

**NOTE OF THE BOARD OF DIRECTORS OF
MED LIFE S.A.
("Med Life" or the "Company")**

**ON THE BUY- BACK OF TREASURY SHARES (ITEMS 4 AND 5 OF THE AGENDA OF
THE EGSM CONVENED FOR 03.08.2023/04.08.2023)**

1. THE PROPOSAL SUBMITTED TO THE SHAREHOLDERS' APPROVAL

"4 Authorising the acquisition by the Company, directly or through a person acting in its own name but on behalf of the Company, of a number of own shares with a total nominal value equal to maximum 10% of the Company's subscribed share capital, as of the date of the buy back, for a maximum period of 18 months from the date of publication of the resolution in the Official Gazette of Romania, Part IV, at a price per share (i) minimum equal to the market price of a share on BVB at the time of the acquisition and (ii) maximum equal to the highest value between the price of the last independent trade and the highest current independent purchase bid on BVB, in accordance with the provisions of art. 3 para. (2) of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures. The nominal value of the treasury shares thus acquired by the Company, including those already held in its portfolio, may not exceed the threshold of 10% of the Company's subscribed share capital as of the date of the buy-back. A maximum of 6,563,289 treasury shares so acquired, by reference to the share capital of the Company at the date of the Resolution, (i.e. a maximum of 26,253,156 treasury shares so acquired, by reference to the share capital of the Company subsequent to the Share Capital Increase), shall be offered to employees and members of the management of the Company, former or current members of the management or former or current employees of some of the subsidiaries of the Company and/or shall be offered in exchange for shares held in the subsidiaries of the Company, by former or current members of the management or former or current employees of some of the subsidiaries of the Company."

" 5 Authorising the Board of Directors of the Company to carry out all necessary and useful operations and/or procedures in relation to the implementation of point 4 above. The Board

of Directors is also authorised to decide the change of the purpose of the shares buy-back provided for in point 4, unless the new purpose would require the approval of the general shareholders' meeting."

2. LEGAL ISSUES

Art. 103¹ of the Companies Law no. 31/1990 and Art. 9.3 letter k) of the Articles of Association of Med Life S.A..

3. ECONOMIC JUSTIFICATION FOR THE PROPOSAL

Med Life S.A. has already successfully carried out such buy-back programmes, the last of which was concluded on 18.04.2023.

Med Life's growth strategy has been characterised, among other things, by anorganic growth through the acquisition of medical-specific companies. Med Life now has significant shareholdings in numerous medical units (details of these shareholdings can be found in Med Life's public reports). Med Life's acquisition strategy has focused on encouraging the founders of the acquired companies to remain actively involved, either by maintaining their status as founders, retaining minority stakes in the companies concerned, or by continuing to work for them as employees or members of the management bodies.

The Board of Directors considers it appropriate for Med Life to continue to strengthen its holding in certain subsidiaries and the best way to achieve this objective is to carry out an exchange between Med Life's own shares and shares/units held by minority shareholders/partners in its subsidiaries ("**the Transaction**").

The principles underlying the commercial parameterisation of the share exchange will be centred around the ratio between the average purchase price of Med Life's own shares and the value of the shares issued by the subsidiaries and held by minority shareholders. Valuation of minority shareholdings in subsidiaries will be done by applying an EBITDA multiple (correlated to the size of the respective subsidiary, the local or national character of the subsidiary and the size of the minority stake) in line with the multiple used for acquisitions completed in previous years by Med Life.

Completion of the Transaction contemplated by the Board of Directors entails:

Phase I: Acquisition of treasury shares by Med Life through a buy-back programme;

Phase II: Offer of Med Life treasury shares acquired in Phase I to current or former employees or current or former members of the management of the subsidiaries concerned (the "**Programme Beneficiaries**") who are also shareholders of these subsidiaries in exchange for shares held by the Programme Beneficiaries in the subsidiaries.

A portion of treasury shares may also be offered in accordance with the Long Term Incentive Plan in the Company's Remuneration Policy, as approved by the Company's Board of Directors in the future, if the case.

The offer of Med Life shares to the Programme Beneficiaries in exchange for their shares in the Med Life subsidiaries will have a dual purpose, namely: (a) to strengthen Med Life's position as majority shareholder in the subsidiaries coupled with the acquisition of Med Life shareholder status by the Programme Beneficiaries and (b) to be consistent with the group-wide acquisition strategy which recognises and encourages the contribution of the founders of the subsidiaries to the business of the subsidiaries and thus to the integrated business of the Med Life group.

Given the level of complexity, the scale and the estimated length of time for the implementation of the Transaction, the Board of Directors requests an additional level of flexibility from the shareholders to allow it to decide, depending on specific circumstances relating to market developments or commercial/legal considerations of a commercial/legal nature that may affect the implementation of the Transaction, and subject to the powers of the general meeting of shareholders, to change the purpose of the share buy-back.

In view of the above considerations, the Board of Directors proposes to the shareholders that, in order to strengthen Med Life's position in certain subsidiaries, to vote in favour of items 4 and 5 on the agenda of the GSM of 03.08.2023/04.08.2023.

Mihail Marcu

Chairman of the Board