A. company, reaching a 86% stake. In 2023, Medici's SRL acquired a majority stake of 56% in Brol Medical Center S.A.

Increased participation in IT Repair SRL
In April 2025, Policlinica de Diagnostic Rapid SA completed the acquisition of additional 40% shares in IT Repair SRL company, reaching a 100% stake. In 2022, Policlinica de Diagnostic Rapid SA acquired a majority stake of 60% in IT Repair SRL.

Increased participation in RMC companies
In April 2025, the Company increased its participation with 11.55% shares in RMC Hungary, reaching a stake of 100%. RMC has been part of Medlife System since 2019, when representatives announced the acquisition of 51% of its shares.

Increased participation in Super Age
In October 2025, Centrul de Diagnostic si Tratament Provita increased its participation with 24% shares in Super Age, reaching a stake of 75%.

As a result of the acquisition of the additional 30% of the issued shares in Brol Medical Center S.A., an additional 40% of the issued shares in IT Repair SRL , an additional 24% in Super Age and acquired additional 11.55% in shares in RMC Hungary, for a total consideration of RON 4,354,801 made in cash.

Immediately prior to the purchase, the carrying amount of the existing non-controlling interest in Group was 749,081 RON. The Group recognised a decrease in non-controlling interests of 749,081 RON and a decrease in equity attributable to owners of the Group of 3,663,707 RON. The total amount paid recognized in the statement of cash-flows during 2025 is of RON 5,420,579, which comprise the total payments made for the acquisition of additional NCI during 2025 in the amount of RON 3,663,707 and the total payments made for the deferred payment for additional NCI acquired in the prior years in the amount of RON 1,756,873.

The effect on the equity attributable to the owners of Group during the year is summarised as follows:

(all amounts are expressed in RON, unless otherwise specified)

	December 31, 2025	December 31, 2024
Carrying amount of non-controlling interests acquired	749,081	(197,920)
Consideration paid to non-controlling interests	(3,663,707)	(371,815)
Consideration to be paid to non-controlling interests	(691,094)	(6,052,940)
Consideration as a result of release of own shares	-	-
Excess of consideration paid recognised in the transactions with non-controlling interests reserve within equity	(3,605,720)	(6,622,675)

There is no material individually Non-controlling interest when assessed at an individual level.
Please refer to Note 1 Description of the business where a list with all subsidiaries in the Group is provided, with details on the name of the subsidiary, the principal place of business and the proportion of ownership interests held in those subsidiaries.

19. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers consists mainly of medical services revenues, including revenues from corporate prevention packages, as well as outpatient services, day and inpatient hospital services and laboratory services. Please see breakdown below on each business line.

Business Line	12 months 2025 Sales	% of Total Sales 2025	12 months 2024 Sales	% of Total Sales 2024	Variation 2025/2024
Clinics	1,184,308,228	37.3%	1,022,354,056	37.6%	15.8%
Stomatology	122,214,708	3.9%	125,518,088	4.6%	-2.6%
Hospitals	883,256,613	27.8%	661,486,735	24.4%	33.5%
Laboratories	352,036,726	11.1%	295,352,374	10.9%	19.2%
Corporate	306,922,059	9.7%	296,968,035	10.9%	3.4%
Pharmacies	78,400,432	2.5%	69,239,459	2.5%	13.2%
Others	246,379,977	7.8%	244,655,964	9.0%	0.7%
TOTAL SALES	**3,173,518,743**	**100%**	**2,715,574,711**	**100%**	**17%**

The Group has only one reportable segment, the Healthcare segment, for which the total revenues disaggregated into categories by timing of revenue comprise services transferred at a point in time, in a total amount of RON 2,576,508,861 (12 months 2024: RON 2,127,708,089) and services transferred over time, in a total amount of RON 306,922,059 (12 months 2024: RON 296,968,035).
On the Other category, the Group obtains revenues from goods transferred at a point in time mainly from Pharmacies and Others business lines, through the Group's distribution line.

The Group has around 34% of its sales during 2025 (32% during 2024) deriving from the treatment of NHIH insured patients.

The revenues of the Group are generated on the Romanian market, below 1.2% being generated from other geographical locations (Hungary and Moldova). The entire amount included in contract liabilities at the beginning of the year (as per Note 10) was recorded as revenue in 2025.

20. OTHER OPERATING INCOME

	12 months 2025	12 months 2024
Other operating revenues	9,763,308	7,055,929
Income from operating grants	3,242,692	1,794,334
TOTAL	**13,006,000**	**8,850,263**

(all amounts are expressed in RON, unless otherwise specified)

21. THIRD PARTY EXPENSES

	12 months 2025	12 months 2024
Medical services	799,513,581	676,842,843
Consulting services	9,651,189	8,795,923
Cleaning and laundry	22,008,400	17,781,753
Legal services	7,903,414	6,742,569
Other services	2,452,974	1,090,115
Waste collection and sanitation	8,055,905	6,343,519
Security and safety	6,425,707	4,675,825
IT services	7,098,746	6,409,744
Logistics and telecommunications services	3,614,498	5,699,139
Accreditations and authorizations	2,958,073	2,062,506
Storage and archiving services	1,115,480	797,750
Others	34,303,457	28,380,803
TOTAL	**905,101,423**	**765,622,489**

Around 88% of total Third party expenses incurred during 2025 and 2024 refer to collaboration contracts concluded with doctors. These contracts primarily cover medical services provided by independent practitioners (including consultations, investigations and surgical procedures), who operate under collaboration arrangements rather than employment agreements. The related costs are largely variable in nature and directly linked to the volume and complexity of medical services delivered, reflecting the Group's operational model and its flexibility in managing medical staff capacity.

The amounts included in the "Others" category represent Third party expenses cumulated from all Group entities, that cannot be further itemised and they represent 4% out of the total Third party expenses (2024: around 4%).

22. OTHER OPERATING EXPENSES

	12 months 2025	12 months 2024
Utilities	41,810,529	34,988,497
Repairs maintenance	28,330,113	22,419,581
Rent	22,065,131	16,481,797
Insurance premiums	7,037,609	6,982,497
Promotion expense	56,862,084	47,269,456
Communications	6,920,119	6,584,857
Other administration and operating expenses	31,129,019	27,348,695
TOTAL	**194,154,604**	**162,075,380**

On the Other administration and operating expenses it is included an amount of RON 9,271,231 (2024: RON 6,960,206) related to other (fiscal) taxes for the state budget, an amount of RON 8,082,029 (2024: RON 4,511,144) related to transportation and travel expenses, the remaining amounts representing other operating expenses incurred by the Group.

23. MANAGEMENT AND STAFF PERSONNEL EXPENSES

A. The structure of Group personnel is described below:

	December 31, 2025	December 31, 2024
Management	232	234
Staff	7,574	7,159
Total	**7,806**	**7,393**

The short-term benefits paid by the Group, by type of personnel are described below:

	December 31, 2025	December 31, 2024
Management	72,211,668	73,821,887
Staff	718,190,921	595,641,457
Total	**790,402,589**	**669,463,344**

For key management personnel expenses, please refer to Note 25 (b).

(all amounts are expressed in RON, unless otherwise specified)

B. Equity-settled share-based payments

Stock Option Plan

During the 10 October 2024 OGSM, the Company's shareholders approved the Remuneration Policy, which establishes the framework for a long-term incentive plan for the executive management based on the grant of shares free of charge. The plan is implemented by the Board of Directors, with the support of an independent Big4 consultant with relevant expertise in this area, who has benchmarked similar companies in Romania and the region, and is designed to align management's interests with those of shareholders by rewarding long-term performance.
Under the plan, the executive managers, including the CEO, are entitled to receive a number of shares subject to the fulfillment of service and performance-related vesting conditions. The vesting period is four years, with vesting occurring both annually, in equal tranches of 25%, and cumulatively at the end of the full vesting period. The plan is based on key long-term performance indicators reflecting the collective contribution of executive management.

At the same time, the executive management identified key people within the organization, who, through their strategic role and contribution to the Group's development, were included, starting with the financial year 2025, in a dedicated SOP program. This program mirrors the principles and structure of the SOP applicable to the executive management, with the objective of boosting performance and strengthening retention among critical resources for the organization. In their case, the key performance indicators have been established and approved by the Executive Board, in line with the Group's strategic objectives and the specific responsibilities of each role. The structure of these indicators is aligned with that used for the executive management, aiming to ensure a coherent and fair framework for evaluating performance within the organization.

The total number of shares calculated to be granted under the 2025 – 2029 Stock Option Plans is of up to 2,004,763 shares, which represents 0.3772% of the share capital of the parent company and represent the total outstanding number of instruments at the end of the year. During the reporting period, there were no instruments exercised, expired, or forfeited. The shares will be allocated to the SOP Beneficiaries (the executive management and the key people designated by the executive management), subject to the fulfillment of service and performance-related vesting conditions over the four-year vesting period.

The share-based payment expense is recognized at the fair value of the shares at the grant date and amounts to RON 1,596,057 for the year ended 2025 (2024: 0 RON). This represents an accrual based on the estimated number of awards expected to vest and the portion of the vesting period elapsed to date. This amount does not represent a confirmed entitlement for the employees and executives participating in the program. Final vesting is conditional upon both continued employment and the actual achievement of performance conditions assessed at the end of the performance period. Accordingly, the amount ultimately recognized may differ from the accrual recorded in the current year.

The Group has applied a Monte Carlo simulation model to determine the fair value of the share-based payment plan, through explicit simulations of the Company's share price over a four-year period. The Monte Carlo simulation incorporates parameters calibrated based on historical data analysed from the previous five years.

Valuation technique	
Method of analysis	Monte Carlo simulation
Number of simulations	50,000
Significant input data	
Grant Date	30 April 2025
Share price at Grant Date	6.22
Weighted average share price	7.06
Weighted average exercise price	not applicable
Expected life of the plan	4 years
Risk-free interest rate	4.81%
Expected dividend yield (based on past performance)	0%

Total expense recorded	
for the period 30 April 2025 - 31 December 2025	1,596,057

Please also refer to Note 25b) on key management personnel compensation.

24. NET FINANCIAL RESULT

	12 months 2025	**12 months 2024**
Finance cost	(89,071,895)	(95,576,053)
Bank commissions	(7,544,521)	(7,054,935)
Interest income	2,293,240	2,175,920
Other income	132,058	462,070
(Loss)/Gain from foreign exchange rate impact	(45,665,966)	(1,346,241)
FINANCIAL NET PROFIT/(LOSS)	**(139,857,083)**	**(101,339,240)**

(all amounts are expressed in RON, unless otherwise specified)

25. RELATED PARTIES

(a) Main shareholders

As of December 31, 2025, the shareholders' structure of Med Life S.A. is as presented below:

	Number of shares	%
Cristescu Mihaela Gabriela	74,642,760	14.04%
NN Privately administered Pensions Fund	70,356,940	13.24%
Marcu Mihail	66,944,828	12.60%
Marcu Nicolae	51,981,600	9.78%
AZT Viitorul Tău (Allianz Tiriac) privately administered Pensions Fund	46,219,200	8.70%
Metropolitan Life privately administered Pensions Fund	41,860,925	7.88%
International Finance Corporation (IFC)	24,110,400	4.54%
Other Legal Persons	132,295,686	24.89%
Med Life S.A.	665,983	0.13%
Other Individuals	22,403,646	4.22%
Total	**531,481,968**	**100.00%**

As of December 31, 2024, the shareholders' structure of Med Life S.A. was as presented below:

	Number of shares	%
Cristescu Mihaela Gabriela	74,642,760	14.04%
Marcu Mihail	72,944,828	13.72%
Marcu Nicolae	54,631,600	10.28%
NN Privately administered Pensions Fund	70,356,940	13.24%
AZT Viitorul Tău (Allianz Tiriac) privately administered Pensions Fund	46,219,200	8.70%
Metropolitan Life privately administered Pensions Fund	34,763,991	6.54%
International Finance Corporation (IFC)	24,110,400	4.54%
Other Legal Persons	125,066,423	23.53%
Med Life S.A.	427,042	0.08%
Other Individuals	28,318,784	5.33%
Total	**531,481,968**	**100.00%**

Please refer to Note 15 and Note 16.

(b) Executive Committee and Board of Directors' compensation - key management personnel expenses

Compensations granted to the members of the Executive Committee, which are considered key management personnel, were as follows:

	12 months 2025	12 months 2024
Executive Committee	7,560,472	8,179,674
out of which:		
Short term employee benefits	**6,528,552**	**8,179,674**
Remuneration	5,041,228	7,959,806
Benefits	226,485	219,868
Short-term incentive	1,260,839	-
Share based payment	**1,031,920**	**-**
Long-term incentive (share based payments)	1,031,920	-

Executive Committee compensation includes the payments made to members of the top management under their mandate contracts concluded with the Company for a period of four years, as well as the accruals for the short-term incentive (STI) and long-term incentive (LTI) components, calculated in accordance with the provisions of the Company's Remuneration Policy.

Stock Awards Subject to Performance Conditions
Share based payment arrangements
The Group operates a long term incentive plan ("LTIP") under which selected employees and executives are granted equity settled stock awards.
During the year, the Group granted stock awards (please refer to note 23 for the total number of shares granted) that vest subject to the achievement of specified performance conditions.

Performance conditions
The stock awards vest over a four-year performance period, with vesting occurring both annually, in equal tranches of 25%, and cumulatively at the end of the full vesting period, and are contingent upon continued employment and the

(all amounts are expressed in RON, unless otherwise specified)

achievement of a series of market and non-market performance conditions, approved annually by the Board's Remuneration Committee.

Recognition in the current year
As the LTIP was introduced during the current year, the share based payment charge recognised represents an accrual based on the estimated number of awards expected to vest and the portion of the vesting period elapsed to date. This amount does not represent a confirmed entitlement for the employees and executives participating in the programme.
Final vesting is dependent on both continued employment and the actual achievement of performance conditions evaluated at the end of the performance period, and the amount ultimately recognised may differ from the accrual recorded in the current year.
Please refer to Note 23 b) for more details.

The Executive Committee of the Company comprises the following members:
- Mr. Mihail Marcu as Chief Executive Officer and Member of the Executive Committee;
- Mr. Nicolae Marcu as Director of Health and Operations and Member of the Executive Committee;
- Mr. Dorin Preda as Deputy Chief Executive Officer and Member of the Executive Committee;
- Ms. Alina-Oana Irinoiu-Titu as Chief Financial Officer and Member of the Executive Committee.

C**ompensations granted to the members of the Board of Directors**, which are considered key management personnel, were as follows:

	12 months 2025	12 months 2024
Board of Directors	4,157,742	4,099,181
out of which:		
Short term employee benefits	**4,157,742**	**4,099,181**
Indemnity	3,916,295	3,860,308
Benefits	241,447	238,873

In line with the Remuneration Policy, the Directors do not benefit from a variable remuneration component.

Med Life S.A. Board of Directors consists of 7 members under administration agreements concluded with the Company, and approved by the General Shareholders Meeting.
The members' mandates are for a period of 4 years, starting with 22 December 2024, according to the Ordinary General Shareholders Meeting no. 1 / 21.11.2024.

The Board of Directors of the Company comprises the following members:
- Mihail Marcu – Executive Director – Chairman of the BoD
- Nicolae Marcu – Executive Director – Member of the BoD
- Dorin Preda – Executive Director – Member of the BoD
- Ana Maria Mihaescu – Non-executive Director – Member of the BoD
- Dimitrie Pelinescu-Onciul – Non-executive Director – Member of the BoD
- Voicu Cheta – Non-executive Director – Member of the BoD
- Ovidiu Fer – Non-executive Director – Member of the BoD.

(c) Related parties
The related parties identified are as follows:

	Receivables from		Payables to	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Shareholders	-	-	228,385	116,345
Minority Shareholders	28,439	3,801	18,466,853	25,710,480
Other related Parties	9,958	24,373	5,189,286	119,934
Total	**38,397**	**28,174**	**23,884,524**	**25,946,758**

	Sales in 2025	Sales in 2024	Purchases in 2025	Purchases in 2024
Shareholders	-	-	-	700,800
Minority Shareholders	71,507	1,463	17,528	-
Other related Parties	87,832	26,991	86,312	182
Total	**159,339**	**28,454**	**103,840**	**700,982**

(all amounts are expressed in RON, unless otherwise specified)

26. TAXATION

	December 31, 2025	December 31, 2024
Current income tax expense	22,117,590	26,449,100
Deferred tax income	870,711	(4,132,398)
Total income tax expense	**22,988,300**	**22,316,702**
Profit before tax	**19,137,647**	**39,069,130**
Tax expense using the statutory rate of 16% (2024: 16%)	3,062,024	6,251,061
Fiscal effect of non-deductible expenses	7,506,069	6,244,894
Fiscal effect of non-taxable income	(470,471)	(271,099)
Fiscal effect of deductible legal reserve	(105,200)	-
Sponsorship/other compensation	(4,107,827)	(3,100,260)
Reinvested profit and other fiscal facilities	(5,081,837)	(2,678,305)
Adjustments in respect of current income tax of previous years	3,536,128	(431,308)
Other elements (including different fiscal treatment)	18,649,416	16,301,720
Income tax for the current year	**22,988,301**	**22,316,703**

	December 31, 2025	December 31, 2024
Income tax liabilities as at 1 January	4,322,328	321,242
Income tax liabilities through acquisitions	76,575	(167,553)
Income tax paid in the current year	(25,681,728)	(22,280,461)
Income tax payable in the current year	22,117,590	26,449,100
Current tax liabilities as at 31 December	**834,764**	**4,322,328**

Components of deferred tax	**31 December 2025**	**Change in deferred tax**	**31 December 2024**
Deferred tax assets			
Deferred tax from ROUA	31,873,353	3,789,241	28,084,112
Amount related to untaken holidays provisions	1,965,653	(819,895)	2,785,548
Amounts related to the inventory allowance	70,356	70,356	-
Total deferred tax asset	**33,909,362**	**3,039,702**	**30,869,660**

Deferred tax liability	**31 December 2025**	**Change in deferred tax**	**31 December 2024**
Assets acquired in a business combination	20,223,752	(2,107,364)	22,331,116
Other elements	104,871	-	104,871
Deferred tax on lease liabilities	33,355,869	4,858,835	28,497,034
Land and buildings revaluation	36,692,477	11,519,241	25,173,236
Total deferred tax liability	**90,376,969**	**14,270,712**	**76,106,257**
Net deferred tax liability	**56,467,607**	**11,231,010**	**45,236,597**

(all amounts are expressed in RON, unless otherwise specified)

Components of deferred tax	31 December 2024	Change in deferred tax	31 December 2023
Deferred tax assets			
Non-current assets	-	-	-
Deferred tax from ROUA	28,084,113	(3,095,275)	31,179,388
Amount related to untaken holidays provisions	2,785,548	1,006,900	1,778,648
Total deferred tax asset	**30,869,660**	**(2,088,376)**	**32,958,036**

Deferred tax liability	31 December 2024	Change in deferred tax	31 December 2023
Assets acquired in a business combination	22,331,116	1,338,294	20,992,822
Other elements	104,870	-	104,870
Deferred tax on lease liabilities	28,497,034	(2,791,419)	31,288,453
Land and buildings revaluation	25,173,236	(296,429)	25,469,666
Total deferred tax liability	**76,106,257**	**(1,749,554)**	**77,855,811**
Net deferred tax liability	**45,236,597**	**338,822**	**44,897,775**

The Group accrues income taxes at the rate of 16% on profits computed in accordance with the Romanian tax legislation. The net effect of the change on deferred tax balances recognized as at December 31, 2025, except for the deferred tax related to the revaluation reserve which is recognized in equity, is reflected in the statement of comprehensive income.

During 2025, the Group has recognised a deferred tax liability from business combination in the amount of RON 477,193 (please refer to Note 27) and decreased the same account with RON 2,584,557. Assets acquired in a business combination are assets obtained through the acquisition of another company or business, recognized at fair value at the acquisition date and subsequently integrated into Group MedLife.

During 2025, the Group has recognised deferred tax in relation with the revaluation reserve of RON 11,519,242.

27. BUSINESS COMBINATIONS

27.1. Acquisition of subsidiaries

During the reporting period, the following important events have occurred (percentages below represent equity interest):

- Acquisition of 60% shares in Routine Med group of companies in January 2025 – Alfalux Dent SRL, Medical Center Spital SRL, Mega Optic SRL, Super Optosan SRL, Micro Medic SRL, Routine Med SA
- Acquisition of 48% shares in Cabinet Medical Dr. Bacila Mihai SRL in January 2025
- Acquisition of 70% shares in All Clinic in March 2025.

Routine Med Group acquisition
In January 2025, the Company finalized the acquisition of a 60% stake in Routine Med, a healthcare group based in Tulcea. Routine Med's operations include a medical recovery hospital and outpatient services. The acquisition enhances The Company's reach in southeastern Romania, expanding access to more than 20 medical and surgical specialties in Dobrogea.

All Clinic acquisition
In March 2025, the Company, via its expansion strategy, acquired a majority stake in All Clinic, marking one of its first moves beyond Romania's borders. All Clinic, founded in 1999, comprises three private multidisciplinary clinics in the Republic of Moldova. They offer outpatient services across about 20 medical specialties including family medicine, cardiology, gastroenterology, neurology, pediatrics, and gynecology.

Cabinet Medical Dr. Băcilă acquisition
In January 2025, the Company finalized the acquisition of a 48% stake in Cabinet Medical Dr. Băcilă which is a registered company in Timișoara, Romania, operating in the field of specialized medical care.

(all amounts are expressed in RON, unless otherwise specified)

27.2. Assets acquired and liabilities recognized at the date of acquisition

Assets acquired and liabilities recognized at the date of acquisition	31 December 2025	31 December 2024
Non-current assets	**9,059,423**	**50,380,157**
out of which		
- Intangible assets	*923,500*	*4,558,686*
- Property, plant and equipment	*5,731,995*	*42,238,796*
- Right-of-use assets	*2,403,928*	*3,582,675*
Current assets	**3,800,725**	**12,173,932**
out of which		
- Inventories, cash and prepayments	*1,808,300*	*6,516,987*
- Trade Receivables and other receivables	*1,992,424*	*5,656,944*
Current liabilities	**10,278,138**	**29,730,935**
out of which		
- Overdraft	*2,011,910*	*2,240,453*
- Current tax liabilities	*76,575*	*(167,553)*
- Trade and other liabilities	*5,394,134*	*17,963,266*
- Lease liabilities	*2,318,325*	*3,658,139*
- Provisions	*-*	*1,565,410*
- Deferred tax arising at acquisition	*477,193*	*4,471,220*
Non-current liabilities (Borrowings on long term)	**-**	**2,165,715**
Net assets	**2,582,010**	**30,657,439**

All business combination during 2025 are not material when individually assessed.

Tangible and intangible assets fair value valuation methodology uses a mix between the cost approach and the income approach, which estimates the depreciation of the assets considering also the economic benefits that would be generated by that particular assets. For certain medical equipment and vehicles, for which publicly available information allows, fair value was measured using market approach.

If these acquisitions would have been completed on the first day of the financial year, Group revenues for the year would have been RON 3,175,776,674 and Group loss would have been RON 3,748,398.

27.3. Acquisition related costs

The Group incurred acquisition-related costs of RON 2,248,048 on legal fees and due diligence costs. These costs have been included in Other operating expenses and Third party expenses.

27.4. Goodwill arising on acquisition

	31 December 2025	31 December 2024
Consideration transferred	15,556,104	79,180,559
Less: fair value of identifiable net assets acquired	(2,582,010)	(30,657,439)
Less: fair value of loan receivable	-	(9,940,000)
minus: the value of other recognized liabilities	-	4,990,453
Plus non-controlling interest	1,132,887	3,065,788
Goodwill arising on acquisition	**14,106,980**	**46,639,362**

The goodwill is attributable to the workforce and also to the know-how acquired and the high profitability of the acquired business. It will not be deductible for tax purposes.

In 2025, the difference between consideration transferred (as stated here in Note 27.4) and consideration paid in cash (as stated in Note 27.5) represents deferred consideration for business combination in 2025, in the amount of RON 3,589,673.

(all amounts are expressed in RON, unless otherwise specified)

27.5. Net cash outflow on acquisition of subsidiaries

	31 December 2025	31 December 2024
Consideration paid in cash	11,966,430	55,151,931
Less: cash and cash equivalent balances acquired at acquisition date	(1,330,802)	(3,645,572)
Total	**10,635,628**	**51,506,359**

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents disclosed in Note 8 and equity, comprising issued capital, reserves and retained earnings as disclosed in note 15, 16 and note 17.

The Group's risk management reviews the capital structure regularly. As a part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on management's recommendations, the Group manages its capital structure primarily through dividend distributions within the Group, taking into account that existing borrowings were incurred also to finance the acquisition of subsidiaries, by raising new financing and repayment of existing debt.

The Group has grown in 2025 principally through organic development and less through organic acquisitions . In expanding organically, the Group is exposed to potential loss of capital if the expansion or new activities do not immediately meet their financial objectives.

The Group's objective is to use cash flows generated by its established business units to support investments in new organic projects, which typically involve an initial ramp-up phase until reaching maturity. In this context, the Group maintains an adequate level of equity to act as a buffer against potential variations in performance.
Debt financing, together with the Group's available liquidity, has been primarily used to fund acquisitions of subsidiaries, whose results are reflected in the consolidated financial statements, as well as to support the development of organic projects.
When assessing the adequacy of its capital structure relative to its activities and exposures, the Group monitors the ratio of total equity to net interest-bearing loans and borrowings (excluding overdrafts and net of cash and cash equivalents), as presented in the table below.

	December 31, 2025	December 31, 2024
Interest-bearing loans and borrowings without overdraft	1,481,934,276	1,262,491,670
Cash and cash equivalents	176,178,001	112,808,224
Loans payable net of cash	1,305,756,275	1,149,683,446
Total Equity	558,823,544	504,644,731
Ratio total equity to loans payable (without overdraft) net of cash	**0.43**	**0.44**

The Group's medium-term objective is to maintain this ratio at sustainable levels while continuing to invest in business development and strategic acquisitions, ensuring a balanced capital structure between debt and equity.

29. RISK MANAGEMENT

The Group's Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework.
The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Audit Committee is responsible for monitoring and addressing issues concerning the effectiveness and efficiency of the Group's internal controls, regulatory compliance and risk management.

In the course of its business the Group is exposed to a number of financial risks, including credit, interest rate, liquidity and foreign currency risks.
This note presents the Group's objectives, policies and processes for managing these risks and methods used to measure risks.
The central treasury function has an important role in managing the Group's financial risks with the aim to control and manage the Group's financial exposure and financial costs with a balance between risk and costs.

(a) Credit risk

Financial assets that potentially give rise to concentrations of credit risk consist principally of cash, short-term deposits, trade receivables, long-term receivables from stem cells processing and advances for acquisitions of subsidiaries.

The Group's cash equivalents and short-term deposits are placed with reputable financial institutions with a high credit rating.
Trade receivables are represented net of the allowance for expected credit losses. Credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base, which consists mainly of both individuals and companies. Around 51% of the total sales are cash-based with remaining being based on issuance of invoices. The financial condition of these customers in relation to their credit standing is evaluated on an ongoing basis.

The Group has also developed certain procedures to assess legal entities as customers prior to signing contracts, aimed at providing health care packages (PPMs), and monitoring their ability to meet the payments during the course of contracts. Also, the Group has established an internal Collection department which actively monitors encashments received from customers.

Other long-term receivables for stem cells processing are represented net of the allowance for expected credit losses. Receivables were individually assessed taking into account specific information available in individual cases in order to measure credit risks. An allowance for expected credit losses was determined for certain customers for which management assessed high credit risk.

The gross carrying amounts of financial assets (before credit loss allowances) included in Note 5.3 and Note 7.1 represent the Group's maximum exposure to credit risk in relation to these assets.

The Group has only 34% of its sales during 2025 deriving from the treatment of NHIH insured patients (concentration of credit risk, as of 2024: 32%) – reliance on major customers, but in the management's view, the associated credit risk with the receivable balance is considered to be low, based on historical practice and specifics of the contracts (please also see Note 7 for further details). Therefore, at 31 December 2025 and 31 December 2024, the Group considered that there is no significant concentration of credit risk.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group is exposed to interest rate risk because it borrows funds at floating interest rates. The higher risk is represented by funds borrowed in the national currency, because the interest rates are periodically repriced based on index variation.

Lease contracts concluded in the national currency are also exposed due to the above repricing process, as the discount rate in this case is linked to the internal borrowing rates for funds withdrawn in the national currency.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing financial instruments at the reporting date. Out of the total outstanding balances for both borrowings and leases only the amounts that refers to the Syndicated loan and a significant part of the total lease contracts (which refer to rent of buildings, equipment and vehicles) have been considered for the sensitivity on interest rate computation. These amounts which were included in the analysis cover more than 90% of the total outstanding balances for each category, borrowings and leases.

A 10% percent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The assumptions used have not changed from previous years.

Based on historical data, the management of the Group considers a 10% increase in the interest rate as appropriate to be included in the sensitivity analysis performed in relation with interest rate risk measurement. Taking into consideration the value of loans in total and the actual level of the interest rate (as of 31 December 2025), any change with more that 10% is not expected.
During 2025, the downward trend on interest rates has materialised with EURIBOR rates declining from 2.5% to around 2%. As of early 2026, the EURIBOR rate has remained broadly stable at approximately 2.0% - 2.1%. According to forecasts available and euribor-rates.eu, the EURIBOR level is predicted to remain at an average level of 2.0%, generally ranging between approximately 1.9% and 2.2%, depending on inflation developments and the European Central Bank's monetary policy.

As a result, the management of the Group does not consider the need of a higher expected increase in interest rate in the sensitivity analysis. Please see Note 14 Net Financial Debt, where the exposure to the interest rates is disclosed.

If interest rates had been 10% higher and all other variables were held constant, the Group's profit for the year ended 31 December 2025 would decrease by RON 7,703,590 RON (2024: decrease with RON 9,230,795). This is mainly attributable to the Group's exposure to interest rates on its borrowings and leases.

(all amounts are expressed in RON, unless otherwise specified)

Amounts exposed to interest rate risk

LIABILITIES	Total	Out of which included in the sensitivity analysis		%	Interest expenses per year at the current interest rate for the selected portion	Interest expenses per year at the interest rate increased by 10% for the selected portion	Variation that affects the profit and loss account when the interest rate increases by 10%
2025							
Overdraft	38,485,631	Syndicated Loan	1,456,219,346	96%	59,797,830	65,777,613	5,979,783
Short-Term and Long-Term portions of loans	1,481,934,276						
Short-Term and Long-Term portions of leases	410,911,818	Contracts that refer to rent of buildings, equipment and vehicles which fall under IFRS 16	352,032,294	86%	17,490,361	19,214,168	1,723,807
2024							
Overdraft	29,076,066	Syndicated Loan	1,129,646,367	87%	62,947,452	69,242,197	6,294,745
Short-Term and Long-Term portions of loans	1,262,491,670						
Short-Term and Long-Term portions of leases	394,313,610	Contracts that refer to rent of buildings, equipment and vehicles which fall under IFRS 16	320,508,978	81%	17,234,834	20,170,883	2,936,050

	December 31, 2025	December 31, 2024
Profit or loss	7,703,590	9,230,795

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk refers to the risk that a Group may also not be able to meet its short-term financial obligations due to insufficient liquid assets. One key metric for assessing liquidity risk is the Current Ratio, which is presented below.

	December 31, 2025	December 31, 2024
Current assets	702,888,150	658,905,448
Current liabilities	885,449,208	976,224,339
Ratio Current assets to Current liabilities	**0.79**	**0.67**

The current ratio is a vital starting point for assessing liquidity risk, but not sufficient. As the Current ratio is between 0.5 and 1, with a slight increase in 2025, this indicates a sustainable level of liquidity risk.

Based on the Group's capacity to generate operating cash flows and the positive contribution of acquired subsidiaries to the Group's financial position, management does not expect any material uncertainties in meeting its short-term financial obligations. Liquidity is further supported by a 56% increase in cash and cash equivalents in 2025 compared to 2024, as well as by available undrawn credit facilities, which provide sufficient headroom for the foreseeable future.

The following table details the Group's remaining contractual maturity for financial liabilities as of December 31, 2025 and December 31, 2024. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

(all amounts are expressed in RON, unless otherwise specified)

2025

	Weighted average effective interest rate	Carrying amount	Total	Year 1	Year 2	Year 3	Year 4	Year 5	> Year 5
Non-interest bearing instruments									
Trade payables		**507,050,939**	**507,050,939**	507,050,939	-	-	-	-	-
Interest bearing instruments									
Overdraft		**38,485,631**	**38,485,631**	38,485,631	-	-	-	-	-
Syndicated Loan	EURIBOR 6M / ROBOR 6M + margin	**1,481,934,276**	**1,758,702,559**	122,761,864	239,224,220	183,422,438	213,371,488	243,187,622	756,734,927
Lease contracts		**410,919,717**	**519,599,386**	110,119,959	86,209,246	60,913,590	44,125,431	31,911,914	186,319,247
Total		**2,438,390,563**	**2,823,838,515**	**778,418,393**	**325,433,465**	**244,336,028**	**257,496,919**	**275,099,536**	**943,054,173**

2024

	Weighted average effective interest rate	Carrying amount	Total	Year 1	Year 2	Year 3	Year 4	Year 5	> Year 5
Non-interest bearing instruments									
Trade payables		**571,552,330**	**571,552,330**	571,552,330	-	-	-	-	-
Interest bearing instruments									
Overdraft		**29,076,066**	**29,076,066**	29,076,066	-	-	-	-	-
Syndicated Loan	EURIBOR 6M / ROBOR 6M + margin	**1,262,491,670**	**1,483,208,638**	228,864,423	176,212,765	181,863,865	241,489,725	626,779,800	27,998,061
Lease contracts		**394,313,610**	**511,922,141**	109,878,218	83,795,110	63,031,748	43,613,710	27,834,178	183,769,177
Total		**2,257,433,676**	**2,595,759,175**	**939,371,037**	**260,007,874**	**244,895,613**	**285,103,435**	**654,613,978**	**211,767,237**

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group's exposure to such risk is primarily driven by EUR-denominated borrowings, reflecting the Group's financing structure.
At the operating level, the Group benefits from a natural hedge, as a portion of its revenues—particularly from corporate prevention and medical subscription packages—are denominated in EUR, while most operating expenses are incurred in RON, with only limited exposure to EUR through certain consumables and materials.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

2025	RON	1 EUR = 5.0985 RON	100 HUF = 1.3250 RON	1 MDL 0.2580 RON	Total
ASSETS					
Cash and cash equivalents	164,268,856	8,934,858	2,690,949	283,338	176,178,001
Trade receivables	299,745,374	-	1,571,619	445,709	301,762,702
Other assets	51,746,663	-	2,979,207	10,783	54,736,653
Financial assets	323,570	81,108,076	373,672	-	81,805,318
LIABILITIES					
Trade payables	472,331,093	30,590,749	3,690,270	438,827	507,050,939
Overdraft	27,901,631	10,197,000	-	387,000	38,485,631
Other long term debt	51,592,329	-	-	-	51,592,329
Short-Term and Long-Term portions of loans	19,641,302	1,462,292,974	-	-	1,481,934,276
Short-Term and Long-Term portions of leases	4,881,718	405,170,598	828,996	38,404	410,919,717

2024	RON	1 EUR = 5.0985 RON	100 HUF = 1.3250 RON	Total
ASSETS				
Cash and cash equivalents	99,432,769	11,887,667	1,487,788	112,808,224
Trade receivables	322,382,720	-	1,724,140	324,106,860
Other assets	55,880,250	-	-	55,880,250
Financial assets	473,440	53,664,971	290,532	54,138,411
LIABILITIES				
Trade payables	557,411,940	9,847,215	4,293,175	571,552,330
Overdraft	19,127,866	9,948,200	-	29,076,066
Other long term debt	69,109,052	-	-	69,109,052
Short-Term and Long-Term portions of loans	18,573,120	1,243,918,550	-	1,262,491,670
Short-Term and Long-Term portions of leases	4,365,479	389,174,295	773,836	394,313,610

The Group is mainly exposed to movements in the RON/EUR exchange rate. The table below presents the Group's sensitivity to a 10% increase and decrease of RON against EUR. The 10% variation represents a stress scenario used for internal risk assessment purposes and reflects a conservative assumption applied by management when evaluating foreign currency exposure. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the reporting date for a 10% change in exchange rates.

If EUR is weakening 10% against RON, the profit will increase and the amount stated below will be positive. For a 10% strengthening of EUR against RON there would be an equal and opposite impact on the profit and the balances below would be negative. The impact will be the same in Equity.

The assumptions used have not changed from previous years. The variation below is presented as absolute amounts.

(all amounts are expressed in RON, unless otherwise specified)

	31 decembrie 2025	31 decembrie 2024
Profit or loss	181,820,839	158,733,562

(e) Sustainability

The Company identifies two major categories of climate-related risks: physical risks and transition risks. Acute physical risks include extreme weather events such as heatwaves, storms, floods, and wildfires. Chronic risks refer to long-term climate changes that impact temperature, precipitation, and environmental conditions. These can generate cumulative effects on public health, medical infrastructure, and the financial and material resources needed for the healthcare system to function effectively.

The Group is exposed to the following **transition risks:** European and national climate regulations that impose strict standards for energy efficiency and emissions reduction, with a direct cost impact; technological transition, which requires significant investments in efficient equipment and digitalization; changing preferences of consumers and investors toward sustainable providers, which may affect competitiveness; rising energy prices and carbon taxes (ETS2), which increase financial pressure; and wastewater treatment regulations (UWWTD), which may indirectly impact the availability of essential medicines.

As at 31 December 2025, the Group does not consider that these risks will have a material financial impact in the near term.

In 2024, the Group calculated its first carbon footprint and initiated a comprehensive analysis of the factors influencing its environmental impact. Building on this foundation, in 2025 the Company is actively implementing initiatives aimed at reducing its carbon footprint and strengthening climate resilience, including both direct and indirect measures.
The carbon footprint analysis included emissions across all three categories in line with the GHG Protocol Corporate Accounting and Reporting Standard (Revised 2015):

- **Scope 1 amounting 8,060.6 tCO_2e (2024: 7,130.2 tCO_2e)** covers direct emissions from the Group's activities, including fuels used by company-operated vehicles or generators, natural gas consumption for company facilities, and fugitive emissions from cooling equipment refrigerants.
- **Scope 2 amounting 5,074.7 tCO_2e location-based (4,094.8 tCO_2e)** refers to indirect emissions from purchased energy, including both electricity and thermal energy, with electricity being the dominant source.
- **Scope 3, with the highest share at 120,579.5 tCO_2e (2024: 123,541,8 tCO_2e),** covers indirect emissions across the company's value chain. This includes categories such as purchased goods and services, capital goods, upstream transport and distribution, employee commuting, waste generated in operations, business travel, leased assets (both upstream and downstream), end-of-life treatment of products, and fuel- and energy-related activities.

For more detailed information on the main sustainability impacts, risks and opportunities, as well as related policies, actions, indicators and targets, please refer to the **Group's Sustainability Statement**, which is included in the Annual Report.

(f) Ongoing war

The crisis started in February 2022 and was generated by the invasion of Russia in Ukraine, which led to a sharp increase in energy prices, both in Romania and in other European countries. The invasion created a refugee crisis with the fastest growth in Europe. At the same time, at the regional level, a resource crisis was created due to the imposition of a series of restrictions on the international level, Russia being an important player in the natural gas market in Europe.

Medlife Group does not own subsidiaries and affiliated entities on the territory of Ukraine, nor does it have any other relevant exposures in the countries directly involved in this conflict. From an operational point of view, the purchases of energy and natural gas are mainly made from the domestic market; availability, provenance and delivery of resources could be influenced by the dynamics of the conflict from region.

During 2026, geopolitical tensions in the Middle East increased following the escalation of the situation involving Iran and other regional and international actors. These developments have contributed to volatility in global financial markets, particularly in relation to energy prices, international trade and supply chains. Medlife Group has not identified any direct exposure to Iran or other significant impacts on its financial position, financial performance or cash flows.

The consequences of the ongoing conflicts, the European energy crisis and resulting regulatory measures and other economic disruptions currently being observed, and further regulatory interventions, as well as the extent and duration of their economic impact cannot be reliably estimated at this stage. The Group is responding to the situation with targeted measures to safeguard its economic stability. Because events are ongoing, the long-term impact can affect cash flows and profitability. However, at the date of these financial statements, the geopolitical context has no significant negative impact on the consolidated financial statements as of December 31, 2025.

(g) Macroeconomic environment

The economic context at national and international level that may negatively influence the Group's activity refer to factors such as: inflation, recession, changes in fiscal and monetary policy, tighter lending, higher interest rates, new or rising tariffs, currency fluctuations, raw material price (electricity, natural gas), etc.

(all amounts are expressed in RON, unless otherwise specified)

During 2024 and 2025, Romania experienced a slowdown in economic growth amid persistent inflationary pressures and ongoing fiscal consolidation measures. Real GDP growth moderated during this period, although the economy continued to expand, supported by resilient private consumption and investments financed through European Union funds.
Inflation remained elevated but continued its gradual downward trend compared to previous years, while the labor market remained relatively stable, with unemployment levels broadly unchanged.

The Group's income or the value of its holdings can be affected by the particular movements in the global financial markets. The discount rates used in the impairment tests during 2025 have remained at the same levels, compared with the previous year (between 10.5% and 23% compared with the prior year, between 8.6% and 24%). However, as a result of the sensitivity analysis performed, the Group considers that it has sufficient headroom in case of a potential increase above these numbers, with no material impact on the financial statements.

During 2026, the Romanian economy entered a technical recession following two consecutive quarters of marginal decline in gross domestic product (GDP). This development reflects broader macroeconomic pressures affecting the European economy, including persistent inflationary pressures in previous periods, tighter monetary policy and slower economic growth in key trading partners.

Notably, the healthcare sector has demonstrated considerable resilience to market turbulences. This resilience is attributed to the constant demand for healthcare services, the sector's ability to adapt to changing environments, and strategic investments in technology and infrastructure. This resilience translates into a relatively stable operational and financial outlook, even in the face of economic uncertainties.

Also, the revaluation process held at the end of 2025 on all owned Land and Buildings, which generated an overall surplus at the Group level, brings sufficient confidence over the value of the assets held, being stated at their current fair value in these consolidated financial statements.

The Group revises quarterly its sensitivities to interest rates and foreign currency fluctuations. At the date of these financial statements, the Group considers that the impact of these changes would not affect the ability as a going concern, with appropriate measures undertaken in order to reduce any potential risks.

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments in the balance sheet include trade receivables and other receivables, cash and cash equivalents, short-term and long-term loans and trade and other payables. These are presented at amortised cost. The estimated fair values of these instruments approximate their carrying amounts, largely due to the short term maturities of these instruments, except for loans.

The carrying amount of loans approximate their fair value considering the two renegotiations of the syndicated loan signed in 2024 and 2025, in which all the credit facilities were re-arranged in terms of both maturities and interest rates. The syndicated loan covers around 96% of the total Group debt position exposure.

Financial instruments that are not held at fair value

At level 1 of the fair value hierarchy, the Group classified cash and cash equivalents as assets that are not held at fair value.

At level 3 of the fair value hierarchy, the Group classified in the category of assets: trade and other receivables, other financial assets, and in the category of debt: loans from banks and other financial institutions, leasing debts, trade payables and other financial liabilities.

The following table shows the fair value and the fair value hierarchy for assets and liabilities that are not measured at fair value in the statement of financial position as at 31 December 2025:

ASSETS	**Classification under IFRS 9**	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Cash and cash equivalents	Amortized cost	176,178,001	176,178,001	176,178,001	-	-
Trade Receivables	Amortized cost	301,762,702	301,762,702	-	-	301,762,702
Other financial assets	Amortized cost	81,805,318	81,805,318	-	-	81,805,318
LIABILITIES						
Trade and other payables	Amortized cost	507,050,939	507,182,649	-	-	507,050,939
Overdraft	Amortized cost	38,485,631	38,485,631	-	-	38,485,631
Other long term debt	Amortized cost	51,592,329	51,810,825	-	-	51,592,329
Lease liability	Amortized cost	410,919,717	410,919,717	-	-	410,919,717
Long term debt	Amortized cost	1,481,934,276	1,481,934,276	-	-	1,481,934,276

In March 2025 the Group has negotiated with Banca Comercială Română S.A., as Arranger, Agent and Lender and with other credit institutions that are syndicate members acting as Lenders, the terms and conditions of extending the credit limit by an additional amount of up to EUR 50 million. According to the new terms negotiated between the parties, the

financing period was prolonged with 2 years and the interest rate margin remained the same. Therefore, the Group considers that the fair value of Long term debt is similar with the carrying amount.

31. COMMITMENTS AND CONTINGENCIES

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.
The assessment of contingencies inherently involves the exercise of judgment and estimates of the outcome of future events.

Syndicated loan related commitments
The Group is subject to compliance with both financial and non-financial covenants as specified in the contractual arrangement for the syndicathed loan.

Other commitments
As at December 31, 2025, the Group maintains insurance coverage for potential malpractice claims brought by patients, as well as insurance policies related to buildings and medical equipment.

In conformity with the concluded agreement with the National House of Health Insurance, the Group has to provide primary medical services to National House's insured citizens.

BCR issued letters of warranties in the favor of Med Life S.A, Pharmachem Distributie S.A., Pharmalife MED S.R.L. and Policlinica de Diagnostic Rapid S.A. in total amount of RON 31,803,525, out of which, in foreign currency, EUR 233,650 as of December 31, 2025 (December 31, 2024: RON 27,251,550, out of which EUR 1,986,737).
Banca Transilvania issued letters of warranties in the favor of MNT Healthcare Europe SRL in total amount of 1,303,569 RON, in the favor of Centrul de Diagnostic si Tratament Provita in total amount of 2,344,391 RON and in the favor of SWEAT Concept One SA in total amount of 509,821 RON.
CEC Bank issued letters of warranties in the favor of Sweat Concept One SA in total amount of 551,112 RON.

Fiscal environment
The taxation system in Romania is still developing and is subject to various interpretations and constant changes, which may sometimes be retroactive. Although the actual tax due for a transaction may be minimum, delay interests may be significant, as they can be calculated at the value of the transaction and at a rate of 0.02% per day (interest) and 0.01% (penalties) per day.

In Romania the statute of limitation for tax controls (audits) is of 5 years. During 2021, the ultimate parent of the Group had a tax control which covered period from 2016 to 2020. The control was finalised during 2021 and the results were booked in accounting, the impact on the figures being RON 1,153,649. Management believes that the tax obligations included in these financial statements are adequate.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Transfer pricing
The fiscal legislation from Romania includes the "market value" principle, according to which the transactions between related parties have to be performed at the market value. The local tax payers, who carry transactions with related parties, have to prepare and make available to the tax authorities from Romania, at their written request, the transfer pricing documentation file. If the companies do not prepare the documentation or they present an incomplete transfer pricing file may attract penalties for non-conformity, and additionally to the information presented in the transfer pricing file, the fiscal authorities may have a different interpretation of the transactions and the circumstances compared to the management's assessment and, as a result, they may impose additional fiscal obligations as a result of adjusting transfer prices. The management of the Group is confident that, if required, they will submit the necessary information in due time to the fiscal authorities.

Litigation
The Group is involved in various litigations as part of normal course of business. Management has assessed the legal status together with the Group's legal advisors and all necessary adjustments have been recorded in the consolidated financial statements.

32. FEES TO AUDITORS

Starting with 2024, the auditor of the Group is Deloitte Audit SRL.
The fee for the audit services of the consolidated financial statements as of December 31, 2025 of the Group prepared in accordance with IFRS as adopted by EU and the separate financial statements as of December 31, 2025 of Med Life S.A. prepared in accordance with IFRS as adopted by EU in line with the provisions of Ministry of Finance Order no. 2844/2016, as well as the audit services of the other separate financial statements of subsidiaries prepared in accordance with the provisions of Ministry of Finance Order no. 1802/2014 was EUR 387,502 excluding VAT and other expenses.

The fee for other non-audit services performed in 2025 was EUR 59,005, excluding VAT.

33. EVENTS AFTER THE BALANCE SHEET DATE

Medstar acquisition

In June 2025 the Company, Romania's largest private healthcare network, has announced the full acquisition of Medstar, a long-established healthcare provider in Cluj-Napoca, active in outpatient and paraclinical services. Through this transaction, the Company, via its Sfânta Maria network, strengthens its presence in the Transylvania region.

Founded in 2004, Medstar operates four clinics, a laboratory, light imaging services, and two recovery centers, all based in Cluj-Napoca. In 2024, the company reported revenues of around 32 million RON. With a team of more than 200 specialists across over 30 medical disciplines, Medstar offers a wide range of services including consultations, laboratory tests, radiology, mammography, DEXA investigations, occupational medicine, as well as full recovery programs for children and adults. It also provides traffic safety services and dermatology.

Following the deal, the Company, through Sfânta Maria, acquired 100% of Medstar SRL. In January 2026 the acquisition was approved by the Competition Council.

Medlife Genesys Clinic in Arad

The Company has expanded its presence in Arad and opened its fourth medical unit in Arad in January 2026. The new clinic offers patients over 17 medical specialties, complete medical analysis services, but also an innovative concept for the local market: the Longevity Center.

The Longevity Center proposes a modern and integrated approach to health, focused on prevention and optimization of quality of life. The Menopause Center will also operate within the Longevity Center, dedicated to supporting women's health through personalized evaluations and treatments.

Geopolitical environment

During early 2026, geopolitical tensions have continued, including the ongoing conflict in Ukraine and developments in the Middle East, in respect of Iran. The Group has no direct exposure to these regions and continues to monitor the situation. Management has concluded that these are non-adjusting events in accordance with IAS 10 and do not have a significant impact on the Group's consolidated financial statements for the year ended 31 December 2025.

No other events have occurred subsequent to the reporting date that would require adjustment to or disclosure in the financial statements.

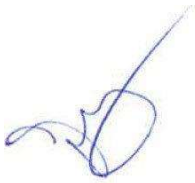
These financial statements, comprising the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and notes, were approved on March 30, 2026.

Mihail Marcu,
CEO

-Oana Irinoiu-Titu,

Declaration of management of MedLife Group

We confirm to the best of our knowledge that the consolidated financial statements for the year ended December 31, 2025 (which were prepared in accordance with Order No. 2844/2016 of the Minister of Public Finance approving accounting regulations in accordance with International Financial Reporting Standards) give a true and fair view of MedLife Group's assets, liabilities, financial position and profit or loss, that the Sustainability Statement, as included in the Directors' Report is prepared in accordance with the applicable reporting standards, and that the Directors' Report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties associated with the expected development of the Group.



Mihail Marcu,
CEO

Oana-Alina Irinoiu-Titu,
CFO

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MedLife S.A.

Report on the Audit of the Financial Statements

Opinion

1. We have audited the financial statements of MedLife S.A. ("the Company"), with registered office in Calea Grivitei, no. 365, district 1, Bucharest, identified by unique tax registration code 8422035, which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

2. The financial statements as at 31 December 2025 are identified as follows:

• Net assets	RON 359,384,706
• Net profit for the financial year	RON 8,754,920

3. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, its financial performance and its cash flows for the year then ended in accordance with Ministry of Public Finance Order no. 2844/2016 for the approval of accounting regulations conforming with International Financial Reporting Standards ("MoPF 2844/2016") with subsequent amendments.

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation (EU) No. 537/2014 of the European Parliament and the Council (herein after referred to as "the Regulation") and Law 162/2017 on the statutory audit of annual financial statements and annual consolidated financial statements and on amending other pronouncements (herein after referred to as "the Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Romania, including the Regulation and the Law 162/2017. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of investments in other entities As disclosed in Note 4.2 to the financial statements, as at 31 December 2025, the Company holds significant investments in other entities amounting to RON 558,782,708. Management is required to assess at each reporting date whether there are indicators that an investment may be impaired, and if such indicators exist, to estimate the recoverable amount of the investment. Management performed the annual impairment tests using a discounted cash-flow model which involves significant judgement and estimation, particularly in relation to: • Future cash flow projections; • Growth rates and discount rates; Given the magnitude of the investments, the complexity of the valuation models, and the high degree of judgement involved, we considered this area to be a key audit matter	Our procedures in relation to the impairment of investments in other entities included, but was not limited to the following: • Obtained an understanding of the process followed by management to identify indicators of impairment • Evaluation of the design and implementation of controls (D&I) • For a sample of impairment tests, we have performed the following procedures: o We have involved our valuation specialists to verify the methodology used o We have analyzed the competence of the specialists hired by the management and evaluated their objectivity and independence o We have reconciled the assumptions used in future cash flow models with approved business plans o We have tested the mathematical accuracy of the discounted cash flow model o We have evaluated the assumptions used in estimating future cash flows against historical performance to determine the reasonableness of management's estimates. o We have assessed the sensitivity analysis prepared by management on key assumptions o We have carried out additional independent sensitivity analyses in order to assess the impact of possible changes in assumptions on the outcome of the impairment test. o We have conducted discussions with management on the basis of key assumptions and reasoning for any adjustments made • We have assessed the adequacy and appropriateness of the presentations in the financial statements regarding the impairment of investments in other entities

Other Information

6. The administrators are responsible for the preparation and presentation of the other information. The other information comprises the Consolidated Administrators' Report and the Remuneration report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and, unless otherwise explicitly mentioned in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements for the year ended 31 December 2025, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Other responsibilities of reporting with respect to other information –Consolidated Administrators' report

With respect to the Consolidated Administrators' report, we read it and report if this has been prepared, in all material respects, in accordance with the provisions of MoPF 2844/2016 with subsequent amendments.

On the sole basis of the procedures performed within the audit of the financial statements, in our opinion:

a) the information included in the Consolidated Administrators' report, for the financial year for which the financial statements have been prepared is consistent, in all material respects, with these financial statements;

b) the Consolidated Administrators' report has been prepared, in all material respects, in accordance with the provisions MoPF 2844/2016 with subsequent amendments.

Moreover, based on our knowledge and understanding concerning the Company and its environment gained during the audit on the financial statements prepared as at 31 December 2025, we are required to report if we have identified a material misstatement of this Consolidated Administrators' report. We have nothing to report in this regard.

Other reporting responsibilities with respect to other information – Remuneration report

With respect to the Remuneration report, we read it to determine if it presents, in all material respects, the information required by article 107, paragraphs (1) and (2) of Law 24/2017 regarding the issuers of financial instruments and market operations, republished. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. Management is responsible for the preparation and fair presentation of the financial statements in accordance with MoPF 2844/2016, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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11. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. We were appointed by the General Meeting of Shareholders on 10 October 2024 to audit the financial statements of the Group for the financial year ended 31 December 2025. The uninterrupted total duration of our commitment including renewals and reappointments is 7 years, covering the financial years ended 31 December 2016 until 31 December 2020 and 31 December 2024 until 31 December 2025.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Audit Committee of the Company that we issued the same date we issued this report. Also, in conducting our audit, we have retained our independence from the audited entity.

- No non-audit services referred to in Article 5 (1) of EU Regulation no. 537/2014 were provided.

Report on the Information Regarding Income Tax

16. For the financial year preceding the financial year for which the financial statements were prepared, the Company was not required under MoPF 2844/2016, articles 60^2 - 60^6, to publish a report on income tax information.

The engagement partner on the audit resulting in this independent auditor's report is Horațiu Pîrvulescu.

Report on compliance with Law no. 162/2017 on the statutory audit of annual financial statements and annual consolidated financial statements and on amending other pronouncements ("Law 162/2017"), and Commission Delegated Regulation (EU) 2018/815 on the European Single Electronic Format Regulatory Technical Standard ("ESEF")

17. We have undertaken a reasonable assurance engagement on the compliance with Law 162/2017, and Commission Delegated Regulation (EU) 2019/815 applicable to the financial statements included in the annual financial report of MedLife S.A. ("**the Company**") as presented in the digital files which contain the unique LEI code 254900RJWPQ4SLGCPI85 ("**Digital Files**").

(I) Responsibilities of Management and Those Charged with Governance for the Digital Files prepared in compliance with ESEF

Management is responsible for preparing the Digital Files that comply with ESEF. This responsibility includes:

- the design, implementation and maintenance of internal controls relevant to the application of ESEF;

- ensuring consistency between the Digital Files and the financial statements to be submitted in accordance with MoPF 2844/2016.

Those charged with governance are responsible for overseeing the preparation of the Digital Files that comply with ESEF.

(II) Auditor's Responsibilities for the Audit of the Digital Files

Our responsibility is to express a conclusion on whether the financial statements included in the annual financial report complies in all material respects with the requirements of ESEF based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

Our firm applies International Standard on Quality Management 1 ("ISQM1"), and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Deloitte.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with ESEF. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements set out in ESEF, whether due to fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the Company's process for preparation of the digital files in accordance with ESEF, including relevant internal controls;
- reconciling the digital files with the audited financial statements of the Company to be submitted in accordance with MoPF 2844/2016;
- evaluating if the financial statements contained in the annual report have been prepared in a valid XHTML format.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the financial statements for the year ended 31 December 2025 included in the annual financial report in the Digital Files comply in all materials respects with the requirements of ESEF.

In this section, we do not express an audit opinion, review conclusion or any other assurance conclusion on the financial statements. Our opinion relating to the financial statements of the Company for the year ended 31 December 2025 is set out in the "Report on the audit of the financial statements" section above.

Horațiu Pîrvulescu, Audit Partner

For signature, please refer to the original Romanian version.

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under AF 4891

On behalf of:

DELOITTE AUDIT SRL

Registered in the Electronic Public Register of Financial Auditors and Audit Firms under FA 25

The Mark Building, 84-98 and 100-102 Calea Griviței, 9th Floor, District 1
Bucharest, Romania
30 March 2026

MED LIFE S.A.

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31st, 2025

PREPARED IN ACCORDANCE WITH THE ORDER OF THE MINISTER OF PUBLIC FINANCE NUMBER 2844/2016 FOR THE APPROVAL OF ACCOUNTING REGULATIONS IN COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING AND STANDARDS

The English version of the separate financial statements represents a translation of the original separate financial statements issued in Romanian language

Name of the issuing company: Med Life S.A.
Registered Office: Bucharest, 365 Calea Griviței, District 1, Romania
Fax no.: 0040 374 180 470
Unique Registration Code at the National Office of Trade Registry: 8422035
Order number on the Trade Registry: J1996003709402
EUID: ROONRC.J1996003709402
Subscribed and paid-in share capital: RON 132,870,492
Regulated market on which the issued securities are traded: Bucharest Stock Exchange, Premium Category

CONTENTS: **PAGE:**

(all amounts are expressed in RON, unless otherwise specified)

ASSETS	Note	December 31, 2025	December 31, 2024
Non-current Assets			
Goodwill	4.1	2,317,559	-
Intangible assets	5	26,807,829	22,636,493
Property, plant and equipment	5	393,269,961	374,993,545
Right-of-use asset	13	45,483,799	48,844,012
Investment in subsidiaries	4.2	558,782,708	507,838,848
Other financial assets	4.3	17,540,394	16,932,943
Total Non-Current Assets		**1,044,202,250**	**971,245,841**
Current Assets			
Inventories	6	17,543,742	15,320,875
Trade Receivables	7.1	110,652,961	97,162,994
Loans granted to related parties	23	202,055,486	190,295,292
Other assets	7.2	30,878,055	25,135,616
Cash and cash equivalents	8	18,652,611	15,335,770
Prepayments	9	2,878,220	3,422,223
Total Current Assets		**382,661,074**	**346,672,770**
TOTAL ASSETS		**1,426,863,324**	**1,317,918,611**
LIABILITIES & SHAREHOLDER'S EQUITY			
Non-Current Liabilities			
Lease liability	13, 14	28,898,363	27,066,810
Interest-bearing loans and borrowings	14	665,239,788	582,827,132
Deferred tax liability	24	17,158,204	16,292,837
Total Non-Current Liabilities		**711,296,355**	**626,186,779**
Current Liabilities			
Trade and other payables	10	231,624,137	207,442,240
Overdraft	14	10,197,000	9,948,200
Current portion of lease liability	13	19,561,979	24,096,539
Current portion of interest-bearing loans and borrowings	14	32,718,945	58,861,845
Loans received from related parties	23	27,511,948	18,351,571
Current tax liabilities	24	2,170,523	2,256,090
Provisions	12	3,050,881	4,769,204
Other liabilities	11	29,346,850	20,348,388
Total Current Liabilities		**356,182,263**	**346,074,077**
TOTAL LIABILITIES		**1,067,478,618**	**972,260,856**
SHAREHOLDER'S EQUITY			
Share capital and Share premium	15	132,562,337	132,562,337
Treasury shares	15	(3,227,055)	(1,760,729)
Reserves	16	149,254,871	142,816,514
Retained earnings		80,794,553	72,039,633
TOTAL EQUITY		**359,384,706**	**345,657,755**
TOTAL LIABILITIES AND EQUITY		**1,426,863,324**	**1,317,918,611**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Note	12 months ended December 31, 2025	2024
Revenue from contracts with customers	17	779,671,690	716,937,391
Other operating income	18.1	2,338,368	839,144
Dividend income	18.2	24,943,785	26,421,834
Operating Income		**806,953,843**	**744,198,369**
Consumable materials and repair materials		(98,997,413)	(95,328,405)
Third party expenses	19	(287,112,526)	(259,284,776)
Salaries and related expenses	21	(222,798,996)	(203,211,206)
Social contributions	21	(8,520,524)	(7,860,000)
Depreciation and amortization	5, 13	(74,273,059)	(67,686,546)
Impairment losses and gains (including reversals of impairment losses)	7	(2,690,986)	(3,132,852)
Impairment of fixed assets	5	-	(377,870)
Other operating expenses	20	(53,009,815)	(44,722,691)
Operating expenses		**(747,403,319)**	**(681,604,346)**
Operating Profit		**59,550,524**	**62,594,023**
Finance income	22	12,899,548	13,005,328
Finance cost	22	(38,114,774)	(45,812,946)
Other financial expenses	22	(17,471,236)	(405,508)
Financial result		**(42,686,462)**	**(33,213,126)**
Profit Before Tax		**16,864,061**	**29,380,897**
Income tax credit/(expense)	24	(8,109,141)	(6,884,566)
Profit After Tax		**8,754,920**	**22,496,331**
Other comprehensive income items that will not be reclassified to profit or loss			
Revaluation of land and buildings	16	5,764,642	-
Deferred tax on other comprehensive income components	24	(922,342)	-
TOTAL OTHER COMPREHENSIVE INCOME		**4,842,300**	**-**
TOTAL COMPREHENSIVE INCOME		**13,597,221**	**22,496,331**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Note	12 months ended December 31, 2025	2024
Profit before tax		**16,864,061**	**21,883,297**
Adjustments for			
Depreciation and amortization	5, 13	74,273,059	67,686,546
Interest expense	22	38,114,774	45,812,946
Dividends	18.2	(24,943,785)	(26,421,834)
Net Gain on disposal of business and investments	18.1	(172,718)	112,406
Impairment losses (including reversals of impairment losses)	7	2,690,986	3,132,852
Share-based payment expense	21	1,596,057	-
Movements in provisions	12	(1,718,323)	1,978,780
Other non-monetary gains	18	-	(4,946,786)
Unrealized exchange (gain) / loss	22	17,495,797	411,846
Interest income	22	(12,899,548)	(13,005,328)
Operating cash flow before working capital changes		**111,300,361**	**96,644,724**
Decrease / (increase) in accounts receivable		(1,267,651)	19,133,553
Decrease / (increase) in inventories		(2,192,123)	(938,856)
Decrease / (increase) in prepayments		544,003	(2,194,209)
Increase / (decrease) in accounts payable		10,737,085	15,853,442
Cash generated from working capital changes		**7,821,314**	**31,853,930**
Cash generated from operations		**119,121,674**	**128,498,655**
Income tax paid	24	(8,251,684)	(5,339,059)
Dividends received from subsidiaries	18.2	4,459,492	1,399,080
Interest paid	14	(33,161,224)	(39,523,222)
Net cash from operating activities		**82,168,259**	**85,035,454**
Purchase of investments	4	(18,748,439)	(3,312,600)
Purchase of intangible assets	5	(1,981,943)	(5,766,378)
Purchase of property, plant and equipment	5	(50,324,135)	(41,162,881)
Proceeds from the transfer of business under common control (sale of Stomatology Division)	7.2	-	1,000,000
Loans granted to intercompany	23	(30,390,074)	(12,008,484)
Net cash used in investing activities		**(101,444,591)**	**(61,250,343)**
Cash flow from financing activities			
Payment of loans	14	(27,688,946)	(46,645,983)
Lease payments (IFRS 16)	14	(30,100,411)	(29,573,610)
Consideration paid for transfer of business	14	(2,550,000)	-
Proceeds from loans	14	68,332,320	50,567,427
Payments for purchase of treasury shares	15	(1,466,326)	(1,078,835)
Increase/ (Decrease) from loans obtained from Group Companies	23	16,066,536	8,080,144
Net cash from/(used in) financing activities		**22,593,173**	**(18,650,857)**
Net change in cash and cash equivalents		**3,316,841**	**5,134,254**
Cash and cash equivalents beginning of the period	8	15,335,770	10,201,516
Cash and cash equivalents end of the period		**18,652,611**	**15,335,770**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	Total Equity
Balance at December 31, 2024	**132,870,492**	**(1,760,729)**	**(308,155)**	**36,352,005**	**106,464,509**	**72,039,633**	**345,657,755**
Profit of the year	**-**	**-**	**-**	**-**	**-**	8,754,920	**8,754,920**
Gain/loss from revaluation of Land and Buildings (Note 5)	-	-	-	-	5,764,642	-	**5,764,642**
Deferred tax related to other comprehensive income (Note 26)	-	-	-	-	(922,342)	-	**(922,342)**
Stock option plan (Note 21)	-	-	-	1,596,057	-	-	**1,596,057**
Total comprehensive income	**-**	**-**	**-**	**1,596,057**	**4,842,300**	**8,754,920**	**15,193,277**
Increase from own shares acquisition (Note 15)	-	(1,466,326)	-	-	-	-	**(1,466,326)**
Balance as at December 31, 2025	**132,870,492**	**(3,227,055)**	**(308,155)**	**37,948,062**	**111,306,809**	**80,794,553**	**359,384,706**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

(all amounts are expressed in RON, unless otherwise specified)

	Share Capital	Treasury shares	Share premium	Legal reserves and other reserves	Revaluation Reserve	Accumulated Results	Total Equity
Balance at December 31, 2023	**132,870,492**	**(681,894)**	**(308,155)**	**35,227,339**	**106,464,509**	**50,667,969**	**324,240,260**
Profit of the year	**-**	**-**	**-**	**-**	**-**	22,496,330	**22,496,330**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**22,496,330**	**22,496,330**
Recognition of other reserves for fiscal purposes (legal reserves) (Note 16)	**-**	**-**	**-**	1,124,666	**-**	(1,124,666)	**-**
Increase from own shares acquisition (Note 15)	-	(1,078,835)	-	-	-	-	**(1,078,835)**
Balance as at December 31, 2024	**132,870,492**	**(1,760,729)**	**(308,155)**	**36,352,005**	**106,464,509**	**72,039,633**	**345,657,755**

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

1. DESCRIPTION OF THE BUSINESS

Med Life S.A. (or the "Company") is a joint-stock company incorporated in 1996, in accordance with the Romanian laws and regulations, with registered office in 365 Calea Grivitei, Bucharest, having a share capital of RON 132,870,492, and a nominal share value of RON 0.25. The Company's activity resides in the performance of healthcare services activities through medical centres located in Bucharest, Cluj, Braila, Timisoara, Iasi, Galati, Ploiesti, Constanta, Targu Mures and others.

Med Life S.A. is the parent company of the MedLife Group ("MedLife Group" or the "Group"). MedLife Group is the leading health care services providers in Romania in terms of sales, having a significant market share at national level.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following IFRS and amendments to IFRS which have been adopted by the Company as of 1 January 2025:

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**

The newly adopted IFRS and amendments to IFRS did not have a material impact on the Company's accounting policies.

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**

Effective 1 January 2025, the Company has applied the amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. The amendments clarify how an entity assesses whether a currency is exchangeable and how to determine the spot exchange rate when exchangeability is lacking. A currency is considered exchangeable when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. Where a currency is not exchangeable, an entity is required to estimate the spot exchange rate at the measurement date so that it reflects the rate at which an orderly exchange transaction would take place between market participants under the prevailing economic conditions at that date.

The application of these amendments did not have a significant impact on the Company's financial statements, as the Company conducts the majority of its transactions in its functional currency, RON, and also reports in that currency, and is not exposed to jurisdictions in which the currency is considered non-exchangeable.

2.2 Standards issued, endorsed by the European Union, but not yet effective and not early adopted

- **Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments**

The amendment is effective as of 1 January 2026 and is issued by issued by IASB on 30 May 2024. Amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features. Amendments also clarify the date on which a financial asset or financial liability is derecognised and introduce additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.
The amendments are not effective for the reporting of the Company's 2025 financial statements, however the Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application

- **Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity**

The amendment is effective as of 1 January 2026 and is issued by IASB on 18 December 2024. The own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent. The hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met and to measure the hedged item using the same volume assumptions as those used for the hedging instrument. Amendments to IFRS 7 and IFRS 19 to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.
The amendments are not effective for the reporting of the Company's 2025 financial statements, however the Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 – Annual Improvements to IFRS Accounting Standards – Volume 11**

On 18 July 2024, the IASB issued the Annual Improvements to IFRS Accounting Standards – Volume 11, which include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments contain clarifications and minor modifications regarding, among other things, hedge accounting for first-time adopters of IFRS, disclosures related to financial instruments and credit risk, derecognition of lease liabilities, the assessment of control in the context of a de facto agent, and certain aspects relating to the statement of cash flows.
The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and have been endorsed for use in the European Union. The Company has not early adopted these amendments in its financial statements as at 31 December 2025.

The amendments are not effective for the reporting of the Company's 2025 financial statements; however, the Company anticipates that the adoption of these new standards and amendments to existing standards will not have any significant impact on the Company's financial statements in the period of initial application.

- **The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates**

The standard requires translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.
An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index in accordance with paragraph 34 of IAS 29 Financial Reporting in Hyperinflationary Economies to the foreign operation's comparative figures. The amendments are intended to improve the usefulness of the resulting information in a cost-effective manner. The amendments apply for annual reporting periods beginning on or after 1 January 2027, earlier application is permitted. The standard has not yet been endorsed by the European Union, however the Company anticipates that the adoption of these new standard and amendment to the existing standard will have no material impact on the financial statements of the Company in the period of initial application.

2.3 Standards that are not yet effective and that have not yet been endorsed by the European Union

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.
The amendments have not yet been endorsed by the European Union, however the Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

- **IFRS 18 Presentation and Disclosures in Financial Statements**

The amendment which is effective as of 1 January 2027 and is issued by IASB on 9 April 2024 will replace IAS 1 Presentation of Financial Statements. Standard introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies. The main changes in the new standard compared with IAS 1 comprise: (a) The introduction of categories (operating, investing, financing, income tax and discontinued operations) and defined subtotals in the statement of profit or loss; (b) the introduction of requirements to improve aggregation and disaggregation; (c) The introduction of disclosures on Management-defined Performance Measures (MPMs) in the notes to the financial statements.
The amendments have not yet been endorsed by the European Union, however the Company is currently assessing the potential impact of the adoption of these new standards and amendments to the existing standards on the financial statements of the Company in the period of initial application.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

The standard is issued by IASB on 9 May 2024 and is effective starting 1 January 2027 . Standard permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.
The standard has not yet been endorsed by the European Union, however the Company anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

- **IFRS 14 – Regulatory Deferral Accounts**

The standard is effective as of 1 January 2016 and was issued by the IASB on 30 January 2014. IFRS 14 permits first-time adopters of IFRS to continue recognizing regulatory deferral account balances in accordance with their previous GAAP upon transition to IFRS. However, it requires these balances to be presented separately in the financial statements and prohibits recognizing new regulatory deferral account balances after the transition date.
The standard does not apply to entities that have already adopted IFRS. It includes disclosure requirements to enhance transparency regarding the nature and financial effects of regulatory deferral accounts.
IFRS 14 has not been endorsed by the European Union, and the Company does not expect its adoption to have any impact on the financial statements, as the Company is not a first-time adopter of IFRS.

3. MATERIAL ACCOUNTING POLICIES

The separate financial statements of the Company have been prepared in accordance with the provisions of Order No. 2844 / 2016, for the approval of accounting regulations in accordance with International Financial Reporting Standards applicable to commercial companies whose securities are admitted to trading on a regulated market, with subsequent amendments and clarifications („OMFP 2844/2016).

3.1 Statement of compliance

The Company also prepares consolidated financial statements in accordance with IFRS as endorsed by the EU, which are

available on the Company's website.

The accounting policies applied in these financial statements are the same as those applied in the Company's annual separate financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards effective as of January 1st 2025.

The financial year corresponds to the calendar year.

Basis of preparation
The financial statements of the Company are presented in RON ("Romanian Leu"), using going concern principles. The financial statements have been prepared on the historical cost basis, except for certain items that have been measured at fair value, such as certain non-current assets and financial instruments, as presented in the notes to the financial statements.

3.2 Going Concern
These financial statements have been prepared on a going concern basis, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Moreover, the Company is on a net current assets position (defined as current assets minus current liabilities) of RON 26,478,812 (as of 31 December 2024: RON 598,693). The Company will continue its activity according to the normal course of business in the foreseeable future without encountering the impossibility of continuing its activity or without the significant decrease of its activity.

For the purposes of assessing liquidity and going concern, the Company has modelled scenarios reflecting suitable assumptions over the next 12–month period that serve to inform the decisions the Company takes regarding future cost savings, cash generation, debt covenants and levels of investment. The Company's financial performance to date in 2026 across all revenue streams has been in line with the modelled scenarios.

In respect of the ongoing war in Ukraine, the Company does not own subsidiaries and affiliated entities on the territory of Ukraine, nor does it have any other relevant exposures in the countries directly involved in this conflict. From an operational point of view, the purchases of energy and natural gas are mainly made from the domestic market; availability, provenance and delivery of resources could be influenced by the dynamics of the conflict from region. During 2026, geopolitical tensions in the Middle East increased following the escalation of the situation involving Iran and other regional and international actors. These developments have contributed to volatility in global financial markets, particularly in relation to energy prices, international trade and supply chains. The Company has not identified any direct exposure to Iran or other significant impacts on its financial position, financial performance or cash flows.

Following the increase in the syndicated loan facility signed on 25 March 2025, the Company secured access to an additional facility of EUR 50 million at Group level, of which a portion has been utilized during 2025, while the remaining amount continues to be available for future drawdowns. Together with the Company's existing liquidity, these facilities provide financial flexibility to support potential acquisition opportunities as well as ongoing organic development projects.

All measures taken have been decided upon having in mind the Company's strategy to better position itself to all the new market changes, on the long term. As a consequence, the management focused on increasing efficiency of its operations in order to obtain better flexibility over capitalizing market opportunities.

Based on the Company's current financial position and the modelled scenarios, the directors have concluded that the Company has sufficient liquidity to meet all its obligations for at least the twelve months from the date of this report and the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.3 Significant judgements, estimates and assumptions
The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities as of the date of the statement of financial position and revenue and expenses for the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3.4.1. Judgements
In the process of applying the Company's accounting policies, the following judgments were made, particularly in respect to the following:

Determining the lease term of contracts with renewal and termination options – Med Life S.A as a lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has lease contracts which include extension and termination options.
The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. When determining the lease term to be used for the measurement of the lease, the

Company takes into account all the relevant facts and circumstances that create an economic incentive for exercising either the extension or termination option of the lease term.
For leases of buildings, vehicles and equipment, the following factors are normally the most relevant:

- If there are significant penalty payments to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.
- If the Company considers that some of the lease agreement shall be terminated earlier, then the assumption of the tenor shall be reassessed accordingly in order to fairly represent the management's view of the leased asset's impact to the financial statements.
- In case of lease term in relation to indefinite lease contracts the assumption applied was that the lease term will be similar to other contracts signed with the same provider or based on the relevant period beyond which the exercise of any option becomes uncertain.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. Please see note 13.

Cash generating units (CGUs)
Management exercises judgement in determining the appropriate level of companying assets into CGUs, based on the fact that they share significant common infrastructure.

3.4.2. Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Revaluation of Land and Buildings
The Company accounts for land and buildings using the fair value approach, based on market comparative valuations performed by certified ANEVAR professionals, in accordance with the International Valuation Standards. IAS 16 requires valuations to be performed with sufficient regularity as to ensure that the fair value does not materially differ from the carrying amount.

Upon revaluation, the Company is reviewing the classification of property, plant and equipment into categories, taking into account their nature, use, and characteristics, in order to ensure an appropriate classification. The review of the classification aims to faithfully reflect the nature and use of the assets in the separate financial statements, while also avoiding the selective revaluation of individual assets. The revaluation is applied to the entire category of property, plant and equipment in accordance with IAS 16.

As of 31 December 2025, the Company has performed revaluation procedures of land and buildings, please see Note 5 for further information, as well as Note 26 for the impact recognized in Deferred Tax.

Impairment of non-financial assets
The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of six years. A long-term growth rate is calculated and applied to project future cash flows after the sixth year.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF (discounted cash flow) model. The cash flows are derived from the budget for the next six years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with definite or indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in notes.

Allowance for expected credit losses of trade receivables
The Company always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In determining adjustments for impairment of receivables, management incorporates forward-looking information,

exercises professional judgement and uses estimates and assumptions. Estimation of expected credit risk losses involved forecasting future macroeconomic conditions for the next year, adjusted to the average for 2026-2027 period in terms of three indicators: GDP growth, unemployment rate and inflation rate. More details on the provision matrix can be found in note 7 dedicated to receivables.

Allowance for expected credit losses of intercompany loans
In case of loans granted to related parties and other receivables with related parties, the Company considers that at the reporting date, the credit risk has not increased significantly since initial recognition, and measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.
For loans granted to related parties and trade and other receivables, the loss in allowance determined as of 31 December 2025 was not material and no allowance for expected credit loss in relation to loans grated to related parties was recorded.

Provision for litigation
Provisions for litigation are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation (legal or constructive) arising from past events, and a reliable estimate can be made of the obligation.
Management assesses ongoing litigation cases based on the information available at the reporting date, including legal advice and historical outcomes. The provision for litigation is estimated by evaluating the likelihood of unfavourable outcomes and the associated financial impact. Due to the inherent uncertainty in litigation, actual outcomes may differ from the estimates made, potentially resulting in adjustments to the provision in future reporting periods.
Please see note 12 for further details.

3.4 Foreign currency and translation

Presentation currency
These financial statements are presented in Romanian Leu ("RON"), which is the currency of the primary economic environment in which the Company operates (its "functional currency").

The exchange rates, as announced by the National Bank of Romania, on December 31, 2025 were RON 5.0985 for EUR 1 (December 31, 2024: RON 4.9741 for EUR 1), RON 0.2580 for 1 MDL (December 31, 2024: RON 0.2576 for 1 MDL), respectively RON 1.3250 for HUF 100 (December 31, 2024: RON 1.2106 for HUF 100).

The average exchange rates for the 12-month period 2025 were RON 5.0415 for EUR 1 (12 months 2024: RON 4.9746 for 1 EUR), RON 0.2573 for 1 MDL (12-month 2024: RON 0.2584 for 1 MDL), respectively RON 1.2681 for HUF 100 (12 months 2024: RON 1.2586 for HUF 100).

Translation of foreign currencies
Transactions in foreign currencies are initially recorded at the respective functional currency exchange rate valid at the time of the transaction. Foreign currency monetary assets and liabilities are translated into the functional currency at rates of exchange ruling at the reporting date. The foreign exchange differences arising on these translations are recognised as other financial income/expense in the income statement.

3.5 Property, plant and equipment

Property, plant and equipment under the revaluation model
Land and buildings held for use in the supply of services, or for administrative purposes, are stated in the statement of financial position at their fair value, being the revalued amount at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The value of land and buildings owned presented in these financial statements is based on the valuation reports which were prepared as of December 31, 2025 by independent valuators certified by ANEVAR. The following steps were taken to estimate the fair value of the assets: analysis of assets subject to valuation; the evaluation approaches and the valuation methods applied were based on the category of assets analysed, their location, their characteristics, specific market information; application of appropriate valuation methods for each asset category (i.e. land and buildings) subject to evaluation and estimation of the fair value of the assets analysed at the valuation date, 31 December 2025. The previous revaluation of land and buildings was prepared as of December 31, 2022.

Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.
Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

The Company transfers the revaluation surplus included in equity in respect of an item of property, plant and equipment directly to retained earnings when the asset is derecognised (i.e., retired or disposed of).

Property, plant and equipment using the cost model
Leasehold improvements fall in this category and are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised on a straight-line basis over the estimated useful life. The estimated useful life for this type of asset is usually over the life of the lease, considering any potential contract prolongations.

Installations and equipment are also stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Assets under construction are recorded at cost, less accumulated impairment losses and depreciated once they become available for use.

An item of property, plant and equipment is initially recorded at cost. Cost includes all costs necessary to bring the asset to working condition for its intended use. This includes not only its original purchase price, but also costs of site preparation, delivery and handling, installation, related professional fees for architects and engineers, and the estimated cost of dismantling and removing the asset and restoring the site, if the case.
Proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of the item of property, plant and equipment, but recognised in profit or loss.

An entity evaluates under the recognition principle all its property, plant and equipment costs at the time they are incurred. These costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, or replace part of it.

A condition of continuing to operate an item of property, plant and equipment may be performing regular major inspections for faults regardless of whether parts of the item are replaced.

Costs with capital repairs are included in the carrying amount of the asset when it is probable that future economic benefits above the initially evaluated standard of performance of the existing asset will be transferred to the Company. Capital repairs are depreciated over the remaining useful period of the respective asset.

When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed.

Expenses for repairs and maintenance are recognized in the profit or loss account when incurred.

In case of replacements, cost includes the cost of replacing part of the plant or equipment when that cost meets the recognition criteria. If an item of property, plant and equipment consists of several components with different estimated useful lives, the individual significant components are depreciated over their individual useful lives.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition, considering the aggregation and materiality criteria. Otherwise, such items are classified as inventory.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives, residual values and depreciation method are reviewed at the end of each year, and the effects of changes in estimates are recorded prospectively.

The following useful lives are used in the calculation of depreciation:

	Years
Buildings	10 – 50 years
Leasehold improvements	Term of the expected lease term or useful life if shorter
Plant and equipment	3 – 15 years
Fixtures and fittings	3 – 15 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

3.6 Intangible assets

Intangible assets acquired separately are measured at initial recognition at cost. Following initial recognition, intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally generated intangibles (excluding capitalised development costs for IT applications, capitalised costs for website development or capitalised costs related to research and development projects for medical purposes) are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Company's intangible assets are represented by software licenses, concessions, patents and other intangible assets that are amortized on a straight-line basis over a period of 3 years. Please see Note 5.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss when the asset is derecognized.

Impairment of non-financial assets
At the end of each reporting period, the Company reviews whether there is an indication that an asset may be impaired.

If any such indication exists, the recoverable amount of the asset is estimated.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets that are not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The Company bases its impairment calculation on most recent budgets and forecast calculations. These budgets and forecast calculations generally cover a period of six years. A long-term growth rate is calculated and applied to project future cash flows after the sixth year.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the asset is previously revalued with the revaluation taken to OCI, in which case the impairment loss is recognized in OCI up to the amount of any previous revaluation.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.7 Inventories
Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises of all the costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The Company applies FIFO as a costing method.

3.8 Cash and cash equivalents
Cash and cash equivalents are carried in the statement of financial position at amortized cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash held at banks with maturities of three months or less. For deposits at banks held with a maturity higher than three months, the Company assimilates the amounts also as cash and cash equivalents, due to the nature of the deposits, which are intended to cover short term cash commitments and not investment purposes, being highly liquid and readily convertible in cash, with no significant penalty in the case of early withdrawal.

3.9 Government grants
Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

The Company has elected to present government grants relating to the purchase of property, plant and equipment in the statement of financial position as deferred income, which is recognised in profit or loss on a systematic and rational basis over the useful life of the asset.

3.10.1. Investments in subsidiaries

Investments in subsidiaries
In the separate financial statements investments in subsidiaries are stated at historical cost less accumulated impairment losses.

Dividends from subsidiaries
Dividends on equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established. Income from dividends with subsidiaries are presented in Statement of Cash Flows under operating activities.

3.10.2. Transfer of business in a transfer between entities under common control

Goodwill is initially measured at cost, being the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

After initial recognition, goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the statement of comprehensive income/income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

In case of transfer of business between entities under common control, the transactions is recognised at the consideration agreed between the parties, being the amount of cash paid or fair value of shares issued.

3.10.3 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.10.4 Transfer of business

Acquisitions of businesses are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the consideration transferred which is measured at the acquisition date fair value of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognized at their fair value at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a contingent consideration

arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

After initial recognition, goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income/income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.11.1 Financial assets

Initial recognition and classification
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

This classification on initial recognition depends on the Company's business model with regard to the management of financial assets and on the financial asset's contractual cash flows characteristics.

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price as disclosed in note 3.19.

Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

A financial asset is measured at amortized cost if both of the following conditions are met:
- the financial asset is held using a business model that aims to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely repayments of principal and interest on the principal outstanding.

The Company has only recognised and subsequently measured financial assets at amortised cost.

Subsequent measurement
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. Interest income is recognised in profit or loss.

The Company's financial assets at amortized cost include the following: trade receivables, other receivables, other financial assets, cash and cash equivalents.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:
- The contractual rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.
When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment
The Company recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

For each risk bucket, an assessed loss rate is applied. These loss rates are determined through an analysis of historical trends, adjusted for current conditions and reasonable and supportable forecasts of future economic conditions. The application of these rates reflects the Company's best estimate of the losses inherent in the receivables portfolio as of the reporting date.
The ECL is updated at each reporting period to reflect changes in the credit risk profile of the receivables.

The Company recognises an impairment gain or loss in profit or loss for all trade receivables with a corresponding adjustment to their carrying amount through a loss allowance account.

Under IFRS 9 default is defined as a situation in which a financial asset is deemed to be in default, typically indicating that the borrower has failed to meet their contractual obligations. The Company considers a fully impairment adjustment for financial assets overdue more than 5 years, where collection actions are no longer performed.

3.11.2 Equity instruments and financial liabilities

Classification as equity or debt
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

a) Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

b) Financial liabilities
Initial recognition and classification
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is

probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The Company's financial liabilities include, loans and borrowings including bank overdrafts, other long-term debt.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. A contingent consideration classified as a financial liability is subsequently remeasured to fair value with the changes in fair value recognised in profit or loss.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified as financial liabilities at amortised cost. The Company has not designated any financial liability as at fair value through profit or loss.

This is the category most relevant to the Company and it includes loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.12 Borrowing costs
General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

3.13 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Medlife S.A. calculates income tax based on turnover.

Deferred tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that

taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax for the period
Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity. It can also be recognized as other comprehensive income if the underlying transaction or event is recognized in OCI.

3.14 Share capital
Ordinary shares are classified as equity. The Company presents the amount of dividends recognised as distributions to owners during the period in the statement of changes in equity, and the related amount of dividends per share in the notes to the financial statements.

3.15 Treasury Shares
Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in share premium.

3.16 Share premiums
Share premiums are own funds created as a result of the difference between the issue value of the shares and the nominal value of the shares. The Company recorded share premiums as a result of the issue of shares.

3.17 Revaluation reserve and legal reserve

Revaluation reserve

The increases in the fair value of land and buildings are recorded against revaluation reserves. Any decreases in the fair value of land and buildings are first deducted from the revaluation reserves and then the difference is recorded through profit and loss accounts. The revaluation is performed with sufficient regularity as to ensure that the Company presents land and buildings at fair value in the financial statements. The revaluation reserve is transferred to retained earnings upon disposal of assets.

Legal reserve

In accordance with Romanian regulations, the legal reserve represents a statutory reserve required to be set aside from the Company's result before taxes. The legal reserve is established to cover potential future liabilities and to strengthen the financial position of the Company.
The legal reserve is calculated as a specified percentage of result before taxes, typically 5%, until the reserve reaches 20% of a company's share capital. The legal reserve can only be used to cover losses incurred by the company or to increase share capital, subject to the approval of the company's shareholders. It cannot be distributed as dividends or used for any other purpose unless specified in the national regulations.

Reserves for share-based remuneration

Starting with 2025, the fair value of the share-based awards at the grant date is recognized as an employee benefit expense (please see Note 3.20) with a corresponding increase in equity within Reserves for share-based remuneration, throughout the vesting period, based on the estimated number of awards expected to vest.
At each vesting date, shares are delivered to employees and the related amount recognised in the Reserves for share-based remuneration is decreased, along with a release on the treasury shares account. Any difference between the cost of the treasury shares and the amount derecognised in Reserves for share-based remuneration at the time of vesting is recorded directly in equity.

3.18 Provisions
Provisions are recognized when the Company has a legal or constructive obligation, as a result of a past event, it is probable that there will be a future outflow of resources in order to settle this obligation and a reliable estimate can be made of the amount of the obligation. Provisions for risks and charges are assessed at the end of each period and adjusted in order to present management's best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Liabilities provided for legal matters require judgements regarding projected outcomes and ranges of losses based on historical experience and recommendations of legal counsel. Litigation is however unpredictable and actual costs incurred could differ from those estimated at the reporting date.

Liabilities for unused holidays refer to the entitlement for employees to accumulate vested leave benefits. The Company recognises a liability for compensated absences as it has an obligation to compensate employees for future absences attributable to employees' services already rendered, the obligation relates to rights that accumulate from period to period, it is probable that the amount will be paid and a reliable estimate can be made of the amount of the obligation.

A vesting obligation is where employees are entitled to a cash payment for unused leave entitled upon leaving the entity. The amount of the obligation will therefore be equal to the number of unused leave multiplied by the relevant employee's gross salary at the reporting date.

The obligation is initially recognised during the vesting period based on the best available estimate of the accumulated leave expected to vest. The estimate is revised each period end if subsequent information indicates that the accumulated leave expected to vest differs from previous estimates. On vesting date, the Company revises its estimate to equal the accumulated leave that ultimately vested.

3.19 Revenue from contracts with customers recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company provides health care medical services to corporate and retail customers, in which one performance obligation is a promise to transfer distinct services to the beneficiary.

Med Life's core activities

The Company's core activities are conducted through four business lines, providing a well-balanced business portfolio that covers all key segments of the private medical services market. Disaggregation of revenue from contracts with customers by business line comprises the following major categories: clinics, hospitals, laboratories and corporate.

The Company's business and revenue model focuses on the spending power of corporations and private individuals on medical services, while the State's contribution through the National Health Insurance House ("NHIH") represents a complement, not the core revenue of the Company's activities. However, the National Health Insurance House is considered to be one major customer that goes across multiple sectors such as: clinics, hospitals and laboratories, and from which the Company receives the consideration based on reaching pre-established ceilings, for the medical services provided to the State's insured patients, which are the end users of the healthcare medical services. The revenue in relation with NHIH is recognised at the end of the month, when the Company has an enforceable right to receive payment for performance completed up to date, as the end user receives and consumes the benefits provided by the entity's performance as the entity performs.

Nature and timing of satisfaction of performance obligations	**Recognition policy**
Revenues from Clinics business line The core of the Company's operations is the network of ambulatory clinics, which offer a wide range of outpatient services covering a broad range of medical specialties, including diagnostic imaging services (provided to clients other than hospital inpatients).	The revenues are recognised at a point in time when the medical services are rendered to the client and the performance obligation is satisfied.
Revenues from Laboratories business line This business line provides the following range of services: biochemistry, pathological anatomy (cytology and histology), molecular biology and genetics, hematology, immunology, microbiology and toxicology. Sampling points are locations where the Company collects blood and other samples from patients. The Laboratories business line sources the bulk of its revenue from FFS clients.	The revenues are recognised at a point in time when the medical services are rendered to the client and the performance obligation is satisfied.
Revenues from Hospitals business line Hospital services provided to patients comprise of medical services, accommodation, meals, use of medical equipment, pharmacy stock and nursing services, with multiple performance obligations being provided. The revenues are predominantly obtained from FFS patients. The Company does not expect to have any contracts where the period between the transfer of the promised service to the patient and the payment by the patient exceeds one year. Consequently, the Company does not adjust any of the transaction price for time value of money.	The revenues are recognised at a point in time, when the consumption of the benefits for the services provided is accomplished.

Revenues from Corporate business line This business line offers HPPs (health prevention packages) on a subscription basis, generally to corporate clients, as part of the benefit packages for their employees, as follows: - Mandatory occupational health services, which mainly include the provision of annual employee check-ups and more specific services depending on the client's industry. - More general, "prevention oriented" health plans, providing expanded access to general practitioners and specialists in the Company's clinics and as well as specified laboratory tests and imaging services.	The revenue is recognized over time, on a stand-ready approach. The Company has a stand-ready obligation to corporate clients to provide healthcare services on demand and the customer benefits evenly throughout the contract period. Thus, the Company uses a straight-line measure of progress over the period during which the customer has the right to such services.

Principal versus agent considerations
The Company has concluded that it is the principal in all its revenue arrangements since it is the primary obligor in all the revenue arrangements and has pricing latitude.

Contract assets and liabilities
A contract asset (accrued income) is the right to consideration in exchange for services transferred to the customer. Where the Company transfers services to a customer over time before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration to date under the contract. Contract assets are presented within trade and other receivables (Note 7) on the Company's Balance Sheet and are expected to be realized in less than one year.

A contract liability (deferred income) is the obligation to transfer services to a customer for which the Company has received consideration from the customer. Where the customer pays consideration before the Company transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract. Contract liabilities are presented within trade and other payables (Note 10) on the Statement of Financial position.

Using the practical means of IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant component of financing if it expects, at the beginning of the contract, that the period between the transfer of the promised service to the client and when the client pays for that service will be one year. less. The majority contracts are under one year.

Contracts are for periods of less than one year or are billed based on the services performed. As permitted by IFRS 15, the transaction price allocated to these unfulfilled contracts is not disclosed.

3.20 Employee benefits
The Company, in the normal course of business, makes payments to the Romanian State on behalf of its employees for pensions, health care and unemployment cover. The cost of these payments is charged to the statement of comprehensive income in the same period as the related salary cost.

All employees of the Company are members of the Romanian State pension plan. The Company does not operate any other pension scheme.

Bonus schemes
The Company recognizes a liability and an expense where a contractual obligation exists for short-term incentives. The amounts payable to employees in respect of the short-term incentive schemes are determined based on annual business performance targets.

Equity-settled share-based payments
Starting with 2025, the Company applies IFRS 2 (Share-based Payment) to transactions in which the award and settlement are share-based. In accordance with this standard, Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of equity instruments that will eventually vest. The fair value was determined using appropriate valuation models, taking into account the specific characteristics of the plan, relevant market data at the grant date and certain assumptions made at Company level.

At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to Reserves for share-based remuneration (please see Note 3.17).

3.21 Fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Certain accounting policies of the Company and information presentation criteria require determination of the fair value both for the assets and the liabilities of the Company. In determining the fair value of assets and liabilities, the Company

uses as much as possible observable market values. Fair values are classified on various levels based on inputs used in valuation techniques, as follows:

- Level 1: (unadjusted) quoted prices on active markets for identical assets and liabilities
- Level 2: inputs, other than the prices included in level 1, which are observable for assets and liabilities, either directly (e.g.: prices) or indirectly (e.g.: derived from prices)
- Level 3: inputs for evaluation of assets and liabilities which are not based on observable market data.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Additional information on the assumptions made in measuring fair values is included in Note 5.

3.22 Segment information

The Company has identified four core business lines, which comprise the following major categories: clinics, hospitals, laboratories and corporate, with the main business activity being the provision of healthcare services, as a result of completion of the medical act.

According to IFRS 8, an operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
(c) for which discrete financial information is available.

In determining the Company's operating segments, management has primarily considered the financial information included in internal reports that are reviewed and used by the Board of Directors (who together are the chief operating decision maker of Company) in assessing performance and determining the allocation of resources.
Considering the integrated healthcare services offering, there is no distinction in control by whether the services (as defined in Romanian social insurance legislation) are attributed to the inpatient or the outpatient sector. All expenses and income which are directly or indirectly related to patients are included under the operating segments.

As a result of the same structural framework conditions, the operations of the Company with the healthcare services provided are characterised by a similar risk and rewards profile whose economic environment is largely regulated by legislation. The characteristics of healthcare services are around physical facilities staffed by professionals in direct contact with patients. The payment for these services are either direct payment by the patient or indirect via an employer paid benefit/insurance and in much smaller degree by public health funds. In all these cases the beneficiary of the service is always the individual patient.
Because of the specific nature of the source of funds that finance the provision of medical services to the end users (i.e. patients) the correct allocation of profitability for each business line is limited considering that they are complementary in servicing the patient: one would originate whereas the other might render the medical services. In this respect, the business lines could not operate on their own, proving, once again, their highly interdependent nature.

The following operating business lines were aggregated **to one reporting segment, being the provision of Healthcare Services**, since they exhibit similar economic characteristics: clinics, hospitals, laboratories and corporate.

3.23 IFRS 16 - Leases

Given its large and complex operations, the Company leases a significant number of assets including buildings and land for operational activities, medical equipment and vehicles. Contractual periods differ, depending on the lease type and the leased asset, the driver being the strategic point of view the Company has into further managing its asset portfolio.

The management has evaluated its options for early termination as well as the existence of the Company's single triggered decision to extend the lease term, on a case-by-case basis. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or to exercise a termination option, are considered.

The Company leases various buildings, equipment, vehicles and other assets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The Company assesses whether a contract is or contains a lease, at inception of the contract. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company - except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Payments associated with short-term leases and all leases of low-value assets (including small equipment such as printers, PC's and others) are recognised on a straight-line basis as an expense in profit or loss. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments to be made over the lease term:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;

(all amounts are expressed in RON, unless otherwise specified)

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option;
- Amounts expected to be paid under residual value guarantees.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Company uses recent third-party financing received by the lessee as a starting point and adjusts the rate to reflect changes in financing conditions since the third-party financing was received.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets are measured at cost comprising the following:
- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives;
- Any initial direct costs; and
- Restoration costs.

After initial recognition, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.
Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

The following useful lives on average are used in the calculation of depreciation for right-of-use assets, determined based on the lease term of the contractual agreements:

	Years
Buildings	6 – 10 years
Medical equipment	3 – 4 years
Vehicles	3 – 5 years

4. GOODWILL, INVESTMENT IN SUBSIDIARIES AND OTHER FINANCIAL ASSETS

4.1 Goodwill

In accordance with Contract dated 25th of April 2025, the activity of the IT Repair entity was transferred to the Company, which resulted in the recognition of goodwill. This goodwill is tested at least annually for impairment.

	31 December 2025	**31 December 2024**
Goodwill	2,317,559	-
TOTAL	**2,317,559**	**-**

(all amounts are expressed in RON, unless otherwise specified)

The recoverable amount is based on fair value less cost of disposal (FVLCOD) of the underlying assets of the CGU. The discounted future Cash flows of the CGU, using the DCF (discounted cash-flow) method, are determined on the basis of the approved business plans for 2026 that forecast financial position and results of operations and take into account historical values and estimated performance. Cash flows are estimated in RON, having a nominal value. The results are then extrapolated for 5 additional years using bottom-up, 5-year planning that reflects the future development of the CGUs under current conditions.

After the six-year time period, a perpetuity value is calculated using a conservative Company-wide growth rate. To determine the present value of future Cash flows, a discount rate based on the weighted average cost of capital (WACC) is applied. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation. There are a number of key sensitive judgements made in determining the inputs into these models which include:
- Revenue growth considered for the next years and also the perpetual growth rate
- The discount rates applied to the projected future cash flows – please see below a summary on the key sensitive metrics used in the discounted cash-flow model, for both years:

	2025	2024
Discount rate used	10.5%	0%
Sales annual growth	5%	0%
Long-term growth rate used in 2025	2.5%	0%

The estimated future Cash flows are derived from the business plans approved by the responsible bodies. The assumptions underlying the main planning parameters take into account not only past experience and aspects arising from the operating business. The operating margin results from the application of the assumed planning assumptions. For the subsequent years, an average of the operating margins is assumed (continuation planning period), adding a slight increase. Cash flows beyond the six-year period are extrapolated using an estimated growth rate, which is consistent with forecasts specific to the industry in which the CGU operates. The discount rate is an after-tax rate that reflects current market assessments of the time value of money and the specific risks of the CGU. WACC (weighted average cost of capital) is used to estimate the rate.

The sensitivity analysis was performed according to the changes of the main factors: WACC discount rate plus 2 percent and operating margin decrease with 20 percent. In performing the sensitivity analysis, an increase in WACC of 2 percent would give rise to a reduction in the Company-wide surplus with 26%, namely a decrease from RON 2.9 mil to RON 2.3 mil in the recoverable amount. A decrease in the operating margin of 20 percent would give rise to a reduction in the Company-wide surplus with 32%, namely a decrease from RON 2.9 mil to RON 2.2 mil in the recoverable amount.

Management is confident that the business plan used in goodwill impairment testing followed a conservative approach, while negative developments in the analysed parameters are unlikely to materialize.

Management has engaged external specialists to assist with the impairment analysis.

4.2. Investment in subsidiaries

The Company holds significant investments in other companies.

Cost of investments	**31 December 2025**	**31 December 2024**
Balance at the beginning of the year	507,838,848	488,124,810
Investments recognised during the year	50,943,860	19,714,038
TOTAL	**558,782,708**	**507,838,848**

Increased participation in RMC companies
In April 2025, the Company increased its participation with 11.55% shares in RMC Hungary, reaching a stake of 100%. RMC has been part of Medlife Group since 2019, when representatives announced the acquisition of 51% of its shares.

Increased participation in Sweat Concept
In August 2025, the Company increased its participation with 14.95% shares in Sweat Concept One SRL, reaching a stake of 74.954%, by converting the loans held in share capital.

Routine Med Group acquisition
In January 2025, the Company finalized the acquisition of a 60% stake in Routine Med, a healthcare group based in Tulcea. Routine Med's operations include medical recovery hospital and outpatient services. The acquisition enhances the Company's reach in southeastern Romania, expanding access to more than 20 medical and surgical specialties in Dobrogea.

All Clinic acquisition

(all amounts are expressed in RON, unless otherwise specified)

In March 2025, the Company, via its expansion strategy, acquired a majority stake in All Clinic, marking one of its first moves beyond Romania's borders. All Clinic, founded in 1999, comprises three private multidisciplinary clinics in the Republic of Moldova. They offer outpatient services across about 20 medical specialties including family medicine, cardiology, gastroenterology, neurology, pediatrics, and gynecology.

Medlife Health incorporation
In September 2025, the Company finalized the incorporation of Medlife Health, a company based in Moldova. Company's participation in shares is of 70%.

The following table includes the list of Company's subsidiaries as well as entities that are indirectly controlled, as follows:

No.	Entity	Main activity	Location	31 December 2025	31 December 2024
1	Policlinica de Diagnostic Rapid SA	Medical Services	Brasov, Romania	83%	83%
2	Medapt SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
3	Histo SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
4	Policlinica de Diagnostic Rapid Medis SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66%	66%
5	Bahtco Invest SRL	Development of building projects	Bucharest, Romania	100%	100%
6	Med Life Ocupational SRL	Medical Services	Bucharest, Romania	100%	100%
7	Pharmalife-Med SRL	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	100%	100%
8	Med Life Broker de Asigurare si Reasigurare SRL	Insurance broker	Bucharest, Romania	99%	99%
9	Genesys Medical Clinic SRL	Medical Services	Arad, Romania	83%	83%
10	RUR Medical SRL (indirect)*	Rental Services	Brasov, Romania	83%	83%
11	Biotest Med SRL	Medical Services	Bucharest, Romania	100%	100%
12	Vital Test SRL	Medical Services	Iasi, Romania	100%	100%
13	Centrul Medical Sama SA	Medical Services	Craiova, Romania	90%	90%
14	Ultratest SA (direct si indirect)*	Medical Services	Craiova, Romania	92%	92%
15	Prima Medical SRL	Medical Services	Craiova, Romania	100%	100%
16	Stem Cells Bank SA	Medical Services	Timisoara, Romania	100%	100%
17	Dent Estet Clinic SA	Dental healthcare	Bucharest, Romania	65%	65%
18	Green Dental Clinic SRL (indirect)*	Dental healthcare	Bucharest, Romania	33%	33%
19	Aspen Laborator Dentar SRL (indirect)*	Dental healthcare	Bucharest, Romania	49%	49%
20	Centrul Medical Panduri SA	Medical Services	Bucharest, Romania	100%	100%
21	Almina Trading SA	Medical Services	Targoviste, Romania	90%	90%
22	Anima Specialty Medical Services SRL	Medical Services	Bucharest, Romania	100%	100%
23	Anima Promovare si Vanzari SRL	Medical Services	Bucharest, Romania	100%	100%
24	Valdi Medica SA	Medical Services	Cluj, Romania	55%	55%
25	Clinica Polisano SRL	Medical Services	Sibiu, Romania	100%	100%
26	Solomed Clinic SA	Medical Services	Pitesti, Romania	80%	80%
27	Solomed Plus SRL (indirect)*	Medical Services	Pitesti, Romania	80%	80%
28	Sfatul medicului SRL	Medical Platform	Bucharest, Romania	100%	100%
29	RMC Dentart (indirect)*	Dental healthcare	Budapesta, Hungary	100%	89%
30	RMC Medical (indirect)*	Medical Services	Budapesta, Hungary	100%	89%
31	RMC Medlife	Holding	Budapesta, Hungary	100%	89%
32	Badea Medical SRL	Medical Services	Cluj, Romania	65%	65%
33	Oncoteam Diagnostic SRL	Medical Services	Bucharest, Romania	100%	100%
34	Centrul medical Micromedica SRL	Medical Services	Piatra Neamt, Romania	100%	100%
35	Micromedica Targu Neamt SRL (indirect)*	Medical Services	Targu Neamt, Romania	100%	100%
36	Micromedica Bacau SRL (indirect)*	Medical Services	Bacau, Romania	100%	100%
37	Micromedica Roman SRL (indirect)*	Medical Services	Roman, Romania	100%	100%
38	Medrix Center SRL (indirect)*	Medical Services	Roznov, Romania	100%	100%
39	Spitalul Lotus SRL	Medical Services	Ploiesti, Romania	100%	100%
40	Pharmachem Distributie SRL	Distribution of Pharmaceutical Products in specialised stores	Bucharest, Romania	75%	75%
41	KronDent SRL (indirect)*	Dental healthcare	Brasov, Romania	39%	39%
42	Medica SA	Medical Services	Sibiu, Romania	60%	60%
43	Dent Estet Ploiesti SRL (indirect)*	Dental healthcare	Ploiesti, Romania	33%	33%
44	Stomestet SRL	Dental healthcare	Cluj, Romania	60%	60%
45	Costea Digital Dental SRL (indirect)*	Dental healthcare	Oradea, Romania	38%	38%
46	Expert Med Centrul Medical Irina (indirect)*	Medical Services	Galati, Romania	76%	76%
47	MNT Healthcare Europe SRL	Medical Services	Ilfov, Romania	50%	50%
48	MNT Asset Management SRL (indirect)*	Holding	Bucharest, Romania	50%	50%
49	Pro Life Clinics SRL (indirect)*	Medical Services	Iasi, Romania	78%	78%
50	Onco Card SRL (indirect)*	Medical Services	Brasov, Romania	83%	83%
51	Onco Card Invest SRL (indirect)*	Holding	Brasov, Romania	83%	83%
52	Tomorad Expert SRL (indirect)*	Medical Services	Sfantu Gheorghe, Romania	66%	66%
53	IT Repair SRL (indirect)*	Medical Services	Targu Mures, Romania	83%	50%

(all amounts are expressed in RON, unless otherwise specified)

No.	Entity	Main activity	Location	31 December 2025	31 December 2024
54	Medici's SRL	Medical Services	Timisoara, Romania	80%	80%
55	Micro-Medic SRL (indirect)*	Medical Services	Timisoara, Romania	80%	80%
56	Sweat Concept One SRL	Welness	Bucharest, Romania	75%	60%
57	OptiCristal Consult SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
58	Alinora Optimex SRL (indirect)*	Medical Services	Brasov, Romania	50%	50%
59	SC M-Profilaxis SRL (indirect)*	Medical Services	Timisoara, Romania	100%	100%
60	VitaCare Flav SRL (indirect)*	Medical Services	Pitesti, Romania	51%	51%
61	Dent Estet Genesys SRL (indirect)*	Medical Services	Arad, Romania	74%	74%
62	Sanopass SA	Medical Platform	Targoviste, Romania	100%	100%
63	Muntenia Medical Competences S.A. (indirect)*	Medical Services	Pitesti, Romania	51%	51%
64	Bios Diagnostic Medical Services SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
65	Centrul de Diagnostic si Tratament Provita S.A.	Medical Services	Bucharest, Romania	51%	51%
66	Medical City Blue SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
67	Laborator Cuza Voda SRL (indirect)*	Medical Services	Bucharest, Romania	51%	51%
68	Provita Pain Clinic SA (indirect)*	Medical Services	Suceava, Romania	36%	36%
69	Policlinica Union SRL (indirect)*	Medical Services	Cluj, Romania	51%	51%
70	Brol Medical Center S.A. (indirect)*	Medical Services	Timisoara, Romania	80%	56%
71	Provita 2000 SRL (indirect)*	Medical Services	Constanta, Romania	100%	100%
72	Nord Management Solutions SRL (indirect)*	Development of building projects	Bucharest, Romania	51%	51%
73	Med Varix SRL (indirect)*	Medical Services	Timisoara, Romania	56%	56%
74	Personal Genetics SRL	Medical Services	Bucharest, Romania	100%	100%
75	Nord Soma SA (indirect)*	Medical Services	Bucharest, Romania	26%	26%
76	Super Age by Nord SA (indirect)*	Medical Services	Bucharest, Romania	38%	26%
77	VP-MED Kereskedelmi es Szolgaltato Korlatolt Felelossegu Tarsasag (indirect)*	Medical Services	Budapest, Hungary	83%	83%
78	Centrul Medical Antares SRL (indirect)*	Medical Services	Piatra Neamt, Romania	100%	100%
79	Euromedica Hospital SA(indirect)*	Medical Services	Baia Mare, Romania	80%	80%
80	Euromedica Administrator SA (indirect)*	Holding	Baia Mare, Romania	80%	80%
81	Cabinet Medical Dr. Bacila Mihai SRL (indirect)*	Medical Services	Tulcea, Romania	48%	0%
82	Alfalux Dent SRL (indirect)*	Dental healthcare	Tulcea, Romania	60%	0%
83	Medical Center Spital SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
84	Mega Optic SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
85	Super Optosan SRL (indirect)*	Medical Services	Tulcea, Romania	60%	0%
86	Micro Medic SRL (indirect)*	Medical Services	Constanța, România	100%	0%
87	Routine Med SA	Medical Services	Tulcea, Romania	60%	0%
88	All Clinic SRL	Medical Services	Chisinau, Republica Moldova	70%	0%
89	Medlife Health	Medical Services	Chisinau, Republica Moldova	70%	0%
90	1ST ENDO MEDICAL SRL (indirect)*	Medical Services	Timisoara, Romania	41%	0%

**These companies are subsidiaries of other subsidiaries in the Group and are included in the consolidation, as they are controlled by the entities which are subsidiaries of the ultimate parent.*

Management conducts impairment tests whenever there is an indication of impairment to assess the recoverability of the carrying value of investments at individual level. This is performed using discounted cash flow models. The impairment test is performed at the level of each company with impairment indicator. The results showed that for the entities subject to the impairment test, the related equity value is higher than their net book value, therefore no impairment of their respective cost of investment was recorded on the reporting date. Management has engaged external specialists to assist with the impairment analysis, the entire valuation process being performed by certified ANEVAR valuators. There were no changes in the valuation techniques compared to prior year.

(all amounts are expressed in RON, unless otherwise specified)

4.3. Other financial assets

Carrying amount	31 December 2025	31 December 2024
Long-term loans granted to group companies	15,308,716	14,722,878
Other financial assets	2,231,678	2,210,065
TOTAL	**17,540,394**	**16,932,943**

Long-term loans granted to other companies of Medlife Group

As of December 31, 2025, the Company presents long-term loans granted to Bahtco Invest SA and Medlife Ocupational SRL. Please refer to Note 23 for more details.

Other financial assets

Other financial assets represent mainly rent deposits with a maturity longer than one year.

(all amounts are expressed in RON, unless otherwise specified)

5. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	Intangible assets	***Property, plant and equipment***				
	Intangibles	**Land and Buildings**	**Leasehold improvements**	**Vehicles and equipment**	**Construction in progress**	***Total Property, plant and equipment***
Cost						
31 December 2024	**80,599,296**	**227,567,023**	**73,462,609**	**304,450,951**	**20,378,773**	***625,481,119***
Additions	13,158,233	-	-	53,366,253	9,371,537	*62,737,790*
Transfers	-	29,652,029	-	-	(29,652,029)	-
Disposals	(294)	-	-	(312,928)	-	*(312,928)*
Reclassifications during the year	-	1,591,035	(1,591,035)	(378,239)	-	*(378,239)*
Impact of revaluation (elimination of accumulated depreciation and impairment from cost)	-	(14,219,025)	-	-	-	*(14,219,025)*
Impact of revaluation recognized in other comprehensive income	-	5,764,642	-	-	-	*5,764,642*
Revaluation losses recognized in the profit and loss account	-	(64,860)	-	-	-	*(64,860)*
31 December 2025	**93,757,235**	**250,290,844**	**71,871,575**	**357,126,037**	**98,281**	**679,008,498**

	Intangibles	**Land and Buildings**	**Leasehold improvements**	**Vehicles and equipment**	**Construction in progress**	***Total Property, plant and equipment***
Depreciation						
31 December 2024	**57,962,804**	**7,796,625**	**53,158,486**	**189,910,701**	**-**	***250,487,574***
Charge of the year	8,986,654	4,471,632	3,254,828	30,281,891	-	*38,008,350*
Disposals	(51)	-	-	11,839,878	-	*11,839,878*
Reclassifications during the year	-	1,950,768	(1,950,768)	(378,239)	-	*(378,239)*
Revaluation impact (accumulated depreciation and impairment eliminated against cost)	-	(14,219,025)	-	-	-	*(14,219,025)*
31 December 2025	**66,949,406**	**-**	**54,462,546**	**231,654,231**	**-**	**285,738,538**
Net Book Values						
31 December 2024	**22,636,493**	**219,770,398**	**20,304,123**	**114,540,250**	**20,378,773**	***374,993,544***
31 December 2025	**26,807,829**	**250,290,844**	**17,409,028**	**125,471,807**	**98,281**	***393,269,961***

As at 31 December 2025, upon revaluation, in order to avoid the selective revaluation of asset categories, the Company reclassified property, plant and equipment between categories with a gross book value of RON 378,239 and accumulated depreciation of RON 378,239, resulting in no impact on the net book value.

(all amounts are expressed in RON, unless otherwise specified)

	Intangibles	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	*Total Property, plant and equipment*
Cost						
31 December 2023	**69,886,132**	**222,570,260**	**70,734,554**	**265,624,296**	**16,486,519**	***575,415,629***
Additions	10,713,164	195,605	-	38,858,209	11,421,468	*50,475,282*
Transfers	-	4,801,158	2,728,055	-	(7,529,213)	-
Disposals	-	-	-	(31,554)	-	*(31,554)*
31 December 2024	**80,599,296**	**227,567,023**	**73,462,609**	**304,450,951**	**20,378,773**	***625,859,357***

	Intangibles	Land and Buildings	Leasehold improvements	Vehicles and equipment	Construction in progress	*Total Property, plant and equipment*
Depreciation						
31 December 2023	**50,719,178**	**3,913,275**	**50,580,238**	**164,435,297**	**-**	***218,928,810***
Charge of the year	7,243,626	3,883,350	2,578,248	25,107,188	-	*31,568,787*
Disposals	-	-	-	(9,654)	-	*(9,654)*
Impairment losses recognized in profit or loss	-	-	-	377,870	-	*377,870*
31 December 2024	**57,962,804**	**7,796,625**	**53,158,486**	**189,910,701**	**-**	***250,865,813***
Net Book Values						
31 December 2023	**19,166,954**	**218,656,985**	**20,154,316**	**101,188,999**	**16,486,519**	***356,486,819***
31 December 2024	**22,636,493**	**219,770,398**	**20,304,123**	**114,540,250**	**20,378,773**	***374,993,545***

5.1. Land and buildings carried at fair value

The value of land and buildings of the Company are stated at their revalued amounts, being the fair value at the date of revaluation, which is 31 December 2025 (the previous revaluation process took place as of 31 December 2022).
The fair value measurements of the Company's freehold land and buildings as at 31 December 2025 were performed by independent valuers not related to the Company. They are certified by ANEVAR and have appropriate qualifications and experience in the fair value measurement of properties in the relevant locations.

The total revaluation difference was in amount of RON 5,764,642. The difference was recorded in the revaluation reserve as a surplus (please refer to Note 16).
In the statement of profit or loss the overall negative impact registered is of RON 64,860 as a result of the revaluation. Please also refer to Note 26 for impact recognised for Deferred Tax.

The fair value was determined by reference to market-based evidence, using the market comparable method, the cost and income approach. The valuation techniques are selected by the independent appraiser, in accordance with International Valuation Standards.
The fair value is overall determined to be Level 3 in the fair value measurement hierarchy. The inputs used in the valuation were:
- Level 2 inputs based on the IFRS 13 classification (e.g. current rents, prices per sqm, yields, occupancy rates, etc. publicly available on the market for similar assets and other market-corroborated inputs), or
- Level 3 (unobservable) inputs through which Group develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, rather than direct inputs from the market, with orderly adjustments performed by the appraiser in order to determine fair value.

The fair value of the free land was determined based on the market price comparison method. This method was considered appropriate due to the nature of the assets valued, which have an active market. An active market is a market that simultaneously meets the following three conditions: goods traded on the market are homogeneous, buyers and sellers can be found at any time on the market and prices are available to the public.
In estimating the value, it was taken into account the physical condition indicated by the company's representatives and found at the time of the field valuation of the assets, as well as the information available in relation to the analysed assets and data extracted from the market analysis. Assets were compared with other similar assets and adjustments were made accordingly to indicate the current value.

Key input used in the revaluation of Land is the price per square meter (EUR/sqm), which reflects observable market data derived from recent transactions of comparable properties. This input is determined by analyzing sales of similar assets in comparable locations and adjusting for differences such as size, location, condition, accessibility, and permitted use. Depending on the location, the price per sqm used in the valuation are as follows: for Bucharest, ranging from EUR 654 to EUR 1,905 / sqm; for Constanta, ranging from EUR 543 to EUR 777 / sqm; for Galati, ranging from EUR 335 to EUR 403 / sqm; for Iasi, ranging from EUR 290 to EUR 349 / sqm.

The cost approach was chosen exclusively for properties that, although directly generating profit, have an unique nature, special destination and physical characteristics. The assets which were valued with cost approach refers mostly to hospital buildings. The lack of hospital facilities on the market makes the Income or Market approach very difficult to apply due to absence of market comparable data or, if any exist, they are extremely limited and insignificant in terms of equipment or involved surface areas.
The cost method reflects the costs which a market participant would incur to construct or acquire assets of similar utility and age, adjusted for obsolescence and other relevant forms of depreciation.

The income approach is based on the idea that the real estate being appraised can be a revenue-generating investment. The rental value is obtained through direct comparisons from the appraiser's database or information obtained from real estate agencies, using the average rental values identified on the market, or, if the situation of the building requires it, the closest rental value can be selected by considering the similarity of comparable properties.
Direct capitalization is the method used to transform the estimated level of net income into a property valuation indicator. Considering the fact that certain buildings with clinical functionality can be converted into office spaces, the appraiser used the income approach. Thus, comparable rental and sale market data for relatively similar buildings were extracted to generate both an average rent and an average capitalization rate, which in turn led to a value for the analysed property. The reported rents are of a contractual nature, therefore, the facilities granted by the owner (such as free rent months or the owner's contribution to the space arrangement) are not taken into account.

For the sensitivity analysis two important elements of the income approach were analysed, namely:

- Losses due to vacancy
- Capitalization rate

Losses due to vacancy represent the loss of potential gross income in case the property that is intended to be rented cannot be rented, rent is not paid or the tenant is changed. In general, it represents the ratio between demand and supply in the real estate market at a given time. A percentage of +2.1% was used, which represents a period of one week that is added to the vacancy loss considered valid for each property, taking into account both the type of building and the size of the city. As a result, the value of the properties appraised through income approach decreased overall with RON 1,761,202.

The capitalization rate (yield) expresses the ratio between the expected net operating income for one year and the total value of the property obtained from the transaction. This does not express the performance of the investment, but it can

(all amounts are expressed in RON, unless otherwise specified)

be an indicator of the real estate market performance at a given time. The capitalization rate may fluctuate depending on the income forecast and the change in the value of the property. For the sensitivity analysis a percentage of +0.25% of the capitalization rate identified by the market was added, resulting in a potential negative variation in rental values. The overall effect led to a decrease of RON 2,161,705 in the fair value of the buildings.

In order to provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the three levels prescribed under the international financial reporting standards. An explanation of each level is provided in note 3.21.

Details of the Company's freehold Land and Buildings according to the last valuation reports prepared in 2025 and information about the fair value hierarchy as at the end of the reporting period are as follows:

31 December 2025	**Level 1**	**Level 2**	**Level 3**
Land and buildings	-	-	250,290,844

31 December 2024	**Level 1**	**Level 2**	**Level 3**
Land and buildings	-	-	222,570,259

The amount of RON 222,570,259 refers to the previous valuation report which was prepared in 2022.

If the lands and buildings of the Company had been valued at historical cost net of cumulated depreciation, their book value would have been the one presented below:

	December 31, 2025	**December 31, 2024**
Land	51,074,011	52,421,011
Buildings	89,582,621	13,860,633
TOTAL	**140,656,632**	**66,281,644**

5.3. Intangibles

Intangibles are amortised on a straight-line basis, over a period of 3 years and include software licenses, concessions, patents and other intangibles, website development and development of internal IT applications.

During 2025, the costs incurred with the website development that met the capitalization criteria of IAS 38 Intangible assets were capitalised as a new intangible asset, in the amount of RON 533,811, which is amortized over a period of 3 years.

The capitalized cost for other intangible assets, such as development of internal IT applications, along with other accounting applications, was recognized during the year, in the amount of RON 7,198,134. Also, the capitalised costs during the year for research and development projects for medical purposes are in a total amount of RON 3,676,492.

6. INVENTORIES

	31 December 2025	**31 December 2024**
Consumable	17,308,445	15,172,807
Materials in the form of inventory items	235,297	148,068
TOTAL	**17,543,742**	**15,320,875**

During 2025 and 2024 no amount was recognized as an expense for inventories carried at net realisable value.

7.1. TRADE RECEIVABLES

	31 December 2025	**31 December 2024**
Trade Receivables	144,738,814	128,557,860
Allowance for doubtful receivables	(34,085,853)	(31,394,866)
TOTAL	**110,652,961**	**97,162,994**

Credit risk for the Company primarily relates to trade receivables in the ordinary course of business. Customers' compliance with agreed credit terms is monitored regularly and closely. Where payments are delayed by customers, steps are taken to restrict access to services or contracts are terminated.

Certain customers, which are public or quasi-public institutions, or subsidiaries of the Company, may have longer payment terms and services may continue to be delivered when amounts are overdue, based on management's assessment of a lower credit risk. The average receivable days for the services offered is 90 days. There is no interest

(all amounts are expressed in RON, unless otherwise specified)

on commercial receivables within the first 90 days from the date of issue of the invoice, which also represents the average contractual term.

The carrying amount of financial assets, measured at amortised cost, represents the maximum credit exposure. There are no credit enhancements or collateral held that would offset such amounts. As the customer base of the Company is very diverse, there are generally no large concentrations of credit risk.

Based on the assessed credit risk of the customers, the Company`s trade receivables are split between individually assessed and collectively assessed.

31 December, 2025	**Individually assessed**	**Collectively assessed**	**Total**
Trade receivables	86,136,248	58,602,566	144,738,814
Allowance for doubtful receivables	(7,425,082)	(26,660,771)	(34,085,853)
TOTAL	**78,711,166**	**31,941,795**	**110,652,961**

31 December, 2024	**Individually assessed**	**Collectively assessed**	**Total**
Trade receivables	76,665,601	51,892,259	128,557,860
Allowance for doubtful receivables	(9,690,762)	(21,704,103)	(31,394,865)
TOTAL	**66,974,839**	**30,188,156**	**97,162,994**

Individually assessed items include mainly trade receivables from National Health Insurance House and from Group companies. For National Health Insurance House, an allowance for expected credit losses of RON 7,425,082 was recognised in the financial statements in the previous years, as a result of court proceedings initiated at that time. As of 31 December 2025 and 31 December 2024, the amounts, both the trade receivables and the 100% allowance are still in closing balance.

The Company applies the simplified approach for providing for expected credit losses (ECL) prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables which are collectively analysed. A provision matrix was prepared based on historical observed default rates over the expected life of trade receivables resulting in an ECL reflecting the predictive risk by type of customer.

Changes in economic conditions were also considered as part of forward-looking information. Estimating adjustments for expected credit losses involves forecasting future macroeconomic conditions. The incorporation of forward-looking elements reflects the Company's expectations. GDP (Gross Domestic Product) growth, unemployment rate and inflation rate were used as macroeconomic factors considered statistically relevant for the analysed trade receivables, with average forecasts for 2026-2027 included in the model.

The allowance for expected credit losses collectively assessed based on the Company's provision matrix was determined as follows:

31 December, 2025	**Current**	**<30 days**	**< 90 days**	**< 180 days**	**< 365 days**	**> 365 days**	**Total**
Expected credit loss rate	0.40%	4.56%	9.97%	24.16%	42.17%	86.25%	
Trade receivables	25,522,157	614,496	591,429	665,907	1,375,761	29,832,816	58,602,566
Allowance for doubtful receivables	(102,958)	(28,014)	(58,939)	(160,877)	(580,226)	(25,729,757)	(26,660,771)
TOTAL	**25,419,199**	**586,482**	**532,490**	**505,030**	**795,535**	**4,103,059**	**31,941,795**

31 December, 2024	**Current**	**<30 days**	**< 90 days**	**< 180 days**	**< 365 days**	**> 365 days**	**Total**
Expected credit loss rate	0.33%	6.69%	12.28%	23.14%	35.07%	84.07%	
Trade receivables	22,763,740	545,301	1,040,811	1,392,176	1,720,957	24,429,274	51,892,259
Allowance for doubtful receivables	(75,771)	(36,459)	(127,776)	(322,093)	(603,475)	(20,538,530)	(21,704,103)
TOTAL	**22,687,969**	**508,842**	**913,034**	**1,070,084**	**1,117,482**	**3,890,744**	**30,188,156**

(all amounts are expressed in RON, unless otherwise specified)

For Trade receivables in ">365 days" category, the expected credit loss rate of 86.25% represents an average of expected credit loss rates, depending on the aging of the receivables. Expected credit loss rates range from 55.5% for receivables from 2024 to 2020. For all receivables older than 2020, an allowance for doubtful receivables was computed for the entire amount as they have a default rate of 100% and are no longer included in the collection process.

A reconciliation of the allowance for expected credit losses is presented as follows:

	2025	2024
As at 1 January	**31,394,865**	**28,262,015**
Recognised in income statement	2,690,988	3,132,850
As at 31 December	**34,085,853**	**31,394,865**

The Company's total Trade receivables from related parties are in the amount of RON 60,647,197 (31 December 2024: RON 48,667,306) and were presented on Note 23.

7.2. OTHER ASSETS

	31 December 2025	31 December 2024
Advances paid	11,217,916	7,002,229
Other receivables	16,447,950	16,295,842
Other assets	3,212,189	1,837,545
TOTAL	**30,878,055**	**25,135,616**

As at 31 December 2025, other assets amounted to RON 30,878,055 compared to RON 25,135,616 as at 31 December 2024, representing an increase of 5,742,439 year-on-year. The movement is mainly attributable to an increase in advances paid of RON 4,215,687, reflecting higher prepayments and advances granted in the normal course of operations.

8. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
Cash in bank	17,274,328	13,992,862
Cash in hand	863,759	620,548
Cash equivalents	514,524	722,360
TOTAL	**18,652,611**	**15,335,770**

For the carrying value of the current accounts that are pledged in order to secure the borrowings please refer to Note 14.

9. PREPAYMENTS

As of December 31, 2025 the Company has prepayments in amount of RON 2,878,220 (RON 3,422,223 as of December 31, 2024). The prepayments balance as of December 31, 2025 consists mainly of deferred commissions for financing related to the Syndicated loan for undrawn facilities and amounts such as insurance policies for professionals and tangible assets.

10. TRADE AND OTHER PAYABLES

	31 December 2025	31 December 2024
Suppliers	192,556,694	173,416,999
Fixed assets suppliers	33,685,277	32,048,975
Contract liability	5,382,166	1,976,266
TOTAL	**231,624,137**	**207,442,240**

The balance of the suppliers consists of payables related to the acquisition of consumables, materials and commodities.
The fixed assets suppliers consists of payables related to the acquisition of medical equipment.
The Company's total Trade payables due to Group companies are in the amount of RON 119,536,877 (31 December 2024: RON 99,971,550) and were presented on Note 23.

(all amounts are expressed in RON, unless otherwise specified)

11. OTHER LIABILITIES

	31 December 2025	31 December 2024
Salary and related liabilities (incl. contributions)	12,771,404	9,796,385
Other liabilities	16,575,446	10,552,003
TOTAL	**29,346,850**	**20,348,388**

The increase from RON 10,552,388 as of December 31, 2024 to RON 16,575,446 in current year is mainly driven by the higher balance of deferred income account, indicating that the Company has received larger amounts in advance from customers, which will be recognized as revenue in future periods.

12. PROVISIONS

	December 31, 2025	December 31, 2024
Carrying amount at start of year	**4,769,204**	**2,790,424**
Charged/(credited) to profit or loss		
- additional provisions recognised	-	2,795,566
- unused amounts reversed	(994,035)	-
Amounts used during the year	(724,288)	(816,786)
As at 31st December	**3,050,881**	**4,769,204**

Provisions booked as of 31 December 2025 and 31 December 2024 refer to provisions related to untaken holidays, which covers 100% from total balance. The total balanced has decreased with 1,718,323 RON compared with prior year.

13. LEASE

Leasing facilities refer to buildings, vehicles and medical equipment.

Right-of-use asset	Buildings	Vehicles	Equipment	Total
Cost				
Value at 31 December 2024	**144,918,989**	**15,284,402**	**24,057,160**	**184,260,550**
Additions	19,132,873	7,321,693	481,509	**26,936,076**
Disposals	(3,797,941)	(142,731)	(14,650,244)	**(18,590,915)**
Value at 31 December 2025	**160,253,921**	**22,463,365**	**9,888,426**	**192,605,711**
Accumulated depreciation				
Value at 31 December 2024	**105,220,708**	**12,447,756**	**17,748,074**	**135,416,538**
Charge for the year	24,080,997	2,235,497	961,561	**27,278,055**
Disposals	(3,508,691)	(124,918)	(11,939,073)	**(15,572,682)**
Value at 31 December 2025	**125,793,014**	**14,558,335**	**6,770,562**	**147,121,911**
Carrying amount				
Value at 31 December 2024	**39,698,281**	**2,836,646**	**6,309,086**	**48,844,012**
Value at 31 December 2025	**34,460,907**	**7,905,030**	**3,117,864**	**45,483,799**

	December 31, 2025	December 31, 2024
Non-current - Lease Liabilities	28,898,363	27,066,810
Current portion - Lease Liabilities	19,561,979	24,096,539
TOTAL	**48,460,342**	**51,163,349**

(all amounts are expressed in RON, unless otherwise specified)

Amounts recognised in P&L	**December 31, 2025**	**December 31, 2024**
Depreciation charge of right-of-use assets	27,278,055	28,874,133
Interest expense on lease liabilities (included in finance cost)	2,472,326	2,749,951
PL (Loss) / Gain from contracts terminated earlier	(24,561)	6,338
Foreign exchange loss in relation with Lease Liabilities	1,170,164	16,849
Income tax expense in relation with Lease Liabilities	-	-
Expense relating to short-term leases (included in rent expenses)	225,683	80,679
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in rent expenses)	276,108	267,454
Other categories	5,372,417	3,361,785

The total cash outflow for leases amount to RON 32,572,737 (2024: RON 32,323,561) for contracts that fall under IFRS 16 (which refer to rental of buildings, vehicles and equipment), out of which RON 30,100,411 (2024: RON 29,573,610) refer to payments of principal and RON 2,472,326 (2024: RON 2,749,951) refer to payments of interest. For leases relating to short-term contracts or low value assets, the total cash outflow amount to RON 501,791 (2024: RON 348,133).

Extension and termination options
Extension and termination options are only included in the lease term when the Company has the right to unilaterally extend/terminate and judges that this right is reasonably certain to be exercised. For some of the Company's lease agreements with extension options, these criteria are considered met and the extension option is therefore included in the lease term, in cases in which the prolongation for the contract is automated for one additional year.
Some of the real estate leases within the Company contain termination options with a purpose to achieve operational flexibility. During 2025, management is not reasonably certain to exercise the termination options embedded in IFRS 16 lease contracts.

14. 1 NET FINANCIAL DEBT – SYNDICATED LOAN

	31 December 2025	**31 December 2024**
Overdraft	10,197,000	9,948,200
Current portion of long-term loans	32,718,945	58,861,845
Non-current portion of long-term loans	665,239,788	582,827,132
TOTAL	**708,155,733**	**651,637,177**

	31 December 2025	**31 December 2024**
Cash and cash equivalents	18,652,611	15,335,770
Interest bearing loans and borrowings (including overdraft)	708,155,733	651,637,177
Lease liabilities	48,460,342	51,163,349
Net debt	**737,963,464**	**687,464,756**
Current debt		
Overdraft	10,197,000	9,948,200
Current portion of lease liability	19,561,979	24,096,539
Current portion of interest bearing loans and borrowings	32,718,945	58,861,845
Long Term Debt		
Lease liability	28,898,363	27,066,810
Long term interest bearing loans and borrowings	665,239,788	582,827,132

(all amounts are expressed in RON, unless otherwise specified)

Increases in credit facility during 2025

On 25th of March 2025, the Group increased its existing facilities by EUR 50 million and by an additional "Accordion Facility" of up to EUR 25 million, by signing an addendum to the existing syndicated loan agreement. The syndicate of banks which signed the increase in syndicated loan consists of Banca Comercială Română, as Coordinating Mandated Lead Arranger, Documentation Agent, Facility Agent, Security Agent and Bookrunner, Raiffeisen Bank, BRD Groupe Société Générale, Banca Transilvania and ING Bank, as Original lenders.

The Company has contracted three credit facilities from its financing banks, namely Facility A, Facility B, and Facility C. Facility A and Facility C are designated to finance capital expenditures as well as mergers and acquisitions, while Facility B is contracted to support the Company's working capital needs. Facility A represents the initial facility granted, which has been fully utilized with no remaining available limit, whereas Facility C remains active and continues to provide available limit for future capital investments and acquisitions.

The balance of the syndicated loan as of December 31, 2025 is RON 696,122,052 (RON 637,528,177 as of December 31, 2024) and is summarised in the table below:

Credit Facility	Interest Rate	Currency	Year of Maturity	Total Loans as of December 31st, 2025	Total Loans as of December 31st, 2024
Facility A	EURIBOR 6M + relevant margin	EUR	2031	617,382,348	475,013,441
Facility B	EURIBOR 6M + relevant margin	EUR	2027	43,003,747	24,545,134
Facility C	EURIBOR 6M + relevant margin	EUR	2031	35,735,957	127,170,050
Facility D	EURIBOR 6M + relevant margin	EUR	2031	-	10,799,552
Totals				**696,122,052**	**637,528,177**

Facility B includes a roll-over option.
Facility D was transferred to Facility A upon signing the addendum to the existing syndicated loan agreement.
As at December 31, 2025 none of the Group members was in breach of any applicable term of the financing facilities.

14.2 NET FINANCIAL DEBT – OUTSIDE SYNDICATED LOAN

In addition to the syndicated loan agreement, the Company has also contracted an overdraft facility from Garanti Bank S.A; the amount drawn on December 31, 2025, is of RON 10,197,000.

The amounts presented above in the tables as total loans represent the principal portion of the loans, while the remaining amounts represent accrued interest included in the balance.

14.3 GUARANTEES

Loan Type	Property, plant & Equipment	Current accounts	Anuual contractual value	Shares
Syndicated	292,872,504	13,563,135	66,090,275	non - monetary
Totals	**292,872,504**	**13,563,135**	**66,090,275**	**non-monetary**

A reconciliation of cash and non-cash movements of loans payable, lease liabilities is presented in the following table:

	Liabilities from financing activities			
	Borrowings	**Leases**	**Overdraft**	**Total**
Financial Debt as at 31 December 2024	**641,688,977**	**51,163,349**	**9,948,200**	**702,800,526**
Cash movements				
Cash flows net related to principal	40,643,374	(30,100,411)	-	**10,542,963**
Payments of interest	(30,688,898)	(2,472,326)	-	**(33,161,224)**
Non-cash movements				
New leases	-	26,227,355	-	**26,227,355**
Foreign exchange adjustments	16,987,420	1,170,164	404,506	**18,562,090**
Other changes (non-cash movements)	29,327,860	2,472,210	-	**31,800,070**
Financial Debt as at 31 December 2025	**697,958,733**	**48,460,341**	**10,352,706**	**756,771,780**

*Other changes (non-cash movement) contains the accrued interest expense.

(all amounts are expressed in RON, unless otherwise specified)

15. SHARE CAPITAL AND SHARE PREMIUM

The issued share capital in nominal terms consists of 531,481,968 ordinary shares as at 31 December 2025 (31 December 2024: 531,481,968) with a nominal value of RON 0.25 per share. The holders of ordinary shares are entitled to one vote per share in the shareholders' meetings of the Company, except for the treasury shares bought back by the Company as part of the share buy-back program. All shares rank equally and confer equal rights to the net assets of the Company, except for treasury shares.

	31 December 2025	31 December 2024
Share capital	132,870,492	132,870,492
Share premium	(308,155)	(308,155)
TOTAL	**132,562,337**	**132,562,337**

During 2025 the Company reacquired own equity instruments (treasury shares) in a total amount of RON 1,466,326 (2024: RON 1,078,836) and released no shares (2024: RON 0). No amount was recognised for the difference between the fair value and cost of own shares, since no change was made (compared with 2024, when the amount recognised was RON 308,155 and was included as an increase on the share premium account). The total number of shares held by the entity is 665,983 as of 31 December 2025 (427,042 as of 31 December 2024).

The remaining treasury shares in balance will be further used by the Company to transfer free of charge the shares to its employees under the share-based payment programme (please see Notes 3.17 and 3.20) or released to minority shareholders from subsidiaries in exchange for their shares.

16. RESERVES

The structure of the Company's reserves is presented below:

	December 31, 2025	December 31, 2024
Legal reserves (i)	8,456,933	8,456,932
Other reserves (ii)	29,491,129	27,895,073
Revaluation reserves (iii)	111,306,809	106,464,509
TOTAL	**149,254,871**	**142,816,514**
(i), (ii) General reserves and other reserves		
Balance at beginning of the year	**36,352,005**	**35,227,339**
Movements	1,596,057	1,124,666
Balance at the end of the year	**37,948,062**	**36,352,005**
(iii) Revaluation reserves		
Balance at beginning of the year	**106,464,509**	**106,464,509**
Decrease arising revaluation correction	-	-
Increase due to revaluation	5,764,642	-
Deferred tax related to revaluation	(922,342)	-
Balance at the end of the year	**111,306,809**	**106,464,509**

Other reserves have increased in 2025 with 1,596,057 RON (2024: RON 0) due to stock option plan.

The revaluation reserve arises on the revaluation of land and buildings. During 2025, the Company engaged an independent appraiser to determine the fair value for land and buildings as of 31 December 2025. The total revaluation difference that was recorded as a revaluation surplus in the statement of changes in equity is in the amount of RON 5,764,642. When revalued land or buildings are sold or otherwise disposed of, the portion of the properties revaluation reserve that relates to that asset, and that is effectively realized, is transferred directly to general reserves.

The effects of taxes on income, resulting from the revaluation of property, plant and equipment are recognized and disclosed in accordance with IAS 12 Income Taxes (please see Note 24).

Starting with 2025, the fair value of the share-based awards at the grant date is recognized as an employee benefit expense with a corresponding increase in equity within Other Reserves for share-based remuneration, in a total amount of RON 1,596,057.

(all amounts are expressed in RON, unless otherwise specified)

17. REVENUE FROM CONTRACTS WITH CUSTOMERS

Turnover for the 12 months period ended December 31, 2025 was 779,671,690 RON (12 months ended December 31, 2024: 716,937,391 RON) and consists of medical services revenues, including revenues from corporate prevention packages, as well as outpatient services, day and inpatient hospital services and laboratory services. Please see breakdown below.

Sales

Business Line	12 months 2025 Sales	% of Total Sales	12 months 2024 Sales	% of Total Sales	Variation 2025/2024
Clinics	219,242,234	28.1%	209,466,630	29.2%	4.7%
Corporate	217,296,227	27.9%	201,389,691	28.1%	7.9%
Hospitals	198,125,636	25.4%	173,208,866	24.2%	14.4%
Laboratories	144,447,747	18.5%	130,210,975	18.2%	10.9%
Overheads	559,846	0.1%	2,661,229	0.4%	-79.0%
TOTAL SALES	**779,671,690**	**100%**	**716,937,391**	**100%**	**9%**

Of the total sales in 2025, around 13% (12% in 2024) come from the treatment of patients insured through the Health Insurance House. The Company's revenues are generated in Romania. The entire amount included in contractual obligations at the beginning of the year (Note 10) was recorded as income in 2025.

18.1 OTHER OPERATING INCOME

	12 months 2025	12 months 2024
Other operating income	2,338,368	839,144
TOTAL	**2,338,368**	**839,144**

18.2 Dividend Income

During 2025, the Company has recorded dividends in amount of RON 24,943,785 from its subsidiaries, out of which the amount RON 4,459,492 was collected in cash until the end of the year and the amount RON 20,484,293 has been compensated with loans received from related parties (Note 23).

19. THIRD PARTY EXPENSES

	12 months 2025	12 months 2024
Medical services	254,052,249	229,498,462
Marketing & Advertising	583,891	52,273
Cleaning and laundry	7,688,679	6,472,830
Consulting services	5,432,336	5,017,051
Legal services	5,518,948	4,308,166
Others	7,738,515	8,130,143
Security and safety	2,203,191	1,873,987
Waste collection and sanitation	2,323,145	2,223,188
Storage and archiving services	471,466	511,259
IT services	465,614	530,714
Logistics and telecommunications services	136,960	167,582
Accreditations and authorizations	497,532	499,121
TOTAL	**287,112,526**	**259,284,776**

Around 88% of total Third party expenses incurred during 2025 and 2024 refer to collaboration contracts concluded with doctors. These contracts primarily cover medical services provided by independent practitioners (including consultations, investigations and surgical procedures), who operate under collaboration arrangements rather than employment agreements. The related costs are largely variable in nature and directly linked to the volume and complexity of medical services delivered, reflecting the Company's operational model and its flexibility in managing medical staff capacity.

The amounts included in the "Others" category represent Third party expenses that cannot be further itemised and they represent 3% out of the total Third party expenses (2024: around 3%).

(all amounts are expressed in RON, unless otherwise specified)

20. OTHER OPERATING EXPENSES

	12 months 2025	12 months 2024
Utilities	9,119,640	8,797,143
Repairs maintenance	6,752,937	6,245,405
Rent	5,874,208	3,709,918
Insurance premiums	1,722,572	1,982,223
Promotion expense	18,611,347	15,686,744
Communications	2,406,008	2,379,998
Other administration and operating expenses	8,523,103	5,921,260
TOTAL	**53,009,815**	**44,722,691**

On the Other administration and operating expenses it is included an amount of RON 7,186,658 (2024: RON 2,949,239) related mostly to expensed amounts related to guarantees called by suppliers and recognised as an expense.

21. MANAGEMENT AND STAFF PERSONNEL EXPENSES

The structure of the Company's personnel is described below:

	12 months 2025	12 months 2024
Management	40	43
Staff	1,989	1,949
Total	**2,029**	**1,992**

The short-term benefits (salary expenses) paid by the Company, by type of personnel are described below:

	12 months 2025	12 months 2024
Management	23,048,494	26,905,665
Staff	208,271,025	184,165,541
Total	**231,319,520**	**211,071,206**

For key management personnel expenses, please refer to Note 23 (b).

Stock Option Plan

During the 10 October 2024 OGSM, the Company's shareholders approved the Remuneration Policy, which establishes the framework for a long-term incentive plan for the executive management based on the grant of shares free of charge. The plan is implemented by the Board of Directors, with the support of an independent Big4 consultant with relevant expertise in this area, who has benchmarked similar companies in Romania and the region, and is designed to align management's interests with those of shareholders by rewarding long-term performance.
Under the plan, the executive managers, including the CEO, are entitled to receive a number of shares subject to the fulfillment of service and performance-related vesting conditions. The vesting period is four years, with vesting occurring both annually, in equal tranches of 25%, and cumulatively at the end of the full vesting period. The plan is based on key long-term performance indicators reflecting the collective contribution of executive management.

At the same time, the executive management identified key people within the organization, who, through their strategic role and contribution to the Group's development, were included, starting with the financial year 2025, in a dedicated SOP program. This program mirrors the principles and structure of the SOP applicable to the executive management, with the objective of boosting performance and strengthening retention among critical resources for the organization. In their case, the key performance indicators have been established and approved by the Executive Board, in line with the Group's strategic objectives and the specific responsibilities of each role. The structure of these indicators is aligned with that used for the executive management, aiming to ensure a coherent and fair framework for evaluating performance within the organization.

The total number of shares calculated to be granted under the 2025 – 2029 Stock Option Plans is of up to 2,004,763 shares, which represents 0.3772% of the share capital of the parent company and represent the total outstanding number of instruments at the end of the year. During the reporting period, there were no instruments exercised, expired, or forfeited. The shares will be allocated to the SOP Beneficiaries (the executive management and the key people designated by the executive management), subject to the fulfillment of service and performance-related vesting conditions over the four-year vesting period.

The share-based payment expense is recognized at the fair value of the shares at the grant date and amounts to RON 1,596,057 for the year ended 2025 (2024: 0 RON). This represents an accrual based on the estimated number of awards expected to vest and the portion of the vesting period elapsed to date. This amount does not represent a confirmed

(all amounts are expressed in RON, unless otherwise specified)

entitlement for the employees and executives participating in the program. Final vesting is conditional upon both continued employment and the actual achievement of performance conditions assessed at the end of the performance period. Accordingly, the amount ultimately recognized may differ from the accrual recorded in the current year.

The Company has applied a Monte Carlo simulation model to determine the fair value of the share-based payment plan, through explicit simulations of the Company's share price over a four-year period. The Monte Carlo simulation incorporates parameters calibrated based on historical data analysed from the previous five years.

Valuation technique	
Method of analysis	Monte Carlo simulation
Number of simulations	50,000
Significant input data	
Grant Date	30 April 2025
Share price at Grant Date	6.22
Weighted average share price	7.06
Weighted average exercise price	not applicable
Expected life of the plan	4 years
Risk-free interest rate	4.81%
Expected dividend yield (based on past performance)	0%
Total expense recorded	
for the period 30 April 2025 - 31 December 2025	1,596,057

Please also refer to Note 23b) on key management personnel compensation.

22. NET FINANCIAL RESULT

	12 months 2025	12 months 2024
Other financial expenses	(1,270)	-
Loss from foreign exchange rate impact	(17,469,966)	(405,508)
Finance cost	(36,049,590)	(44,090,127)
Bank commissions	(2,065,184)	(1,722,819)
Finance income	12,899,548	13,005,328
FINANCIAL NET LOSS	**(42,686,462)**	**(33,213,126)**

23. RELATED PARTIES

(a) Main shareholders

As of December 31, 2025, the shareholders' structure of Med Life S.A. is as presented below:

	Number of shares	%
Cristescu Mihaela Gabriela	74,642,760	14.04%
NN privately administered Pensions Fund	70,356,940	13.24%
Marcu Mihail	66,944,828	12.60%
Marcu Nicolae	51,981,600	9.78%
AZT Viitorul Tau privately administered Pensions Fund (Allianz Tiriac)	46,219,200	8.70%
Metropolitan Life privately administered Pensions Fund	41,860,925	7.88%
International Finance Corporation (IFC)	24,110,400	4.54%
Other Legal Persons	132,295,686	24.89%
Med Life S.A.	665,983	0.13%
Other Individuals	22,403,646	4.22%
TOTAL	**531,481,968**	**100%**

(all amounts are expressed in RON, unless otherwise specified)

As of December 31, 2024, the shareholders' structure of Med Life S.A. was as presented below:

	Number of shares	%
Cristescu Mihaela Gabriela	74,642,760	14.04%
Marcu Mihail	72,944,828	13.72%
NN privately administered Pensions Fund	70,356,940	13.24%
Marcu Nicolae	54,631,600	10.28%
AZT Viitorul Tau privately administered Pensions Fund (Allianz Tiriac)	46,219,200	8.70%
Metropolitan Life privately administered Pensions Fund	34,763,991	6.54%
International Finance Corporation (IFC)	24,110,400	4.54%
Other Legal persons	125,066,423	23.53%
Med Life S.A.	427,042	0.08%
Other Individuals	28,318,784	5.33%
TOTAL	**531,481,968**	**100%**

(b) Executive Committee and Board of Directors' compensation – key management personnel expenses

Compensations granted to the members of the Executive Committee, which are considered key management personnel, were as follows:

	12 months 2025	12 months 2024
Executive Committee	**7,560,472**	**8,179,674**
out of which:		
Short term employee benefits	**6,528,552**	**8,179,674**
Remuneration	5,041,228	7,959,806
Benefits	226,485	219,868
Short-term incentive	1,260,839	-
Share based payment	**1,031,920**	**-**
Long-term incentive (share based payments)	1,031,920	-

Executive Committee compensation includes the payments made to members of the top management under their mandate contracts concluded with the Company for a period of four years, as well as the accruals for the short-term incentive (STI) and long-term incentive (LTI) components, calculated in accordance with the provisions of the Company's Remuneration Policy.

Stock Awards Subject to Performance Conditions
Share based payment arrangements
The Company operates a long term incentive plan ("LTIP") under which selected employees and executives are granted equity settled stock awards.
During the year, the Company granted stock awards (please refer to note 21 for the total number of shares granted) that vest subject to the achievement of specified performance conditions.

Performance conditions
The stock awards vest over a four-year performance period, with vesting occurring both annually, in equal tranches of 25%, and cumulatively at the end of the full vesting period, and are contingent upon continued employment and the achievement of a series of market and non-market performance conditions, approved annually by the Board's Remuneration Committee.

Recognition in the current year
As the LTIP was introduced during the current year, the share based payment charge recognised represents an accrual based on the estimated number of awards expected to vest and the portion of the vesting period elapsed to date. This amount does not represent a confirmed entitlement for the employees and executives participating in the programme.
Final vesting is dependent on both continued employment and the actual achievement of performance conditions evaluated at the end of the performance period, and the amount ultimately recognised may differ from the accrual recorded in the current year.
Please refer to Note 21) for more details.

The Executive Committee of the Company comprises the following members:
- Mr. Mihail Marcu as Chief Executive Officer and Member of the Executive Committee;
- Mr. Nicolae Marcu as Director of Health and Operations and Member of the Executive Committee;
- Mr. Dorin Preda as Deputy Chief Executive Officer and Member of the Executive Committee;
- Ms. Alina -Oana Irinoiu-Titu as Chief Financial Officer and Member of the Executive Committee.

Compensations granted to the members of the Board of Directors, which are considered key management personnel, were as follows:

(all amounts are expressed in RON, unless otherwise specified)

	12 months 2025	12 months 2024
Board of Directors	**4,157,742**	**4,099,181**
out of which:		
Short term employee benefits	**4,157,742**	**4,099,181**
Indemnity	3,916,295	3,860,308
Benefits	241,447	238,873

In line with the Remuneration Policy, the Directors do not benefit from a variable remuneration component.

Med Life S.A. Board of Directors consists of 7 members under administration agreements concluded with the Company, and approved by the General Shareholders Meeting.
The members' mandates are for a period of 4 years, starting with 22 December 2024, according to the Ordinary General Shareholders Meeting no. 1 / 21.11.2024.

The composition of Medlife S.A. Board of Directors is:

Mihail Marcu – Executive Director – Chairman of the BoD
Nicolae Marcu – Executive Director – Member of the BoD
Dorin Preda – Executive Director – Member of the BoD
Ana Maria Mihaescu – Non-executive Director – Member of the BoD
Dimitrie Pelinescu-Onciul – Non-executive Director – Member of the BoD
Voicu Cheta – Non-executive Director – Member of the BoD
Ovidiu Fer – Non-executive Director – Member of the BoD

During the year 2025 there have been no amendments to the composition of Medlife S.A. Board of Directors.

(c) Balances and transactions with subsidiaries and other related parties
Balance of receivables and payables from/to subsidiaries and other related parties:
Trade Receivables/Trade Payables

The Company's trade relations with its subsidiaries represent rendering of medical services, rental of medical facilities and acquisition of materials and commodities.

The Company's total Trade receivables from related parties are in the amount of RON 60,647,197 (31 December 2024: RON 48,667,306) and are part of Trade receivables on the statement of financial position.
The Company's total Trade payables due to related parties are in the amount of RON 119,536,877 (31 December 2024: RON 99,971,550) and are part of Trade and other payables on the statement of financial position.

(all amounts are expressed in RON, unless otherwise specified)

	Receivables from		Payables to	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Centrul Medical Panduri S.A.	2,093,392	1,374,044	11,259,472	8,570,418
Almina Trading S.A.	577,574	1,940,515	169,164	309,784
Anima Speciality Medical Services S.R.L.	4,245,492	4,730,841	3,725,659	9,540,139
Pharmalife Med S.R.L.	6,766	5,064	1,569,704	991,819
Policlinica de Diagnostic Rapid S.A.	9,608,941	11,702,059	29,246,183	21,161,684
Histo S.R.L.	1,233	1,233	675,785	564,607
Genesys Medical S.R.L.	4,604,338	806,210	13,847,096	10,122,262
Policlinica de Diagnostic Rapid Medis S.R.L.	140,270	1,033,888	1,892,242	2,868,592
Biotest Med S.R.L.	4,754,887	3,072,909	12,455,057	10,329,946
Vital Test S.R.L.	-	-	1,223,199	1,223,199
Centrul Medical Sama S.A.	4,735,252	3,380,419	9,904,443	7,709,159
Ultratest Craiova S.A.	38,109	38,109	-	-
Bahtco Invest S.R.L.	-	-	1,453,216	827,604
Medapt S.R.L.	-	-	832,033	832,033
SC Rur Medical SRL	244,108	244,108	1,134,616	1,134,616
Stem Cells Bank S.A.	6,417,032	5,240,775	-	-
Dent Estet Clinic S.A.	106,618	109,149	287,799	159,368
Medlife Ocupational S.R.L.	55,990	55,990	-	-
Solomed Clinic S.A.	3,638,653	2,809,595	4,207,706	3,050,794
Clinica Polisano S.R.L.	7,329,737	5,493,146	6,779,106	4,863,956
Prima Medical S.R.L.	46,639	46,639	210,197	133,502
Aspen Laborator Dentar S.R.L.	2,051	1,300	-	-
Solomed Plus S.R.L.	2,875	2,875	1,734,424	1,481,712
Valdi Medica S.A.	3,251,414	2,062,941	616,799	455,168
Sfatul Medicului S.R.L.	196,227	188,067	41,870	105,351
Spital Lotus S.R.L.	1,244,288	1,199,190	868,863	510,167
Centrul Medical Micromedica S.R.L.	70,053	678,325	1,568,491	1,702,419
Onco Team Diagnostic S.R.L.	75,922	26,797	6,294,101	7,270,485
Badea Medical S.R.L.	4,581	-	199,480	32,614
Pharmachem Distributie S.R.L.	8,216	-	3,940,354	2,955,041
Dent Estet Ploiesti S.R.L.	4,571	-	-	-
Expert Med Centrul Medical Irina S.R.L.	-	-	61,055	14,036
Krondent S.A.	1,298	-	-	-
Medica S.A.	-	-	-	66,154
Stomestet S.A.	-	-	75,391	36,193
Costea Digital Dental S.R.L.	2,183	-	-	-
MNT Heathcare Europe S.R.L.	461,521	621,801	4,500	4,500
SC Pro Life Clinics SRL	-	-	38,439	15,946
Onco Card S.R.L.	-	-	168,416	96,958
Tomorad Expert S.R.L	-	-	8,899	6,081
Sweat Concept One S.A.	570	-	-	-
Alinora Optimex S.R.L.	-	-	460,501	460,501
Sanopass S.R.L.	23,236	-	5,440	49,403
Medici's S.R.L.	2,485,142	1,379,732	952,062	-
M-Profilaxis S.R.L.	1,188,225	-	-	-
Muntenia Medical Competences S.A.	-	-	21,968	36,253
Centrul de Diagnostic si Tratament Provita S.A	-	-	188,475	153,318
Laborator Cuza Voda S.R.L.	860,232	417,503	-	-
Provita Pain Clinic S.A.	-	-	8,145	2,866
Dent Estet Genesys S.R.L.	1,542	-	-	-
Green Dental Clinic S.R.L.	407	602	-	-
Micromedica Roman S.R.L.	-	-	67,790	6,560
Euromedica Hospital S.A.	165,850	-	17,457	-
Centrul Medical Antares S.R.L.	8,217	-	63,491	-
Personal Genetics S.R.L.	1,850,010	-	874,995	-
Policlinica Union S.R.L.	83,577	-	77,449	-
Routine Med S.A.	-	-	76,960	-
Related parties*	9,958	3,482	228,385	116,345
Total	**60,647,197**	**48,667,306**	**119,536,877**	**99,971,550**

**Related parties refer to shareholders and other companies owned directly by the shareholders, not a part of Medlife Group*

Other liabilities from related parties

On the Other liabilities account it is included the amount of RON 1,761,907 (31 December 2024: 1,761,907) in relation to Policlinica Diagnostic Rapid, subsidiary of Med Life S.A.

Other receivables from related parties

On the Other assets it is included an intragroup amount of RON 13,720,571, mainly representing dividends distributed by subsidiaries and not yet collected.

(all amounts are expressed in RON, unless otherwise specified)

Loans granted to relates parties – outstanding balances

	Outstanding balance of:			
	Loans granted to:		Interest receivable from:	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Valdi Medica S.R.L.	-	-	325,798	375,798
Bahtco Invest S.R.L.	44,888,299	46,478,017	17,100,262	13,983,200
MedLife Ocupational S.R.L.	-	188,531	1,028	266,881
Stem Cells Bank S.A.	30,816,936	24,789,936	7,322,701	4,969,747
Clinica Polisano S.R.L.	4,577,171	7,314,977	9,201,427	8,686,869
Personal Genetics S.R.L.	1,827,901	683,939	-	-
Anima Speciality Medical Services S.R.L.	1,353,605	10,353,605	3,765,190	3,398,801
Sfatul Medicului S.A.	4,310,500	4,210,500	1,380,479	1,008,025
Pharmalife Med S.R.L.	8,439,358	8,439,358	3,215,333	2,484,764
RMC Medlife Holding Kft.	-	4,606,017	145,416	159,063
Routine Med S.A.	1,000,000	-	83,182	-
All Clinic S.R.L.	406,600	-	771	-
Badea Medical S.R.L.	867,860	867,860	229,879	154,808
MNT Healthcare Europe S.R.L	5,790,384	5,790,384	606,044	370,661
Sanopass S.A.	4,326,101	4,326,101	1,219,009	844,801
Solomed Clinic S.A.	-	-	-	101,923
Sweat Concept One S.R.L.	4,786,000	22,883,930	781,721	3,642,107
Centrul de Diagnostic si Tratament Provita S.A.	36,544,816	13,890,550	3,208,533	1,104,800
Medicis S.A.	10,378,000	1,988,000	549,445	12,833
Pharmachem Distributie S.A.	7,914,243	7,914,243		
Policlinica de Diagnostic Rapid S.A.	182	12,420	-	-
Total	**168,227,956**	**164,738,368**	**49,136,218**	**41,565,081**

The decrease in loan granted to Sweat Concept by Med Life S.A. as of 31 December 2025 as compared to 31 December 2024 is a result of the conversion of loan in share capital by increasing the participation with 14.95% (please see note 4.2).

The balances of the loans granted to the related parties also include the amount of RON 15,308,716 (2024: RON 14,722,878), values that are found in the statement of financial position on the line of Other financial assets.
Total interest income recognized in the period was in amount of RON 11,775,277 (RON 12,760,406 as of December 31, 2024).
Total interest expense recognized in the period was in amount of RON 1,542,358 (RON 978,475 as of December 31, 2024).

The management has calculated the impact of accounting for amortized cost and concluded that the ECL impact is not material.
No collateral is provided for loan contracts, for the amounts granted to related parties and the interest rates range between 4% and 5% for EUR and between 8% and 9% for RON.

Loans received from related parties - outstanding balances

	Outstanding balance of:			
	Loans received from:		Interest payable to:	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Policlinica de Diagnostic Rapid Medis S.R.L.	-	-	39,160	39,160
Policlinica de Diagnostic Rapid S.A.	1,960,373	-	58,507	1,624
Onco Card S.R.L.	4,000,000	-	259,888	-
Med Life Broker de Asigurare si Reasigurare S.R.L.	-	659,000	-	105,066
Prima Medical S.R.L.	800,134	1,700,000	287,061	154,892
Almina Trading S.A.	3,457,641	457,637	1,068,000	754,581
Genesys Medical Clinic S.R.L.	6,731,769	6,731,769	1,814,472	1,232,178
Spital Lotus S.R.L.	659,725	359,725	879,347	624,373
Med Life Ocupational S.R.L.	1,094,000	-	22,348	-
Centrul Medical Micromedica SRL	-	-	-	-
Policlinica Union S.R.L.	-	1,500,000	119,441	4,977
Stomestet S.A.	1,000,000	1,000,000	95,273	8,769
Solomed Clinic S.A.	3,000,000	3,000,000	157,580	-
Biotest Med S.R.L.	-	-	2,883	-
MNT Asset Management S.R.L.	-	-	4,345	-
Valdi Medica S.R.L.	-	17,820	-	-
Total	**22,703,643**	**15,425,951**	**4,808,305**	**2,925,620**

No collateral is provided for loan contracts, for the amounts received from related parties and the interest rates range between 4% and 5% for EUR and between 8% and 9% for RON.

(all amounts are expressed in RON, unless otherwise specified)

Loans granted to related parties - movements

	Movement in:			
	Borrowings granted		Reimbursments received	
	2025	2024	2025	2024
Valdi Medica S.R.L.	-	8,192,976	50,000	10,080,024
Bahtco Invest S.A.	10,473,975	9,415,967	12,619,031	5,939,642
MedLife Ocupational S.R.L.		-	467,608	125,000
Stem Cells Bank S.A.	6,127,000	4,530,350	100,000	30,000
Clinica Polisano S.R.L.	1,500,000	20,850	4,216,956	14,416,118
PERSONAL GENETICS SRL	17,105	-	-	1,501,559
ANIMA SPECIALITY MEDICAL SERVICES SRL	-	-	9,000,000	-
Sfatul Medicului S.R.L.	100,000	-	-	-
Pharmalife Med S.R.L.	690,000	733,270	690,000	733,270
RMC Medlife Holding Kft.	-	3,828,908	-	317,303
ROUTINE MED S.A.	2,000,000	-	1,000,000	-
ALL CLINIC	406,600	-	-	-
Badea Medical S.R.L.	-	140,000	-	-
MNT Healthcare Europe S.R.L	-	1,000,000	-	1,000,000
Sanopass S.A.	-	-	-	-
Solomed Clinic S.A.	-	-	-	-
Sweat Concept One S.R.L.	6,235,000	8,073,500	49,000	-
CDTP Provita	26,654,266	4,694,920	4,000,000	-
Medicis S.A.	8,390,000	1,988,000	-	-
Policlinica de Diagnostic Rapid S.A.	-	-	11,277	-
Total	**62,593,946**	**42,618,741**	**32,203,872**	**34,142,916**

Loans received from related parties - movements

	Cash movement in:				Non-cash movement	
	Borrowings received		Reimbursments paid		Settlements (*)	
	2025	2024	2025	2024	2025	2024
Policlinica de Diagnostic Rapid Medis S.R.L.	-	-	-	-	-	-
Policlinica de Diagnostic Rapid S.A.	1.960.373	-	-	-	-	-
Onco Card S.R.L.	4.650.000	-	650.000	-	-	-
Med Life Broker de Asigurare si Reasigurare S.R.L.	-	500.000	-	-	659.000	-
Prima Medical S.R.L.	800.000	1.700.000	-	-	1.699.866	-
Almina Trading S.A.	3.000.000	9.750.000	-	11.192.359	-	-
Genesys Medical Clinic S.R.L.	-	-	-	-	-	-
Spital Lotus S.R.L.	4.800.000	6.725.000	-	6.365.275	4.500.000	-
Med Life Ocupational S.R.L.	1.344.000	-	250.000	-	-	-
Centrul Medical Micromedica SRL	1.912.163	550.000	-	550.000	1.912.163	-
Policlinica Union S.R.L.	-	1.500.000	1.500.000	-	-	-
Stomestet S.A.	-	1.000.000	-	-	-	-
Solomed Clinic S.A.	-	3.000.000	-	-	-	-
Biotest Med S.R.L.	600.000	-	600.000	425.000	-	-
MNT Asset Management S.R.L.	2.798.730	-	2.798.730	-	-	-
Valdi Medica S.R.L.	-	-	-	-	17.820	-
Total	**21.865.266**	**24.725.000**	**5.798.730**	**18.532.634**	**8.788.849**	**-**

(*) Settlements represent the offsetting of loans received from related parties against dividends distributed by subsidiaries to MedLife S.A.

(all amounts are expressed in RON, unless otherwise specified)

Transactions with related parties:

Sales and purchases of services

	Sales		Purchases	
	2025	**2024**	**2025**	**2024**
Policlinica de Diagnostic Rapid S.A.	5,486,884	5,301,649	7,625,435	7,352,070
Policlinica de Diagnostic Rapid Medis S.R.L.	310,699	323,938	92,854	92,585
Bahtco Invest S.R.L.	-	-	17,666,931	16,045,637
Genesys Medical S.R.L.	3,794,921	4,280,265	3,669,880	3,631,265
Biotest Med S.R.L.	1,681,974	1,389,930	2,131,557	2,021,667
Centrul Medical Sama S.A.	1,354,831	1,079,691	2,345,287	2,348,644
Prima Medical S.R.L.	-	-	76,695	73,710
Aspen Laborator Dentar S.R.L.	7,495	6,056	-	-
Almina Trading S.A.	1,988,490	1,801,030	1,146,306	1,048,833
Centrul Medical Panduri S.A.	717,900	638,921	6,586,882	5,287,328
Dentestet 4 Kids S.R.L.	-	15,075	-	-
Dent Estet Clinic S.A.	100,276	93,261	1,033,109	903,261
Green Dental S.R.L.	4,545	5,345	-	-
Clinica Polisano S.R.L.	1,829,074	1,614,589	1,854,397	1,582,073
Solomed Clinic S.A.	829,058	690,751	1,125,105	963,392
Anima Speciality Medical Services S.R.L.	1,015,161	785,124	3,093,901	2,583,681
Stem Cells Bank S.A.	1,016,077	927,081	-	-
Valdi Medica S.A.	1,188,475	986,943	161,631	198,162
Sfatul Medicului S.R.L.	8,160	8,507	167,665	125,529
Pharmalife Med S.R.L.	6,835	6,191	514,934	275,411
Centrul Medical Micromedica S.R.L.	291,508	260,958	765,856	1,340,141
Micromedica Roman S.R.L.	-	-	61,230	6,560
Centrul Medical Antares S.R.L.	227,301	-	58,190	5,301
Onco Team Diagnostic S.R.L.	61,626	6,507	6,847,616	4,802,519
Spital Lotus S.R.L.	2,045,099	1,932,706	336,218	370,241
Dent Estet Ploiesti S.R.L.	13,217	12,303	-	-
Personal Genetics S.R.L.	1,910,589	-	722,210	-
Euromedica HospItal S.A.	186,973	-	17,457	-
Sweat Concept One S.A.	9,763	-	-	-
Krondent S.R.L.	13,025	11,507	-	-
Costea Digital Dental S.R.L.	8,971	10,043	-	-
Pharmachem Distributie S.R.L.	51,356	49,811	5,988,304	6,035,052
SC M-Profilaxis S.R.L.	697,407	494,465	-	-
Badea Medical S.R.L.	2,634	2,169	229,907	236,572
SC Histo S.R.L.	-	-	105,873	97,429
Solomed Plus S.R.L.	-	1,719	257,337	273,948
Tomorad Expert S.R.L.	-	-	2,585	1,765
Centrul de Diagnostic si Tratament Provita S.A.	-	-	363,878	471,073
Dent Estet Genesys S.R.L.	6,163	5,905	-	-
Medici's S.R.L.	1,105,410	911,060	1,198,159	192,482
Laborator Cuza Voda S.R.L.	604,823	560,327	-	-
Muntenia Medical Competences S.A.	-	-	24,285	13,213
MNT Healthcare Europe S.R.L.	1,795,570	1,237,009	-	-
Routine Med S.A.	-	-	76,430	-
Sanopass S.A.	102,462	147,666	571,497	894,201
Policlinica Union S.R.L.	525,095	552,797	31,873	18,841
Provita Pain Clinic S.A.	-	-	59,749	50,842
Onco Card S.R.L.	-	-	66,275	57,026
Medica S.A.	-	-	48,042	56,404
Pro Life Clinics S.R.L.	-	-	40,265	29,253
Expert Med Centrul Medical Irina S.R.L.	-	-	47,839	18,808
Stomestet S.A.	-	-	64,430	56,728
Related parties*	68,368	18,039	700,800	700,982
Total	**31,068,215**	**26,169,338**	**67,978,871**	**60,262,626**

**Related parties refer to shareholders and other companies owned directly by the shareholders, not a part of Medlife Group*

(all amounts are expressed in RON, unless otherwise specified)

24. TAXATION

	12 months 2025	12 months 2024
Current income tax expense	8,166,117	7,497,600
Deferred tax income	(56,976)	(613,034)
Total income tax expense / (income)	**8,109,141**	**6,884,566**
Profit before tax	**16,864,061**	**29,380,897**
Tax expense using the statutory rate of 16%	2,698,250	4,700,944
Fiscal effect of non-deductible expenses	1,563,524	958,759
Sponsorship/other compensation	(1,209,819)	1,653,604
Adjustments in respect of current income tax of previous years	-	-
Other elements (including different fiscal treatment)	5,162,333	(428,741)
Income tax for the current year	**8,109,141**	**6,884,566**
Income tax to profit or loss – Expense / (Income)	**8,109,141**	**6,884,566**

	12 months 2025	12 months 2024
Income tax liabilities as at January 1	2,256,090	97,549
Income tax paid in the current year	(8,251,684)	(5,339,059)
Income tax payable in the current year	8,166,117	7,497,600
Current tax liabilities	**2,170,523**	**2,256,090**

Components of deferred tax	**December 31, 2025**	**Change in deferred tax**	**December 31, 2024**
Deferred tax assets			
Non-current assets	-	-	-
Amount related to untaken holidays provisions	488,141	(274,932)	763,073
Total deferred tax asset	**488,141**	**(274,932)**	**763,073**

Deferred tax liability	**December 31, 2025**	**Change in deferred tax**	**December 31, 2024**
Other elements	104,872	-	104,872
Revaluation reserve	17,541,474	590,435	16,951,039
Total deferred tax liability	**17,646,346**	**590,435**	**17,055,911**
Net deferred tax liability	**17,158,204**	**865,366**	**16,292,838**

(all amounts are expressed in RON, unless otherwise specified)

Components of deferred tax	December 31, 2024	Change in deferred tax	December 31, 2023
Deferred tax assets			
Non-current assets	-	-	-
Amount related to untaken holidays provisions	763,073	316,605	446,468
Total deferred tax asset	**763,073**	**316,605**	**446,468**

Deferred tax liability	December 31, 2024	Change in deferred tax	December 31, 2023
Other elements	104,872	-	104,870
Revaluation reserve	16,951,039	(296,429)	17,247,468
Total deferred tax liability	**17,055,911**	**(296,429)**	**17,352,338**
Net deferred tax liability	**16,292,839**	**(613,034)**	**16,905,872**

The Company accrues income taxes at the rate of 16% on profits computed in accordance with the Romanian tax legislation. The net effect of the change on deferred tax balances recognized as at December 31, 2025, except for the deferred tax related to the revaluation reserve which is recognized in equity, is reflected in the statement of comprehensive income for the year then ended.

During 2025, the Company has recognised deferred tax in relation with the revaluation reserve of RON 590,435 (RON 296,429 as of December 31, 2024), out of which RON 331,908 was charged to Profit and Loss account and RON 922,342 was registered in relation with revaluation that took place during 2025 through OCI.

25. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents disclosed in Note 8 and equity, comprising issued capital, reserves and retained earnings as disclosed in note 15 and note 16.

The Company's risk management reviews the capital structure regularly. As a part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on management's recommendations, the Company manages its capital structure primarily through dividend distributions from subsidiaries, taking into account that existing borrowings were incurred also to finance the acquisition of subsidiaries, by raising new financing and repayment of existing debt.

The Company is the Parent entity of Medlife Group. The Group has grown in 2025 principally through organic development and less through acquisitions. In expanding organically, the Group is exposed to potential loss of capital if the expansion or new activities do not immediately meet their financial objectives, which also has an impact on Med Life S.A.

The Company's objective is to use cash flows generated by its established business units to support investments in new organic projects, which typically involve an initial ramp-up phase until reaching maturity. In this context, the Company maintains an adequate level of equity to act as a buffer against potential variations in performance.

Debt financing has been primarily used to fund acquisitions of subsidiaries, whose results are reflected in the consolidated financial statements, but also organic development projects. When assessing the adequacy of its capital structure relative to its activities and exposures, the Company monitors the ratio of total equity to net interest-bearing loans and borrowings (excluding overdrafts and net of cash and cash equivalents), as presented in the table below.

The Company's medium-term objective is to maintain this ratio at sustainable levels while continuing to invest in business development and strategic acquisitions, ensuring a balanced capital structure between debt and equity.

	December 31, 2025	December 31, 2024
Interest-bearing loans and borrowings without overdraft	697,958,733	641,688,977
Cash and cash equivalents	18,652,611	15,335,770
Loans payable net of cash	679,306,122	626,353,207
Total Equity	359,384,706	345,657,755
Ratio Total equity to loans payables net of cash	**0.53**	**0.55**

26. RISK MANAGEMENT

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

The Audit Committee is responsible for monitoring and addressing issues concerning the effectiveness and efficiency of the Company's internal controls, regulatory compliance and risk management.

In the course of its business the Company is exposed to a number of financial risks, including credit, interest rate, liquidity and foreign currency risks. This note presents the Company's objectives, policies and processes for managing these risks and methods used to measure risks.

The central treasury function has an important role in managing the Company's financial risks with the aim to control and manage the Company's financial exposure and financial costs with a balance between risk and costs.

(a) Credit risk

Financial assets that potentially give rise to concentrations of credit risk consist principally of cash, short-term deposits, trade and other receivables and other financial assets, as well as intercompany loans. The Company's cash equivalents and short-term deposits are placed with reputable financial institutions with a high credit rating in Romania.

Trade receivables are represented net of the allowance for expected credit losses. Credit risk with respect to trade receivables is limited due to the large number of customers comprising the Company's customer base, which consists mainly of both individuals and companies. Around 54% of the total sales are cash-based with remaining being based on issuance of invoices. The financial condition of these customers in relation to their credit standing is evaluated on an ongoing basis.

The Company has also developed certain procedures to assess legal entities as customers prior to signing contracts, aimed at providing health care packages (PPMs), and monitoring their ability to meet the payments during the course of contracts. Also, the Company has established an internal Collection department which actively monitors encashments received from customers.

The gross carrying amounts of financial assets (before credit loss allowances) included in the statement of financial position represent the Company's maximum exposure to credit risk in relation to these assets. The Company has only 13% of its sales during 2025 deriving from the treatment of NHIH insured patients (concentration of credit risk) – reliance on major customers.

At 31 December 2025 and 31 December 2024, the Company did not consider there to be a significant concentration of credit risk. Please see Note 7 and Note 23 for further details regarding credit risks of trade and other receivables, loans granted and expected credit loss allowance and Note 3.11.1 Financial assets, for further details of accounting policies used by the Company.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk because it borrows funds at floating interest rates. The higher risk is represented by funds borrowed in the national currency, because the interest rates are periodically repriced based on index variation.

Lease contracts concluded in the national currency are also exposed due to the above repricing process, as the discount rate in this case is linked to the internal borrowing rates for funds withdrawn in the national currency.

Interest rate sensitivity analysis
The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing financial instruments at the reporting date. Out of the total outstanding balances for both borrowings and leases only the amounts that refers to the Syndicated loan and lease contracts (which refer to rent of buildings, equipment and vehicles) have been considered for the sensitivity on interest rate computation. These amounts which were included in the analysis cover more than 90% of the total outstanding balances for both borrowings and leases.

A 10% percent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The assumptions used have not changed from previous years.

Based on historical data, the management of the Company considers a 10% increase in the interest rate as appropriate to be included in the sensitivity analysis performed in relation with interest rate risk measurement. Taking into consideration the value of loans in total and the actual level of the interest rate (as of 31 December 2025), any change with more that 10% is not expected.

During 2025, the downward trend on interest rates has materialised with EURIBOR rates declining from 2.5% to around 2%. As of early 2026, the EURIBOR rate has remained broadly stable at approximately 2.0% - 2.1%. According to

(all amounts are expressed in RON, unless otherwise specified)

forecasts available and euribor-rates.eu, the EURIBOR level is predicted to remain at an average level of 2.0%, generally ranging between approximately 1.9% and 2.2%, depending on inflation developments and the European Central Bank's monetary policy.

As a result, the management of the Company does not consider the need of a higher expected increase in interest rate in the sensitivity analysis. Please see Note 14 Net Financial Debt, where the exposure to the interest rates is disclosed.

If interest rates had been 10% per cent higher and all other variables were held constant, the Company's profit for the year ended 31 December 2025 would decrease by RON 3,316,959 RON (2024: decrease with RON 4,136,490). An equal positive variance would occur for a 10% decrease of interest rate. This is mainly attributable to the Company's exposure to interest rates on its borrowings and leases.

Amounts exposed to interest rate risk

LIABILITIES	**Total**	**Out of which included in the sensitivity analysis**		**%**	**Interest expenses per year at the current interest rate for the selected portion**	**Interest expenses per year at the interest rate increased by 10% for the selected portion**	**Variation that affects the profit and loss account when the interest rate increases by 10%**
2025							
Overdraft	10,197,000						
Short-Term and Long-Term portions of loans	697,958,733	Syndicated Loan	696,122,095	98%	30,378,465	33,416,312	3,037,847
Short-Term and Long-Term portions of leases	48,460,342	Contracts that refer to rent of buildings, equipment and vehicles which fall under IFRS 16	46,087,680	95%	2,393,024	2,672,136	279,113
2024							
Overdraft	9,948,200		637,528,178	98%	38,377,132	42,214,846	3,837,713
Short-Term and Long-Term portions of loans	641,688,977	Syndicated Loan					
Short-Term and Long-Term portions of leases	51,163,349	Contracts that refer to rent of buildings, equipment and vehicles which fall under IFRS 16	46,136,134	90%	2,606,115	2,904,892	298,777

	December 31, 2025	**December 31, 2024**
Profit or loss and Equity	3,316,959	4,136,490

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the executive committee, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Loans granted to related parties are not used to manage liquidity risk of the Company.

Liquidity risk refers to the risk that a Company may also not be able to meet its short-term financial obligations due to insufficient liquid assets. One key metric for assessing liquidity risk is the Current Ratio, followed by Operating Cash Flow Ratio, which are presented below.

Current ratio

	December 31, 2025	**December 31, 2024**
Current assets	382,661,074	346,672,770
Current liabilities	356,182,263	346,074,077
Ratio Total current assets over current liabilities	**1.07**	**1.00**

The current ratio is a vital starting point for assessing liquidity risk, but not sufficient. As the Current ratio is above 1, with a slight increase in 2025, this indicates a good level of liquidity risk.

Based on the Company's capacity to generate operating cash flows and the positive contribution of acquired subsidiaries to the Group's financial position, management does not expect any material uncertainties in meeting its short-term financial obligations. Liquidity is further supported by a 22% increase in cash and cash equivalents in 2025 compared to 2024, as well as by available undrawn credit facilities, which provide sufficient headroom for the foreseeable future.

The following table details the Company's remaining contractual maturity for financial liabilities as of December 31, 2025 and December 31, 2024. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

(all amounts are expressed in RON, unless otherwise specified)

2025

	Weighted average effective interest rate	Carrying amount	Total	Year 1	Year 2	Year 3	Year 4	Year 5	> Year 5
Non-interest bearing instruments									
Trade payables		231,624,137	231,624,137	231,624,137	-	-	-	-	-
Interest bearing instruments									
Overdraft		10,197,000	10,197,000	10,197,000	-	-	-	-	-
Syndicated Loan	EURIBOR 6M / ROBOR 6M + margin	697,958,733	830,497,345	58,407,749	119,419,785	86,017,471	100,640,600	113,451,673	352,560,068
Lease contracts		48,460,342	52,315,171	20,054,423	13,794,080	10,003,613	5,308,531	2,009,438	1,145,086
Total		**988,240,212**	**1,124,633,654**	**320,283,309**	**133,213,866**	**96,021,084**	**105,949,130**	**115,461,111**	**353,705,153**

2024

	Weighted average effective interest rate	Carrying amount	Total	Year 1	Year 2	Year 3	Year 4	Year 5	> Year 5
Non-interest bearing instruments									
Trade payables		207,442,240	207,442,240	207,442,240	-	-	-	-	-
Interest bearing instruments									
Overdraft		9,948,200	9,948,200	9,948,200	-	-	-	-	-
Syndicated Loan	EURIBOR 6M / ROBOR 6M + margin	641,688,977	757,105,488	110,598,073	82,565,654	87,858,030	124,595,200	351,488,531	-
Lease contracts		51,163,349	54,858,928	24,548,712	13,637,633	8,690,069	6,190,069	1,792,445	-
Total		**910,242,766**	**1,029,354,857**	**352,537,226**	**96,203,286**	**96,548,099**	**130,785,269**	**353,280,976**	**-**

The amounts due in year 2 include also facility B, which includes a roll-over option.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company's exposure to such risk is primarily driven by EUR-denominated borrowings, reflecting the Company's financing structure.
At the operating level, the Company benefits from a natural hedge, as a portion of its revenues—particularly from corporate prevention and medical subscription packages—are denominated in EUR, while most operating expenses are incurred in RON, with only limited exposure to EUR through certain consumables and materials.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

2025	**RON**	**1 EUR = 5.0985 RON**	**Total**
ASSETS			
Cash and cash equivalents	18,637,893	14,718	18,652,611
Trade receivables	110,652,961	-	110,652,961
Loans granted to related parties	185,596,104	16,459,383	202,055,486
Long-term loans to group companies	-	15,308,716	15,308,716
Other long term receivables	2,231,678	-	2,231,678
LIABILITIES			
Trade payables	231,624,137	-	231,624,137
Overdraft	-	10,197,000	10,197,000
Other long term debt	-	-	-
Short-Term and Long-Term portions of loans	434,475	697,524,258	697,958,733
Short-Term and Long-Term portions of financial leasing	314,765	48,145,576	48,460,342
Loans received from related parties	27,511,948	-	27,511,948

2024	**RON**	**1 EUR = 4.9741 RON**	**Total**
ASSETS			
Cash and cash equivalents	15,309,969	25,801	15,335,770
Trade receivables	97,162,994	-	97,162,994
Loans granted to related parties	174,365,410	17,277,161	191,642,571
Long-term loans to group companies	-	14,722,878	14,722,878
Other long term receivables	2,210,065	-	2,210,065
LIABILITIES			
Trade payables	207,442,240	-	207,442,240
Overdraft	-	9,948,200	9,948,200
Other long term debt	-	-	-
Short-Term and Long-Term portions of loans	-	641,688,977	641,688,977
Short-Term and Long-Term portions of financial leasing	361,432	50,801,917	51,163,349
Loans received from related parties	18,351,571	-	18,351,571

The Company is mainly exposed to movements in the RON/EUR exchange rate. The table below presents the Company's sensitivity to a 10% increase and decrease of RON against EUR. The 10% variation represents a stress scenario used for internal risk assessment purposes and reflects a conservative assumption applied by management when evaluating foreign currency exposure. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the reporting date for a 10% change in exchange rates.

If EUR is weakening 10% against RON, the profit will increase and the amount stated below will be positive. For a 10% strengthening of EUR against RON there would be an equal and opposite impact on the profit, and the balances below would be negative. The assumptions used have not changed from previous years. The variation below is presented as absolute amounts.

(all amounts are expressed in RON, unless otherwise specified)

	12 months 2025	12 months 2024
Profit or loss	72,408,402	66,967,201

(e) Sustainability

The Company, the ultimate parent of the Group, identifies two major categories of climate-related risks: physical risks and transition risks. Acute physical risks include extreme weather events such as heatwaves, storms, floods, and wildfires. Chronic risks refer to long-term climate changes that impact temperature, precipitation, and environmental conditions. These can generate cumulative effects on public health, medical infrastructure, and the financial and material resources needed for the healthcare system to function effectively.

The Group is exposed to the following **transition risks**: European and national climate regulations that impose strict standards for energy efficiency and emissions reduction, with a direct cost impact; technological transition, which requires significant investments in efficient equipment and digitalization; changing preferences of consumers and investors toward sustainable providers, which may affect competitiveness; rising energy prices and carbon taxes (ETS2), which increase financial pressure; and wastewater treatment regulations (UWWTD), which may indirectly impact the availability of essential medicines.

As at 31 December 2025, the Group does not consider that these risks will have a material financial impact in the near term.

In 2024, the Group calculated its first carbon footprint and initiated a comprehensive analysis of the factors influencing its environmental impact. Building on this foundation, in 2025 the Company is actively implementing initiatives aimed at reducing its carbon footprint and strengthening climate resilience, including both direct and indirect measures.

The carbon footprint analysis included emissions across all three categories in line with the GHG Protocol Corporate Accounting and Reporting Standard (Revised 2015):

- **Scope 1 amounting 8,060.6 tCO_2e (2024: 7,130.2 tCO_2e)** covers direct emissions from the Group's activities, including fuels used by company-operated vehicles or generators, natural gas consumption for company facilities, and fugitive emissions from cooling equipment refrigerants.
- **Scope 2 amounting 5,074.7 tCO_2e location-based (4,094.8 tCO_2e)** refers to indirect emissions from purchased energy, including both electricity and thermal energy, with electricity being the dominant source.
- **Scope 3, with the highest share at 120,579.5 tCO_2e (2024: 123,541,8 tCO_2e**), covers indirect emissions across the company's value chain. This includes categories such as purchased goods and services, capital goods, upstream transport and distribution, employee commuting, waste generated in operations, business travel, leased assets (both upstream and downstream), end-of-life treatment of products, and fuel- and energy-related activities.

For more detailed information on the main sustainability impacts, risks and opportunities, as well as related policies, actions, indicators and targets, please refer to the **Group's Sustainability Statement**, which is included in the Annual Report.

(f) Ongoing war

The crisis started in February 2022 and was generated by the invasion of Russia in Ukraine, which led to a sharp increase in energy prices, both in Romania and in other European countries. The invasion created a refugee crisis with the fastest growth in Europe. At the same time, at the regional level, a resource crisis was created due to the imposition of a series of restrictions on the international level, Russia being an important player in the natural gas market in Europe.

The Company does not own subsidiaries and affiliated entities on the territory of Ukraine, nor does it have any other relevant exposures in the countries directly involved in this conflict. From an operational point of view, the purchases of energy and natural gas are mainly made from the domestic market; availability, provenance and delivery of resources could be influenced by the dynamics of the conflict from region.

During 2026, geopolitical tensions in the Middle East increased following the escalation of the situation involving Iran and other regional and international actors. These developments have contributed to volatility in global financial markets, particularly in relation to energy prices, international trade and supply chains. The Company has not identified any direct exposure to Iran or other significant impacts on its financial position, financial performance or cash flows.

The consequences of the ongoing conflicts, the European energy crisis and resulting regulatory measures and other economic disruptions currently being observed, and further regulatory interventions, as well as the extent and duration of their economic impact cannot be reliably estimated at this stage. The Company is responding to the situation with targeted measures to safeguard its economic stability. Because events are ongoing, the long-term impact can affect cash flows and profitability. However, at the date of these financial statements, the geopolitical context has no significant negative impact on the financial statements as of December 31, 2025.

(g) Macroeconomic environment

The economic context at national and international level that may negatively influence the Company's activity refer to factors such as: inflation, recession, changes in fiscal and monetary policy, tighter lending, higher interest rates, new or rising tariffs, currency fluctuations, raw material price (electricity, natural gas), etc.

During 2024 and 2025, Romania experienced a slowdown in economic growth amid persistent inflationary pressures and ongoing fiscal consolidation measures. Real GDP growth moderated during this period, although the economy continued to expand, supported by resilient private consumption and investments financed through European Union funds.
Inflation remained elevated but continued its gradual downward trend compared to previous years, while the labor market remained relatively stable, with unemployment levels broadly unchanged.

The Company's income or the value of its holdings can be affected by the particular movements in the global financial markets. The discount rates used in the impairment tests during 2025 have remained at the same levels, compared with the previous year (between 10.5% and 23% compared with the prior year, between 8.6% and 24%). However, as a result of the sensitivity analysis performed, the Company considers that it has sufficient headroom in case of a potential increase above these numbers, with no material impact on the financial statements.

During 2026, the Romanian economy entered a technical recession following two consecutive quarters of marginal decline in gross domestic product (GDP). This development reflects broader macroeconomic pressures affecting the European economy, including persistent inflationary pressures in previous periods, tighter monetary policy and slower economic growth in key trading partners.

Notably, the healthcare sector has demonstrated considerable resilience to market turbulences. This resilience is attributed to the constant demand for healthcare services, the sector's ability to adapt to changing environments, and strategic investments in technology and infrastructure. This resilience translates into a relatively stable operational and financial outlook, even in the face of economic uncertainties.

Also, the revaluation process held at the end of 2025 on all owned Land and Buildings, which generated an overall surplus at the Company level, brings sufficient confidence over the value of the assets held, being stated at their current fair value in these financial statements.

The Company revises quarterly its sensitivities to interest rates and foreign currency fluctuations. At the date of these financial statements, the Company considers that the impact of these changes would not affect the ability as a going concern, with appropriate measures undertaken in order to reduce any potential risks.

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments in the statement of financial position include trade receivables and other receivables, cash and cash equivalents, short-term and long-term loans and trade and other payables. These are presented at amortised cost. The estimated fair values of these instruments approximate their carrying amounts, largely due to the short-term maturities of these instruments, except for loans.

The carrying amount of loans approximate their fair value considering the two renegotiations of the syndicated loan signed in 2024 in 2025, in which all the credit facilities were re-arranged in terms of both maturities and interest rates. The syndicated loan covers around 88% of the total Company debt position exposure.

Financial instruments that are not held at fair value
At level 1 of the fair value hierarchy, the Company classified cash and cash equivalents as assets that are not held at fair value.

At level 3 of the fair value hierarchy, the Company classified in the category of assets: trade and other receivables, other financial assets, and in the category of debt: loans from banks and other financial institutions, leasing debts, trade payables and other financial liabilities.

The following table shows the fair value and the fair value hierarchy for assets and liabilities that are not measured at fair value in the statement of financial position as at 31 December 2025:

(all amounts are expressed in RON, unless otherwise specified)

ASSETS	Classification under IFRS 9	Carrying amount	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents	Amortized cost	18,652,611	18,652,611	18,652,611	-	-
Trade Receivables	Amortized cost	110,652,961	110,652,961	-	-	110,652,961
Other financial assets	Amortized cost	17,540,394	17,540,394	-	-	17,540,394
LIABILITIES						
Trade and other payables	Amortized cost	231,624,137	231,624,137	-	-	231,624,137
Overdraft	Amortized cost	10,197,000	10,197,000	-	-	10,197,000
Other long term debt	Amortized cost	-	-	-	-	-
Lease liability	Amortized cost	48,460,342	48,460,342	-	-	48,460,342
Long term debt	Amortized cost	697,958,733	697,958,733	-	-	697,958,733

In March 2025 the Group has negotiated with Banca Comercială Română S.A., as Arranger, Agent and Lender and with other credit institutions that are syndicate members acting as Lenders, the terms and conditions of extending the credit limit by an additional amount of up to EUR 50 million. According to the new terms negotiated between the parties, the financing period was prolonged with 2 years and the interest rate margin remained the same. Therefore, the Company considers that the fair value of Long term debt is similar with the carrying amount.

28. COMMITMENTS AND CONTINGENCIES

Contingent liabilities are not recognized in the separate financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognized in the separate financial statements but disclosed when an inflow of economic benefits is probable. The assessment of contingencies inherently involves the exercise of judgment and estimates of the outcome of future events.

Syndicated loan related commitments

The Group is subject to compliance with both financial and non-financial covenants as specified in the contractual arrangement for the syndicated loan.

Other commitments

As at December 31, 2025, the Company maintains insurance coverage for potential malpractice claims brought by patients, as well as insurance policies related to buildings and medical equipment.

In conformity with the concluded agreement with the National House of Health Insurance, the Company has to provide primary medical services to National House's insured citizens.

BCR issued letters of warranties in the favour of Med Life S.A. in amount of RON 9,885,613, out of which EUR 63,472 as of December 31, 2025 (December 31, 2024: RON 13,403,333, out of which EUR 1,866,471).

Fiscal environment

The taxation system in Romania is still developing and is subject to various interpretations and constant changes, which may sometimes be retroactive. Although the actual tax due for a transaction may be minimum, delay interests may be significant, as they can be calculated at the value of the transaction and at a rate of 0.02% per day (interest) and 0.01% (penalties) per day.

In Romania the statute of limitation for tax controls (audits) is of 5 years. During 2021, the Company had a tax control which covered period from 2016 to 2020. The control was finalised during 2021 and the results were booked in accounting. Management believes that the tax obligations included in these financial statements are adequate.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Transfer pricing

The fiscal legislation from Romania includes the "market value" principle, according to which the transactions between related parties have to be performed at the market value. The local tax payers, who carry transactions with related parties, have to prepare and make available to the tax authorities from Romania, at their written request, the transfer pricing documentation file. If the companies do not prepare the documentation or they present an incomplete transfer pricing file may attract penalties for non-conformity, and additionally to the information presented in the transfer pricing file, the fiscal authorities may have a different interpretation of the transactions and the circumstances compared to the management's assessment and, as a result, they may impose additional fiscal obligations as a result of adjusting transfer prices. The management of the Company is confident that, if required, they will submit the necessary information in due time to the fiscal authorities. Transactions with related parties and subsidiaries are carried out on the basis of the market value principle.

Litigation
The Company is involved in various litigations as part of normal course of business. Management has assessed the legal status together with the Company's legal advisors and all necessary adjustments have been recorded in the separate financial statements.

29. FEES TO AUDITORS

Starting with 2024, the auditor of the Company is Deloitte Audit SRL.
The fee for the audit services of the consolidated financial statements as of December 31, 2025 of the Group prepared in accordance with IFRS as adopted by EU and the separate financial statements as of December 31, 2025 of Med Life S.A. prepared in accordance with IFRS in line with the provisions of Ministry of Finance Order number 2844/2016, as well as the audit services of the other separate financial statements of subsidiaries prepared in accordance with the provisions of Ministry of Finance Order number 1802/2014 was EUR 387,502 excluding VAT and other expenses.

The fee for other non-audit services performed in 2025 was EUR 59,005 excluding VAT.

30. EVENTS AFTER THE BALANCE SHEET DATE

Geopolitical environment

At the beginning of 2026, the international geopolitical environment remained characterized by uncertainties, including developments in the Middle East, particularly with regard to Iran. The Company is closely monitoring the situation and the potential indirect effects on its operations, including impacts on supply chains, operating costs, and inflation dynamics.

Based on the information available at the date of approval of the financial statements, these developments have been considered non-adjusting subsequent events in accordance with IAS 10 and do not have a significant impact on the financial statements for the financial year ended 31 December 2025. There have been no other significant events subsequent to 31 December 2025

There were no other significant events subsequent to December 31, 2025.

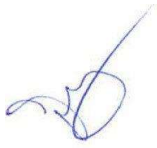
These financial statements, comprising the separate statement of financial position, the separate statement of comprehensive income, the separate statement of changes in equity, the separate statement of cash flows and notes, were approved on March 30, 2025.

Mihail Marcu,
CEO

Alina-Oana Irinoiu-Titu,
CFO

Declaration of management of Med Life S.A.

We confirm to the best of our knowledge that the separate financial statements for the year ended December 31, 2025 (which were prepared in accordance with Order No. 2844/2016 of the Minister of Public Finance approving accounting regulations in accordance with International Financial Reporting Standards) give a true and fair view of MedLife SA assets, liabilities, financial position and profit or loss, that the Sustainability Statement, as included in the Directors' Report is prepared in accordance with the applicable reporting standards, and that the Directors' Report gives a true and fair view of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties associated with the expected development of the Company.



Mihail Marcu,
CEO

Alina Irinoiu,
CFO

MED LIFE GROUP

PRO FORMA FINANCIAL INFORMATION FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2025

CONSOLIDATED PRO-FORMA FINANCIAL INFORMATION FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2025 ("CONSOLIDATED PRO-FORMA PROFIT & LOSS")

Introduction

The following Consolidated Pro Forma Profit & Loss of the Consolidated Profit & Loss is based on the Group's Audited Consolidated Financial Statements for the 12 months period ended December 31, 2025, adjusted with the historical financial results of the companies acquired by the Group during the period from January 1, 2025 up to December 31, 2025 (the "**Acquired Companies**"). Details of the Acquired Companies are set out below.

The Consolidated Pro Forma Profit & Loss for the 12 months period ended December 31, 2025 transposes:

(i) the acquisition of the Acquired Companies as if the acquisition had occurred on 1 January 2025 by combining the financial results for the period of the Acquired Companies with those of the Group and
(ii) the elimination of certain expenses included in the Consolidated Profit & Loss of the Group which the Group considers to be non-operational and/or non-recurring by nature.

The Consolidated Pro Forma Profit & Loss provides a hypothetical illustration of the impact of the transactions on the Group's earnings. The Consolidated Pro Forma Profit & Loss has been prepared for the Group as at and for the 12 months period ended December 31, 2025.

The Consolidated Pro Forma Profit & Loss should be read in conjunction with the Audited Consolidated Financial Statements for the 12 months period ended December 31, 2025.

Purpose of the Consolidated Pro Forma Profit & Loss

The Consolidated Pro Forma Profit & Loss set out below has been prepared to:

(i) illustrate the effect on the Group of the acquisitions completed in 2025; and
(ii) the elimination of certain non-operational and/or non-recurring expenses to provide an estimate of the Group's recurring EBITDA.

The Group's consolidated pro forma EBITDA is also useful when analyzing the Group's current debt compared to its earnings capacity.

Although the Consolidated Balance Sheet in the Consolidated Financial Statements include the full amount of debt incurred to finance the acquisitions completed as of December 31, 2025, the Consolidated Profit & Loss includes only a part of the annual revenues of the Acquired Companies.

Using the consolidated pro forma EBITDA for such comparison allows inclusion of a measure of the full period earnings that will contribute to the servicing of the debt incurred in relation to the acquisitions.

The Consolidated Pro Forma Profit & Loss has been prepared for illustrative purposes only and, because of its nature, to address a hypothetical situation and therefore, does not represent the Group's actual financial results.

The Consolidated Pro Forma Profit & Loss does not necessarily reflect what the combined Group's financial condition or results of operations would have been, had the acquisitions occurred on the dates indicated in the pro-forma calculations. They also may not be useful in predicting the future financial condition and results of operations of the Group with the acquired companies.

The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

In the 12 months period ended 31 December 2025 the Company made the following acquisitions in pursuit of a consolidation strategy aimed at complementing the Group's service offering, expanding its national footprint and consolidating its market position (as detailed in 2025 Annual Report):

- Acquisition of 60% of the shares in Routine Med Group in Tulcea;
- Acquisition of 70% of the shares in All Clinic in Rep. Moldova;
- Acquisition of 60% of the shares in Cabinet Medical Dr. Bacila Mihai SRL (under Medici's umbrella);

Consolidated Pro-Forma Profit & Loss

	12 months ended December 31, 2025			
	Consolidated Financial statements	**Normalisation**	**One off costs**	**Pro-forma**
GROSS SALES	**3,173,518,743**	**2,257,931**	**-**	**3,175,776,674**
NET SALES *	**3,173,518,743**	**(269,348,768)**	**-**	**2,904,169,975**
Other operating revenues	13,006,001	141,878	-	13,147,879
OPERATING INCOME	**3,186,524,744**	**(269,206,890)**	**-**	**2,917,317,854**
OPERATING EXPENSES	**(3,027,530,014)**	**269,328,586**	**14,703,933**	**(2,743,497,494)**
OPERATING PROFIT	**158,994,730**	**121,696**	**14,703,933**	**173,820,359**
Finance cost	(96,616,415)	(19,403)	-	(96,635,818)
Interest income	2,293,240	-	-	2,293,240
Other financial income	132,058	-	-	132,058
Other financial expenses	(45,665,966)	(37)	-	(45,666,003)
FINANCIAL RESULT	**(139,857,083)**	**(19,440)**	**-**	**(139,876,523)**
RESULT BEFORE TAXES	**19,137,647**	**102,256**	**14,703,933**	**33,943,836**
Income tax expense	(22,988,301)	-	(2,352,629)	(25,340,930)
NET RESULT	**(3,850,654)**	**102,256**	**12,351,304**	**8,602,906**

* Net turnover presents the Group's turnover without the National Health Program - Oncology.

From Net Result to Pro-forma EBITDA

	12 months ended December 31, 2025			
	Consolidated Financial statements	**Normalisation**	**One off costs**	**Pro-forma**
Net result	**(3,850,654)**	**102,256**	**12,351,304**	**8,602,906**
Add back:				
Taxes on income:	**22,988,301**	**-**	**2,352,629**	**25,340,930**
Out of which:				
Base tax expense	22,988,301	-	-	22,988,301
One off impact	-	-	2,352,629	2,352,629
Net financial result	**139,857,083**	**19,440**	**-**	**139,876,523**
Depreciation, amortisation and impairment, including write-ups	**285,792,831**	**115,771**	**-**	**285,908,603**

Adjusted EBITDA	**444,787,561**	**237,467**	**14,703,933**	**459,728,962**

Sales split by Business Line

	12 months ended December 31, 2025			
	Consolidated Financial statements	**Normalisation**	**One off costs**	**Pro-forma**
Clinics	1,184,308,228	(104,793,773)	-	1,079,514,455
Stomatology	122,214,708	-	-	122,214,708
Laboratories	352,036,726	235,198	-	352,271,924
Corporate	306,922,059	-	-	306,922,059
Hospitals	883,256,613	(164,790,193)	-	718,466,420
Pharmacies	78,400,432	-	-	78,400,432
Other	246,379,977	-	-	246,379,977
Total Sales	**3,173,518,743**	**(269,348,768)**	**-**	**2,904,169,975**

The negative amounts are the due to the elimination of the amounts from National Healthcare Program for Oncology in total amount of 271,6 million RON, following increase in chemotherapy business, for comparative purposes.

Basis for the Consolidated Pro Forma Profit & Loss

The Consolidated Pro Forma Profit & Loss for the 12-month period ended December 31, 2025 has been prepared starting from the Consolidated Profit & Loss of the Group as of December 31, 2025.

The Consolidated Pro Forma Profit & Loss was prepared in a manner consistent with the accounting policies adopted by the Group in the Consolidated Financial Statements as of December 31, 2025.

The Consolidated Pro Forma Profit & Loss for the 12 months ended December 31, 2025 gives effect to the acquisitions of the Acquired Companies as if the acquisitions had occurred on January 1st, 2025.

Also, certain expense items incurred by the Group in the relevant period which are considered to be non-operational and/or non-recurring by nature as detailed in the notes to the tables, are reflected in the Consolidated Pro Forma Profit & Loss as one-off adjustments, based on management judgment, without taking into account the Acquired Companies.

Consolidated Pro Forma Profit & Loss adjustments

- **Normalization adjustments**

Normalization adjustments are made to include the financial results of the Acquired Companies in the Group results for the relevant period.

The adjustments represent the unaudited Income Statement items for the portion of the relevant period prior to and including the month of acquisition of the companies.

The companies that were normalized and the months included in the normalization are set out below:

Entity	Date of obtaining control	Months included in Normalization (inclusive) 1 January – 31 December 2025
Cabinet Medical Dr. Bacila Mihai SRL	January 2025	January 2025
Alfalux Dent SRL	January 2025	January 2025
Medical Center Spital SRL	January 2025	January 2025
Mega Optic SRL	January 2025	January 2025
Super Optosan SRL	January 2025	January 2025
Micro Medic SRL	January 2025	January 2025
Routine Med SA	January 2025	January 2025
All Clinic	March 2025	January - March 2025

- **One off adjustments**

One-off adjustments represent expenses which have been included in the Group's Consolidated Profit & Loss but which, in the Group's opinion, represent non-recurring and/or non-operational expenses by nature.

These expenses relate mostly to loss incurred by early- stage of development units for the period before opening of these units. In addition, costs incurred with the acquisition of companies which were expensed rather than capitalized as part of the acquisition cost of the company are also included in one-off adjustments, as well as other one-off expenses which are not recurrent for the Group.

The one-off expenses are presented below:

Type of Expense	Amount for 12 months 2025	Note
Cost of Acquisitions	2,248,048	Note A
Other costs	8,808,929	Note B
Consultancy costs	3,646,956	Note C
Total	**14,703,933**	

Note A

Cost of Acquisitions includes the expenses incurred in respect of external due diligence reports on target companies covering financial, taxation and legal due diligence. The external costs of aborted acquisitions are also included.

These expenses are considered non-recurrent and non-operational, as they do not relate to the operational medical business of the Group.

Note B

Includes, in general, the operating costs of new units for the period up to their opening.

Note C

Includes consultancy costs related to one-off projects.