ATHENS MEDICAL GROUP

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REPORT OF THE "ATHENS MEDICAL CENTER S.A" AUDIT COMMITTEE TO THE ORDINARY GENERAL ASSEMBLY OF THE SHAREHOLDERS



In accordance with Article 44 of Law 4449/2017as amended and in force following Article 74 of Law 4706/2020

Marousi, May 2022

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To: The shareholders of the Ordinary General Assembly
of Athens Medical Center S.A.

Dear Shareholders,

We hereby submit the Audit Committee's Report (hereinafter the Committee and the Report respectively) in accordance with Article 44(1)(i) of Law 4449/2017 as amended and in force pursuant to Article 74 of Law 4706/2020 to the Ordinary General Meeting (hereinafter the General Meeting) of the company ATHENS MEDICAL CENTER S.A. (hereinafter the Company).

The Report seeks to inform the Company's General Meeting about:

- The procedure for selecting certified public accountants in accordance with Article 16 of Regulation (EU) No 537/2014.
- The independence of the certified public accountants from the date of their election until the date on which their audit report was issued for the period ended on 31/12/2020 in accordance with Articles 21, 22, 23, 26 and 27 and Article 6 of Regulation (EU) No 537/2014 and in particular the suitability of providing non-audit services to the audited entity in accordance with Article 5 of Regulation (EU) No 537/2014.
- The results of the statutory audit for the period ended on 31/12/2020 and its contribution to the integrity of the financial information disclosed in the separate and consolidated financial statements for that period.
- The effectiveness, particularly in relation to financial reporting of the:
  - ✓ Internal Audit Unit.
  - ✓ The internal Control System, quality assurance and risk management systems of the Company.

  during the period ended on 31/12/2021 up to the date on which the audit report was issued by the certified public accountants (27/4/2022), for that period.

Yours faithfully

The Chairman of the Audit Committee

Agisilaos Panagakos

The Members of the Audit Committee

Alexandra Mikroulea

Panagiotis Katsichtis

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INTRODUCTION

The Audit Committee of the company "Athens Medical Center S.A." was elected in its current line-up by a decision of the Company's Ordinary General Meeting of Shareholders taken on 10/7/2019 and is an independent committee comprised of non-executive members of the Board of Directors and third parties in accordance with Article 44(1)(ab) of Law 4449/2017 as amended and in force following Article 74(4) of Law 4706/2020.

The Audit Committee was officially constituted in line with the minutes of its meeting dated 10/7/2019 as follows:

1. Agisilaos Panagakos, Chairman
2. Alexandra Mikroulea, Independent Non-Executive Director, Member
3. Panagiotis Katsichtis, Member

Members of the Committee shall remain in office until the end of the term of the BoD.

The majority of members of the Committee are independent of the Company and the Group within the meaning of Article 4 of Law 3016/2002, as in force, and within the meaning of Article 9 of Law 4706/2020 as determined by paragraph 1 and 2, as it applies.

The majority of members of the Committee have adequate knowledge and experience in auditing or accounting while all members have adequate knowledge of the sector in which the Company and the Group operates.

The Committee's operations are governed by Article 44 of Law 4449/2017, as amended and in force, and the Audit Committee's Regulation.

It meets at the Company's seat in accordance with Article 90 of Law 4548/2018 and the Audit Committee Bylaws. The discussions and decisions of the Audit Committee are recorded in minutes, which are signed by all the members in attendance, in accordance with Article 93 of Law 4548/2018.

By the date on which the audit report of the certified public accountants was issued for the period ended on 31/12/2021, the Audit Committee had held 6 meetings.

DISCLAIMER

Company Management is responsible for establishing and maintaining an effective internal system of procedures and controls in the context of achieving the Company's objectives, a substantive part of which is the procedure for preparing and presenting financial information free of errors or omissions.

This responsibility includes Management putting in place certain checks and balances / controls that prevent or allow the uncovering of cases where the procedures and control systems do not function effectively. A well-designed internal audit system should not normally leave room for grounds for fraud to arise or contribute to fraud.

Without prejudice to the liability of members of the Board of Directors:

- The Audit Committee is responsible for supporting the Board of Directors in its duties by monitoring the internal procedures and audit system independently and objectively, and in particular financial reporting, quality and risk management, the internal audit unit and the supervision of scheduled audits.

- The Committee is responsible for regularly briefing Management by submitting recommendations / proposals from the Committee, if necessary, relating both to monitoring of the financial reporting procedure and the internal audit system and procedures which have been designed and implemented and are monitored by Company Management.

Members of the Committee exercise their powers with the professional judgement in accordance with Article 44 of Law 4449/2017 as amended and in force by Article 74 of Law 4706/2020 and the Audit Committee Bylaws.

"Professional judgement" means showing the level of attention and skill that a prudent and capable member of an Audit Committee would be expected to demonstrate in a similar case. Consequently, due professional judgement examines issues within its remit to a reasonable extent given the circumstances of each case.

1. SELECTION OF CERTIFIED PUBLIC ACCOUNTANTS FOR THE AUDIT FOR THE 2022 FINANCIAL YEAR (1/1 - 31/12/2022).

The Audit Committee recommended to the Board of Directors the re-election of the audit firm "Grant Thornton Anonymous Company of Certified Auditors and Business Consultants", for the assignment of the statutory audit, corporate and consolidated financial statements for the financial year 2022 (1/1 – 31/12/2022).

2. INDEPENDENCE OF THE CERTIFIED PUBLIC ACCOUNTANTS IN ACCORDANCE WITH ARTICLES 21, 22, 23, 26 AND 27 OF LAW 4449/2017 AND ARTICLES 5 AND 6 OF REGULATION (EU) NO 537/2014.

The Committee received and reviewed the Declaration of Independence from the certified public accountants relating to the ordinary audit for the period ended on 31/12/2021 in accordance with Articles 21, 22, 23, 26 and 27 of Law 4449/2017 and Articles 5 and 6 of Regulation (EU) No 537/2014.

The Committee received and reviewed the Declaration of Independence dated 27/4/2022 of the certified public accountants at the end of the ordinary audit for the period ended on 31/12/2021 in accordance with Articles 21, 22, 23, 26 and 27 of Law 4449/2017 and Articles 5 and 6 of Regulation (EU) No 537/2014.

The Committee has authorized services by the statutory auditors, “Grant Thornton Greece” which are not subject to the prohibited non-audit services as described in Article 5 of Regulation (EU) No 537/2014.

- **Meeting, 28 September 2021:**
    1. Translation into English of the Individual and Consolidated Interim Financial Statements of the company "ATHENS MEDICAL CENTER S.A.”, for the period from 1 January 2021 to 30 June 2021.
    2. Agreed-upon procedure for assurance and compliance with the terms of the bond loan.

- **Meeting, 20 April 2022:**
    1. Translation into English of the Individual and Consolidated Annual Financial Statements of the company "ATHENS MEDICAL CENTER S.A.”, for the year ended 31/12/2021.
    2. Provision of services for the control, according to the International Standard on Assurance Engagements 3000 (ISAE) "Assurance Engagements Other than Audits or Reviews of

Historical Financial Information", the completeness of the information included in the "Remuneration Report" according to article 112 of law 4548/2018.

No exceptions expressed by the Audit Committee about the independence of the certified public accountants.

3. AUDIT COMMITTEE AND FINANCIAL REPORTING – CONTRIBUTION OF STATUTORY AUDIT TO THE INTEGRITY OF FINANCIAL INFORMATION.

In relation to the accounting period which ended on 31/12/2021, from the date on which the certified public accountants were elected (15/7/2021, the date on which the Ordinary General Meeting of Shareholders issued its decision) to the date on which the audit report was issued (27/4/2022), the Committee held 3 meetings with the certified public accountants. In particular:

- **1st meeting, 28 September 2021:**

Kick-off meeting with the certified public accountants, as part of the review of the condensed separate and consolidated interim financial statements for the first half of 2021.

The Committee was apprised of:

- The progress and extent of the review of the separate and consolidated interim financial statements for the first half of 2021.
- The most important areas covered by the review which the certified public accountants focused on in the first half of 2021.
- Key audit matters in the review of the first half of 2021.

Having discussed these matters the Committee did not express any reservations.

- **2nd meeting, 28 February 2022:**

The Committee met with the certified public accountants. The Committee was apprised of:

- The audit approach and methodology to be followed to express an opinion on the separate and consolidated financial statements for the period which will end on 31/12/2021.
- The level of importance and estimates about the criteria for selecting entities subject to audit for consolidation purposes (scoping).
- The business risks which have been identified, their evaluation and the audit approach to address them.
- The audit plans.
- The communication scheduled with Management.
- Staffing the Audit Team, focusing on their number and experience.
- The areas covered by the ordinary audit.

- Possible key audit matters and how they are approached.

Having discussed these matters the Committee did not express any reservations.

- 3rd Meeting, 20 April 2022:

The Committee met with the certified public accountants in the context of completing the ordinary audit. The Committee was apprised of:

- The key financials in the annual separate and consolidated financial statements for the year ended on 31/12/2021.
- The audit work carried out on key audit matters.
- The main findings of the statutory audit to date, including the main accounting judgements used.
- Communication with Management.
- The draft Audit Report for the annual separate and consolidated financial statements for the year ended on 31/12/2021 will be issued after the said statements are approved by the Board of Directors.
- The "Additional Report to the Audit Committee" in accordance with the requirements of Article 11 of Regulation (EU) No 537/2014.
- The Declaration of Independence in accordance with Article 11(2)(a) and (2)(c) of Regulation (EU) No 537/2014.

Having discussed these matters the Committee did not express any reservations.

4. AUDIT COMMITTEE AND INTERNAL AUDIT

4.1 OPERATION OF THE INTERNAL AUDIT UNIT

The operation of the Internal Audit Unit is supervised by the Audit Committee.

The Audit Committee is responsible for monitoring the independence of the Internal Audit Unit.

The head of the Internal Audit Unit participates in all meetings of the Audit Committee.

During the year 2021 to the date on which the audit report of the certified public accountants was issued, the Audit Committee:

- Approved the Internal Audit Unit's Annual Audit Plan for the year 2022 (meeting of 28/2/2022),
- Took cognisance of the Annual Continuous Training Plan of the Internal Audit Unit for the year 2022 (meeting of 28/2/2022).

- Took cognisance of the quarterly reports on the activities of the Internal Audit Unit for 2021 (meetings of 28/9/2021, 12/11/2021, 31/1/2022) and for the first quarter 2022 (meeting of 20/4/2022).
- Took cognisance of the progress in bringing the Company into line with Law 4706/2020 on the Corporate Governance.
- Took cognisance of the Internal Audit Unit's reports prepared about the audits carried out.
- Prepared the "Annual Evaluation of the Internal Audit Department" for the year 2021 (meeting 31/1/2022.

The Committee did not have any reservations about the operation and independence of the Internal Audit Unit.

4.2 INTERNAL CONTROLS, QUALITY AND RISK MANAGEMENT

The Audit Committee took the following steps to form an opinion on the internal controls, quality and risk management, responsibility for the planning, implementation, auditing and evaluation of which lies with Company Management. To be more specific

- At its meeting on 28/9/2021 and 20/04/2022 it was informed by the Group's Chief Financial Officer about:
  - The internal procedures and internal controls related to the fair presentation of the corporate and consolidated annual financial statements for the year ending on 31/12/2021.
  - The Audit Committee was informed of the findings of the annual quality review report for the year 2021.