

Directors' Report on Activities of Centrum Medyczne ENEL-MED S.A. in 2012

Warsaw, 18 March 2013

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1. BASIC INFORMATION ABOUT CENTRUM MEDYCZNE ENEL-MED S.A.

1.1. Management Board and Supervisory Board

Management Board of Centrum Medyczne ENEL-MED S.A.

Adam Rozwadowski – President of the Management Board

He has been the President of the Management Board since 2006. He has a university degree – he graduated the Faculty of Electrical Engineering at the Technical University of Gdańsk, where he received the Master of Science diploma with specialisation in electrical engineering. In the years 1972-1985, he worked at STOEN as the manager of the general technical department, and in the years 1985-1995 he worked as the director of the Office of Design and Implementation of Investments. Since 1993, he has been managing ENEL-MED Medical Centre, first as the General Director and then as the President of the Management Board.

Jacek Rozwadowski – Vice President of the Management Board, CEO

He has been the Vice President of the Management Board since 2009. Started to work at the Company in 2002, since 2008, he is the CEO of the Company. He has a university degree – he graduated the faculty of marketing at the School of Business and Administration in Warsaw. Before starting work in the medical sector, he worked in the automotive industry. In the years 1999-2002, he was responsible for marketing and sales at DAF Trucks Polska Sp. z o.o. Before that, for a year he worked at DAF Trucks NV Holland, where he was responsible for sales in Poland. In the years 1996-1998, he worked as a project manager at Elektrim S.A.

As at 18 March 2012, the composition of the Management Board has not changed.

Supervisory Board of Centrum Medyczne ENEL-MED S.A.

- Anna Rozwadowska
Chairman of the Supervisory Board
- Anna Piszcz;
Member of the Supervisory Board
- Janusz Jakubowski
Member of the Supervisory Board
- Adam Ciuhak
Member of the Supervisory Board
- Zbigniew Okoński;
Member of the Supervisory Board

As at 18 March 2012, the composition of the Supervisory Board has not changed.

1. Basic information about Centrum Medyczne ENEL-MED S.A.

1.2. Ownership structure

As at the date of publishing this Directors' Report on activities of the Company, the share capital amounted to PLN 23,566,900.00 and was divided into 23,566,900 shares with a nominal value of PLN 1.00 each.

Shareholder	Number of shares	% of the capital	Number of votes	% of votes
Adam Rozwadowski*	7,124,000	30.23	7,124,000	30.23
Anna Rozwadowska**	7,123,950	30.23	7,123,950	30.23
Generali Otwarty Fundusz Emerytalny	2,377,000	10.09	2,377,000	10.09
OFE PZU "Złota Jesień" and DFE PZU	1,186,229	5.03	1,186,229	5.03
Jacek Rozwadowski***	992,800	4.21	992,800	4.21
Bartosz Rozwadowski****	972,650	4.13	972,650	4.13
Other shareholders	3,790,271	16.08	3,790,271	16.08

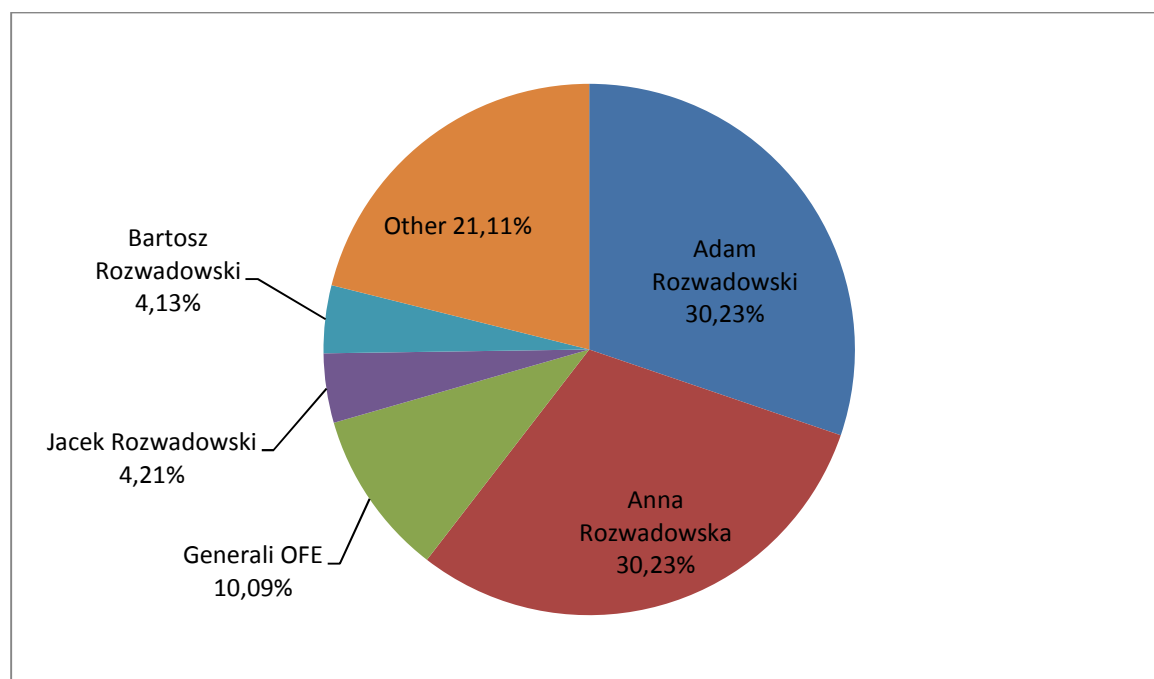
* through Koremia Investments Ltd., registered in Larnaca (Republic of Cyprus)

** through Versinus Ltd., registered in Larnaca (Republic of Cyprus)

*** through Smerona Holdings Ltd., registered in Larnaca (Republic of Cyprus)

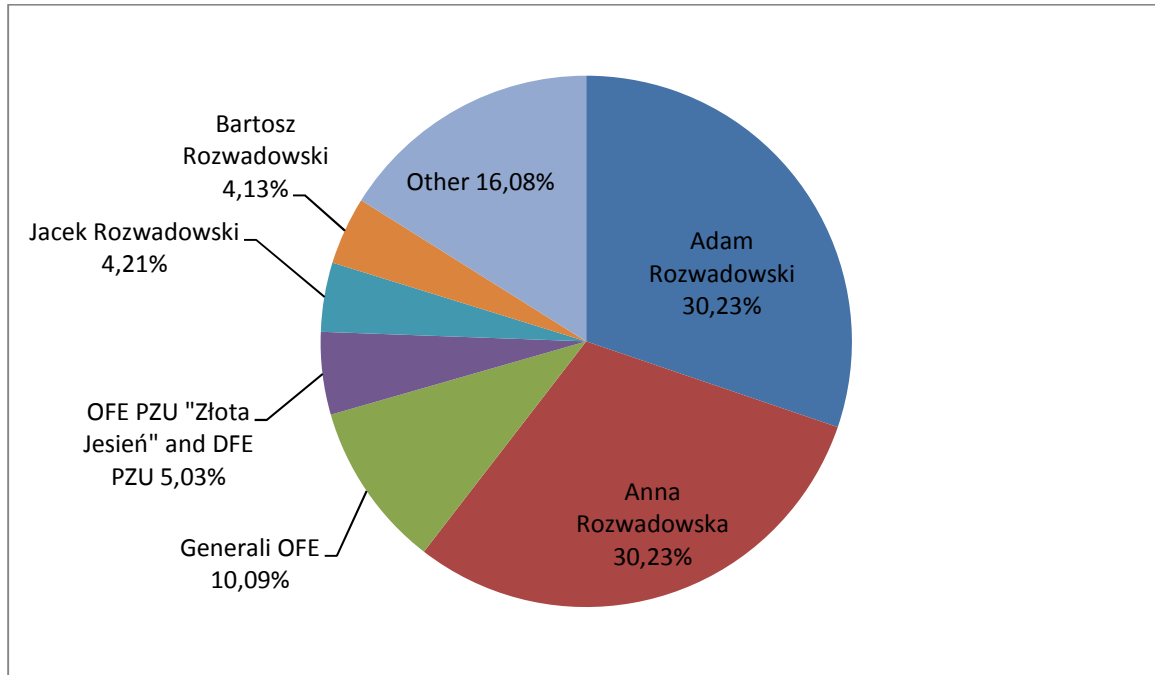
**** through Elvestra Ltd., registered in Larnaca (Republic of Cyprus)

No significant changes in the ownership structure of the Company took place in 2012.



1. Basic information about Centrum Medyczne ENEL-MED S.A.

In 2013, PZU joint the group of shareholders holding significant parcels of shares. As at the date of publishing this report, the ownership structure is as follows:



1.3. Description of the structure of the Capital Group

Centrum Medyczne ENEL-MED S.A. is a part of the Capital Group comprising Centrum Medyczne ENEL-MED S.A. being the parent company and Enelbud Sp. z o.o. – a subsidiary (change of name from Centrum Nieruchomości Enel-Med Sp. z o.o. made based on resolution of the Extraordinary General Meeting of Shareholders of 17 December 2012; the change of name has been registered by the District Court for the capital city of Warsaw in Warsaw, 13th Business Department of the National Court Register).

The parent company Centrum Medyczne ENEL-MED S.A. holds shares in the subsidiary, which accounts for 80% of the subsidiary's share capital.

Enelbud Sp. z o.o. was established in 2006 and is engaged in real property investments in the healthcare sector. The company has experience in the field of, and well established knowledge of, the requirements applicable to medical facilities and the conditions that real property must meet in order to be fit for medical activities.

The Issuer did not prepare any consolidated financial statements as at 30 June 2012, using the exemption set out in Article 58 of the Accounting Act. The subsidiary was not included in the consolidated financial statements due to the fact that its financial data are not material to give a true and fair view of the Group's economic and financial position and its financial result.

2. CHARACTERISTICS OF ACTIVITIES OF CENTRUM MEDYCZNE ENEL-MED S.A.

2.1. Description of activities of Centrum Medyczne ENEL-MED

Centrum Medyczne ENEL-MED S.A. operates on the national market of medical services and is the third largest private medical services operator in Poland¹ taking into account revenues, present on the Polish market of health care services since 1993.

The Company has twelve multi-profile clinics, ten diagnostic facilities (diagnostic centres and branches) and two hospitals located in Warsaw.

Multi-profile clinics are situated in attractive and prestigious localisations (for example in shopping malls and office buildings) in six big cities: in Warsaw (the Centres of Zacisze, Atrium, Blue City, Arkadia, Puławska, Domaniewska, Centrum), Cracow (Galeria Krakowska Centre), Poznań (Kupiec Poznański Centre), Łódź (Manufaktura Centre), Gdańsk (Grunwaldzka Centre) and in Wrocław (Arkady Wrocławskie Centre). Additionally, the Company runs five clinics at companies' premises, i.e. small branches situated on a corporate client's premises, offering a basic range of services only to employees of the particular client. The clinics at companies have been established in Warsaw, Piła, Łódź and Special Economic Zone – Wrocław-Kobierzyce Sub-Zone. The Company cooperates with over 1,000 partner facilities, whose clinics are located in localities where the Issuer does not have its own medical facilities.

The Company has ten diagnostic facilities (diagnostic centres and branches) in seven voivodships: in Warsaw (Bielany, Zacisze, Centrum), Wołomin, Konin, Łomża, Lublin, Mielec, Poznań and Gdańsk.

Moreover, the Issuer operates two hospitals situated in Warsaw: the multi-specialisation 19-bed Zacisze Hospital and the 33-bed Centre Hospital located at 128 Solidarności Avenue.

The medical services provided by the Company include, *inter alia*:

- primary and specialised outpatient care, including rehabilitation and surgical procedures at outpatient clinics;
- dental health care;
- diagnostic imaging tests (including tests performed using computed tomography and magnetic resonance, ultrasonography and X-ray);
- hospitalisation, including surgical procedures and surgeries in selected specialisation areas, scheduled at the Zacisze Hospital and Centre Hospital;
- off-site home medicine and emergency home emergency visits, as well as medical care in case of a sudden illness.

The Company offers a wide array of medical services (58 specialisations in total) both to corporate clients (in the form of pre-paid Enel-Care medical plans and as part of the obligatory occupational medicine) and to individual clients (in the form of pre-paid medi-care health insurance). Additionally, individual clients may use medical services on a fee-for service basis (FFS) and under the contract with the Polish National Health Fund.

Furthermore, Centrum Medyczne ENEL-MED has signed medical services contracts with numerous insurance companies, such as Generali, Uniq, Inter Polska, Allianz, Signal Iduna and with PZU Pomoc performing services for the PZU Group. The Company's settlements with insurance firms are effected on FFS (fee-for-service) basis.

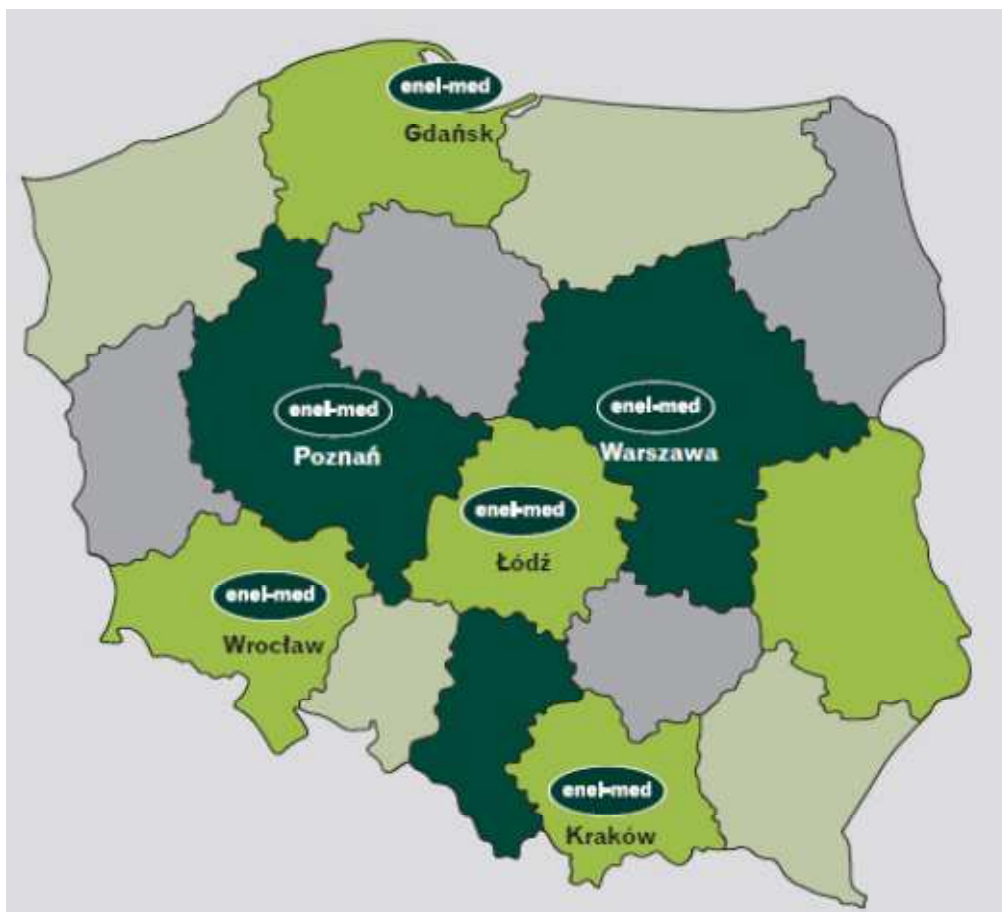
¹ Prospectus of Centrum Medyczne ENEL-MED S.A.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

2.2. Multi-profile clinics

The Issuer has a network of 12 clinics situated in attractive and prestigious locations (including shopping malls and office buildings), in six large cities: Warsaw, Cracow, Poznań, Łódź, Gdańsk and Wrocław. These clinics offer comprehensive medical care services, including primary, as well as specialist ambulatory care, together with dentistry and rehabilitation.

Each clinic employs professional, experienced and qualified medical personnel providing services using state-of-the-art and technologically advanced medical equipment.



Łódź

- Manufaktura Centre

Wrocław

- Arkady Wrocławskie Centre

Cracow

- Galeria Krakowska Centre

Gdańsk

- Grunwaldzka Centre

Poznań

- Kupiec Poznański Centre

Warsaw

- Zacisze Centre
- Atrium Centre
- Blue City Centre
- Arkadia Centre
- Puławska Centre
- Domaniewska Centre
- Centrum Centre

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

In Warsaw, there are seven branches in total: clinics in office buildings Atrium Plaza and Trinity Park III (Atrium Centre and Domaniewska Centre), clinics at prestigious shopping malls such as Arkadia (Arkadia Centre) or Blue City (Blue City Centre), clinic at Puławska Street (Puławska Centre) and the clinic operating at the premises of the company's hospital at Gilarska Street (Zacisze Centre). Additionally, the Centre Hospital fulfils the function of a clinic, where specialist consultations are held.

Arkadia Centre

al. Jana Pawła II 82,
00-175 Warszawa

Atrium Centre

al. Jana Pawła II 29,
00-867 Warszawa

Blue City Centre

Al. Jerozolimskie 179,
02-222 Warszawa

Centrum Centre

al. Solidarności 128,
01-195 Warszawa

Domaniewska Centre

ul. Domaniewska 49,
02-676 Warszawa

Puławska Centre

ul. Puławska 326,
02-819 Warszawa

Zacisze Centre

ul. Gilarska 86c,
03-589 Warszawa

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

The Company's clinics in Cracow, Poznań, Łódź and in Wrocław are located at shopping malls. In Poznań, the Issuer's clinic is located in Kupiec Poznański Shopping Mall (Kupiec Poznański Centre), in Łódź – in Manufaktura Shopping Mall (Manufaktura Centre), in Wrocław – in Arkady Wrocławskie Shopping Mall (Arkady Wrocławskie Centre), in Cracow – in Galeria Krakowska, while in Gdańsk – in Office Island office building (Grunwaldzka Centre).

Galeria Krakowska Centre

ul. Pawia 5,
31-154 Kraków

Manufaktura Centre

ul. Drewnowska 58,
91-002 Łódź

Grunwaldzka Centre

al. Grunwaldzka163,
80-266 Gdańsk

Kupiec Poznański Centre

Pl. Wiosny Ludów 2,
61-831 Poznań

Arkady Wrocławskie Centre

ul. Powstańców Śląskich 2-4,
53-333 Wrocław

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Fist clinics of the Company were established in Warsaw, in 1993. These were Zacisze Centre and Atrium Centre. Then, in 2004, the Blue City Centre was opened, and in 2005 – the Arkadia Centre in Warsaw.

In 2006, the process of the development of the national network of clinics started – the Kupiec Poznański Centre was opened, and in next years – clinics in Wrocław, Cracow, Łódź, and in December 2011 – the Grunwaldzka Centre in Gdańsk. Meanwhile, during the period of the national expansion, two new clinics were opened on the original market of the Company in Warsaw – Puławska Centre and Domaniewska Centre.

Clinics of the Company are equipped with state-of-the-art equipment, which guarantees security and top quality of services offered.

A wide range of dental care services (the first historical area of activities of the Company) is an important aspect of medical activities of all multi-profile clinics. In the context of offering dental care services, ENEL-MED assumes comprehensive character of top quality services. The Company offers the guarantee for services provided with respect to selected procedures.

Dental care services offered by the Company include the following groups of services:

- conservative dental treatment and endodontics;
- pedodontics (dental care services for children);
- dental surgery;
- implantology;
- fixed and removable prosthodontics;
- fixed and removable orthodontic appliances;
- dental prophylaxis;
- aesthetic dental treatment;
- periodontology (treatment of disorders of the gums);
- treatment of temporomandibular dysfunction;
- dental radiography.

2.3. Clinics at companies' premises

ENEL-MED runs five clinics at companies' premises, i.e. small branches situated on a corporate client's premises, offering a basic range of services only to employees of the particular client. Two clinics at companies' premises are located in Warsaw – at the premises of the National Bank of Poland and Bank Millennium (Żaryna company clinic and Plac Powstańców company clinic). Other branches are located in Łódź – at the premises of Sonoco Poland Packaging Services, in Piła – at the premises of Philips Lighting Poland and in the Special Economic Zone, Wrocław-Kobierzyce Sub-Zone – at the premises of LG Display Poland. Services offered by the clinic located at the premises of LG can be used not only by employees of companies from the LG Cluster with their families, but also by commercial clients. The Company plans extending activities in the area of clinics at companies' premises and carries on negotiations with respect to opening subsequent company clinics with potential business partners.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

2.4. Hospital services

In 1998, Centrum Medyczne ENEL-MED started offering hospital services, by opening multi-specialisation hospital in Warsaw, at Gilarska Street. The hospital has 19 beds, two operating rooms, examination room and the anaesthesia consultation room. At the same location, on separate space, there are also the hospital clinic (Zacisze Centre) and the diagnostic facility.

Zacisze Hospital, Zacisze Centre,
Zacisze diagnostic facility

The Zacisze Hospital offers services in the files of general surgery, paediatric surgery, vascular surgery, plastic surgery, endoscopy, laryngology, gynaecology and ophthalmology.

In 2012, the Issuer opened the second hospital in Warsaw – the Centre Hospital at Al. Solidarności 128. The newly opened hospital has 30 beds, two operating rooms and one postoperative recovery room. A modern imaging diagnostic centre operates also at the hospital, offering a wide range of diagnostic tests. Additionally, the hospital fulfils the function of a clinic, where specialist consultations are held. Moreover, emergency orthopaedic care is available 24 hour a day, 7 days a week. The Centre Hospital offers the services in the area of neurosurgery, orthopaedics and hand surgery.

Patients may use hospital services provided by the Company on a fee-for service basis (FFS) or under the contract with the Polish National Health Fund concluded by the Issuer (services are free-of-charge from the point of view of the patient). The contract for hospital services concluded with the National Health Fund, pertaining to scheduled procedures, includes the following groups of services:

- orthopaedics;
- neurosurgery;
- vascular surgery;
- general surgery;
- ophthalmology;
- otolaryngology.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

2.5. Diagnostic facilities and branches

ENEL-MED has two diagnostic branches in Warsaw: Centrum Centre and Bielany Centre, as well as eight diagnostic facilities located in Wołomin, Łomża, Lublin, Gdańsk, Mielec, Konin, Poznań and Warsaw. Diagnostic imaging is for the Company a source of stable revenues, while it ensures diversification of revenues to a great degree. The demand for tests is still growing. In 2012, the Company carried out more than 34,000 magnetic resonance tests – growth by 29% vs. 2011 and more than 37 thousand computed tomography tests – growth by 9% vs. the same period. Magnetic resonance or computed tomography tests can be carried out as a part of the pre-paid medical plan, insurance policy, against payment or under the contract with the National Health Fund. Using high quality equipment for the purposes of diagnosing various disorders is becoming more and more popular among physicians and patients. It is worthy to note that an increasing number of public hospitals entrusts carrying out diagnostic tests to private centres.

Network of diagnostic branches and facilities of the Company offering magnetic resonance and computed tomography services:

Warsaw

Centrum Diagnostic Centre (MR+CT)

Bielany Diagnostic Centre (MR+CT)

Zacisze Diagnostic Facility (MR+CT)

Mielec

Mielec Diagnostic Facility (MR)

Lublin

Lublin Diagnostic Facility (MR+CT)

Poznań

Poznań Diagnostic Facility (CT)

Łomża

Łomża Diagnostic Facility (MR)

Konin

Konin Diagnostic Facility (MR)

Gdańsk

Gdańsk Diagnostic Facility (MR+CT)

Wołomin

Wołomin Diagnostic Facility (CT)

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Computed tomography is a X-ray tomography used to obtain cross-sections of the object tested (patient). Using radiation beams, a CT scanner produces tomographic images of selected organs. Data obtained are saved in the computer memory and then processed in order to obtain a legible image. Computed tomography is a painless and non-invasive test. A CT scanner allows obtaining very precise images of human organs that can be converted into three-dimensional images. Seven high quality CT scanners used by the Company's branches and centres allow providing top level imaging diagnostics. The scope of services offered by Centrum Medyczne ENEL-MED in the area of computed tomography includes: head and neck diagnostics, disorders of chest, abdominal cavity, pelvis minor, skeletal and muscular system, as well as cardiology, vascular and oncology tests. It should be noted that the Centrum Diagnostic Centre located in Warsaw and the Diagnostic Centre in Gdańsk use technologically advanced 64-slice CT scanners that allow carrying out highly specialised tests, including heart tests.

Heart computed tomography is a significant achievement of modern medicine, meaning various benefits to a patient. Unlike traditional coronarography, it does not require a stay at the hospital, and the procedure together with the patient preparation takes about one hour. The test is painless and its precision level allows assessing in detail the level of coronary arteries stenosis. The test proves effective for patients, in the case of whom probability of detecting coronary heart disease using traditional methods is low or moderate.

Magnetic resonance test involves placing the patient in the MRI scanner, in the powerful magnetic field. This test allows assessing human anatomical structures in selected planes, in a non-invasive and painless manner. Unlike in other radiology methods, no X-ray is used, but magnetic field and radio waves that are not harmful. The data obtained during the test are saved in the computer memory, where they are processed on a current basis and used to produce images of the patient's anatomical structures. The Company has eight high quality MRI scanners. At some facilities of the Company, scanners with low-field Magnetom Concerto magnets are used – so-called “open resonance” scanners (the scanner opened at three sides, offering comfort for patients with claustrophobia or obesity, or for small children). Magnetic resonance services offered by Centrum Medyczne ENEL-MED are used for the purposes of diagnostics of head, neck, chest and abdominal cavity, skeletal and muscular system, brain, backbone, heart and breast.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Magnetic resonance mammography is a new method supporting women in the fight against breast cancer. It is an important achievement of modern medicine, allowing detecting the condition at the early development stage. This test allows detecting very small, even 2 mm malignant neoplasms, and cancer detecting effectiveness is 92-95%, while traditional mammography ensures detection effectiveness of 55-90%.

Magnetic resonance imaging can also be used for the purposes of early diagnosis in cardiology. Heart magnetic resonance imaging allows detecting pathological conditions at an earlier staged in comparison with other diagnostic methods. It allows imaging of all elements of the heart and vascular system: atriums, ventricles, valves, veins and arteries. This test allows precisely identifying the point of damage of the heart muscle wall in the case of infraction and assessing heart perfusion at the rest and stress conditions. Magnetic resonance imaging is also very useful for the purposes of diagnosing and assessing heart defects and large vessel conditions. Obtaining a three-dimensional image of heart and large vessels without exposing a patient at X-rays is an important advantage of this method. Additionally, besides CT scanners and MRI scanners, diagnostic branches and centres have state-of-the-art X-ray and ultrasound equipment, angiographs and mammography systems.

2.6. Tele-radiology

In 2003 ENEL-MED introduced tele-radiology. Tele-radiology is a branch of tele-medicine focusing on transmitting diagnostic images from the place of carrying out the test to the place, where the image is interpreted. It combines elements of telecommunications, information technology and medicine, especially radiology.

Advantages of tele-radiology:

- reduced costs of functioning of hospitals and other health care units;
- ability to use the experience of the best experts, irrespective of their location;
- improved standard of tests;
- fast access to correct diagnosis.

The Company signs contracts for interpretation of diagnostic tests, including computer tomography tests, magnetic resonance tests or X-rays with public and private entities. Tests are interpreted 24 hours a day, 7 days a week. ENEL-MED prepares more than 3,000 of test descriptions on a monthly basis.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

2.7. Partner facilities

In order to ensure its clients the access to medical services all over the country, in the cities, where ENEL-MED does not have its own facilities, the Issuer uses the support of partner facilities, acting as subcontractors. When it is necessary to start cooperation with a new medical facility, an employee from the Corporate Client Service Department carries out an initial interview and verifies the scope of services of the particular facility and the manner of provision of medical services, based on Medical Care Organisation Standards developed by the Company. After the negotiation process is completed and the contract is signed, the partner facility receives updated lists of Enel-Care programme participants together with the scope of medical services to which the particular patient is entitled. The Company cooperates with almost 1.000 medical facilities all over the country.

2.8. Basic patient types depending on the settlement method

Patient – potential customer, who may use medical service of Centrum Medyczne ENEL-MED on the basis of:

Enel-Care – is a kind of pre-agreed package of medical services (so-called pre-paid medical plan), the monthly cost of which is covered by a company – corporate client of the Company, which employs the patient.

medi-care – it is so-called health insurance for the predetermined scope of services dedicated to individual patients, offered as a part of cooperation between the Company and InterRisk insurance firm. However, settlements between InterRisk and the Company are carried out based on the fixed per capita rate, and consequently, from the point of view of the Company, the medi-care product is similar to the pre-paid Enel-Care medical plan.

Fee For Service (FFS) – this form of sale of services involves the payer (corporate client, insurance firm) paying in each case for medical services provided. Services on the FFS basis are provided mainly to three key groups of clients: individuals, customers of insurance firms and a group of companies setting with the Company on the FFS basis.

National Health Fund – in order to meet customer needs, it is also possible to refer a patient to receive particular hospital or diagnostic services under the contract between the Company and the National Health Fund. In this case, the cost of services is covered from public funds, without any additional payments made by the patient.

2.9. Information on basic services, as well as their values and quantities, and shares in sales revenues

Centrum Medyczne ENEL-MED operates on the national market of medical services. Activities of the Company are focused on four key market segments (outpatient clinics, hospitalisation, diagnostics, dental care).

Value and structure of revenues by medical services (PLN'000)

	2009	% share	2010	% share	2011	% share	2012	% share
Outpatient clinics	87,205	72%	103,259	75%	129,417	78%	142,836	79%
Hospital	11,304	9%	13,541	10%	13,836	8%	11,173	6%
Diagnostics	22,375	19%	21,003	15%	23,036	14%	27,720	15%
Other sales	6	0%	0	0%	0	0	0	0
Adjustment of sales – National Health Fund	0	0		0		-944		
Total revenues	120,890		137,803		166,289		180,785	

The adjustment of sales to the National Health Fund of PLN 944 thousand results from the value of services provided in 2011 above the limit, for which the Company would not receive any payment.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

2.10. Information on sales markets

The Company operates on the territory of whole Poland. The National Health Fund is the only business partners generating turnovers representing a significant percentage of revenues. The Company does not depend on any client or supplier. None of the suppliers or clients accounts for more than 10% of total sales revenues.

2.11. Description of significant agreements

Agreements that in the opinion of the Management Board are significant for activities of the Company are presented below.

Significant agreement with Coca-Cola HBC Polska Sp. z o.o. for the provision of medical services

Conclusion of the agreement with Coca-Cola HBC Polska Sp. z o.o. for the provision of medical services. The subject of the agreement is the provision of medical services to employees of Coca-Cola HBC Polska Sp. z o.o. Service based on pre-paid medical plans will be provided at own centres of Centrum Medyczne ENEL-MED and at partner facilities on the territory of the whole country. The agreement was concluded for indefinite period starting 1 April 2012, and its value depends on the number of persons covered by the pre-paid medical plan in a given month, and might reach about PLN 10,200,000.00 in five years.

Agreement with Sonoco Poland-Packaging Services Sp. z o.o. for the provision of medical services

Conclusion of the agreement with Sonoco Poland-Packaging Services Sp. z o.o. for the provision of medical services and thus, terminating the annex to the agreement of 12 July 2011, subject to current report no. 15/2011. The subject of the agreement is the provision of medical services to employees of Sonoco Poland-Packaging Services Sp. z o.o. Service based on pre-paid medical plans will be provided at own centres of Centrum Medyczne ENEL-MED and at partner facilities on the territory of the whole country. In accordance with the agreement, the scope of operation of the consultation room at the registered office of the company in Łódź, ul. Nowy Józefów 70, would be extended. The agreement was concluded for the indefinite period, with a guarantee of non-termination for 24 months. The value of the agreement depends on the number of persons covered by the pre-paid medical plan in a given month, and might reach about PLN 8,640,000.00 in five years.

Conclusion of a significant agreement with the Aviva Group for the provision of medical services.

Conclusion of the agreement for the provision of medical services with the Aviva Group, companies: Aviva Sp. z o.o., Aviva Investors Poland S.A., Aviva Towarzystwo Ubezpieczeń na Życie S.A., Aviva Towarzystwo Ubezpieczeń Ogólnych S.A., Aviva Powszechne Towarzystwo Emerytalne Aviva BZ WBK S.A., Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych S.A. and Aviva Services Sp. z o.o. The subject of the agreement is the provision of medical services to employees of the Aviva Group. Service based on pre-paid medical plans will be provided at own centres of Centrum Medyczne ENEL-MED and at partner facilities on the territory of the whole country. The agreement was concluded for indefinite period, starting 5 June 2012, but the services will be provided starting 1 September 2012. The value of the agreement depends on the number of persons covered by the pre-paid medical plan in a given month, and might reach about PLN 6,132,000.00 in five years.

Conclusion of the agreement for the provision of medical services with LG Cluster

Conclusion of two agreements with companies from the LG Cluster: LG Display Poland Sp. z o.o. and LG Innotek Poland Sp. z o.o. The subject of the agreements is the provision of medical services to employees of both companies and their families. Medical services will be at the Centre of Centrum Medyczne ENEL-MED – LG Display Company Clinic, centres of Centrum Medyczne ENEL-MED and at other medical centres cooperating with the Service Provider. Agreements were concluded for the period of two years, from 2 January 2013 to 31 December 2014. The value of agreements depends on the number of persons covered by the pre-paid medical plan in a given month, and might reach about PLN 2 million during the term of agreements.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Agreements for the provision of medical services with other companies from the LG Cluster

Conclusion of further agreements with companies from the LG Cluster: Dongseo Display Poland Sp. z o.o. and LG Chem Poland Sp. z o.o. The subject of the agreements is the provision of medical services to employees of both companies and their families. Medical services will be at the healthcare centre of Centrum Medyczne ENEL-MED – LG Display Company Clinic, centres of Centrum Medyczne ENEL-MED and at other medical centres cooperating with the Service Provider. Agreements were concluded for the period of two years, from 2 January 2013 to 31 December 2014. The value of agreements depends on the number of persons covered by the pre-paid medical plan in a given month, and might reach about PLN 830,000.00 during the term of agreements.

Contract with the National Health Fund for the provision of services at the Diagnostic Facility in Łomża

Conclusion of the contract with the National Health Fund – Podlaskie Voivodeship Branch in Białystok, for the provision of healthcare services involving ambulatory speciality care (magnetic resonance imaging) at the Diagnostic Facility in Łomża.

The contract was concluded for three years and its value for the settlement period from 01 January 2012 to 30 June 2012 is PLN 615,995.00.

Contract with the National Health Fund for the provision of healthcare services at the Diagnostic Facility in Lublin

Conclusion of the contract with the National Health Fund – Lublin Voivodeship Branch in Lublin, for the provision of healthcare services involving ambulatory speciality care (magnetic resonance imaging and computed tomography imaging) at the Diagnostic Facility in Lublin. The contract is an extension of the contract concluded on 31 December 2010 for the period from 1 January 2011 to 31 December 2013 as a result of an open competition of tenders. Its value in the settlement period from 1 January 2012 to 31 December 2012 may reach the maximum amount of PLN 1,583,550.00.

Contract with the National Health Fund for the provision of healthcare services at Diagnostic Facilities in Poznań and Konin

Conclusion of the contract with the National Health Fund – Wielkopolska Voivodeship Branch in Poznań, for the provision of healthcare services (computed tomography imaging) at the Diagnostic Facility in Poznań and magnetic resonance imaging at the Diagnostic Facility in Konin. The contract was concluded for five years and its value for the settlement period from 01 January 2012 to 31 December 2012 may reach the maximum amount of PLN 1,349,741.00.

Annex to the contract with the National Health Fund – Podkarpacie Voivodeship Branch in Rzeszów, for the provision of healthcare services at the Diagnostic Facility in Mielec

Signing the annex to the contract with the National Health Fund – Podkarpacie Voivodeship Branch in Rzeszów, for the provision of healthcare services (magnetic resonance imaging) at the Diagnostic Facility in Mielec. The annex increases the value of the contract of 31 December 2010 from the amount of PLN 891,187.60 (in the settlement period beginning on 1 January 2011 and ending on 31 December 2011) to the amount of PLN 1,048,424.00 in the settlement period beginning on 01 January 2012 and ending on 31 December 2012.

Significant contract with the National Health Fund

On 22 February 2012, the Company received signed annexes to contracts concluded with the National Health Fund. As a result, the total value of the contracts concluded between the Company and the National Health Fund in the period from 13 June 2011 to 22 February 2012 amounted to PLN 12,843,348.60 net, and thus exceeded the threshold of 10% of the Company's equity, i.e. the amount of PLN 5,276,000. On 30 September 2011, the Company's equity amounted to PLN 52,760,000. During this period, the largest contract was valued at PLN 3,219,183.00 net and was signed as of 3 February 2012. The contract was concluded between the National Health Fund – Masovian Voivodeship Branch and the Company. The maximum value of the liabilities of the Fund's Branch towards the Company for implementation of the contract is PLN 1,609,677.00 for the period from 1 January 2012 to 30 June 2012 and PLN 1,609,506.00 for the period from 1 July 2012 to 31 December 2012. The subject of this contract is provision by the Company of health care services in the field of outpatient specialist care, including in particular endoscopic, magnetic resonance imaging and computed tomography examinations. The contract provides for the following contractual penalties for the Company:

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

- a) In the case of issuing prescriptions to unauthorised persons or in unjustified case, the Fund Branch can impose on the Service Provider a contractual penalty equivalent to the undue reimbursement of prices of medicinal product made on the basis of the prescriptions plus statutory interest accrued since the date of the reimbursement.
- b) In the case of issuing orders for the supply of medical devices being orthopaedic items or supply of aids financed in whole or in a part by the Fund, to unauthorised persons or in unjustified cases, the Fund Branch can impose on the Service Provider a contractual penalty equivalent to the amount of the undue financing plus statutory interest accrued since the date of the reimbursement.

Significant contract with the National Health Fund

Signing the annex to the contract concluded with the National Health Fund – Masovian Voivodeship Branch in Warszawa that increases the value of the previously concluded contract for “hospital treatment.” As a result, the total value of contracts concluded between the Company and the National Health Fund since publication of Current Report No. 7/2012 on 23 February 2012 reached PLN 7,329,712 net, and thus exceeded the threshold of 10% of the Company’s equity. During this period, the largest contract was valued at PLN 3,895,424 net and was signed on 28 February 2012. The subject of the contract is the Company providing health care services in form of “hospital treatment” in the area of general surgery, otolaryngology, orthopaedics, neurosurgery, ophthalmology and vascular surgery. The contract was concluded for the period from 20 February 2012 to 31 December 2016, and its value for the settlement period, i.e. from 20 February 2012 to 30 June 2012 may reach the maximum amount of PLN 1,631,084, net, and from 1 July 2012 to 31 December 2012 – PLN 2,264,340.00, net. The contract provides for the following contractual penalties for the Company:

- a) In the case of issuing prescriptions to unauthorised persons or in unjustified case, the Fund Branch can impose on the Service Provider a contractual penalty equivalent to the undue reimbursement of prices of medicinal product made on the basis of the prescriptions plus statutory interest accrued since the date of the reimbursement.
- b) In the case of issuing orders for the supply of medical devices being orthopaedic items or supply of aids financed in whole or in a part by the Fund, to unauthorised persons or in unjustified cases, the Fund Branch can impose on the Service Provider a contractual penalty equivalent to the amount of the undue financing plus statutory interest accrued since the date of the reimbursement. Terms of the contract, including contractual penalties set forth therein, do not differ from market standards.

Annex to the contract with the National Health Fund increasing the value of the contract for hospital treatment

Signing the annex to the contract concluded with the National Health Fund – Masovian Voivodeship Branch in Warszawa that increases the value of the previously concluded contract for “hospital treatment” by PLN 127,452.00 during the period from 1 July 2012 to 31 December 2012. The annex increases the amount of the obligation as regards “Ophthalmology – planned hospitalisation” to be used only for the purpose of implementation of vitrectomy surgeries in children during the period from 01 July 2012 to 31 December 2012. Other terms of the contract remain unchanged.

Agreement for the provision of healthcare services and rental of premises at Franciszek Raszeja Hospital in Poznań

Signing the agreement with the Poznań-Jeżyce Healthcare Centre for the provision of health care services in the area of computed tomography and tele-radiology for the purposes of the Computed Tomography and X-Ray Facility and for rental of premises for the purposes of the provision of services. Healthcare services will be provided at Franciszek Raszeja Hospital in Poznań. The agreement was concluded for three years, from 1 April 2012 to 31 March 2015, and its total value is PLN 624,171.00 gross. The tender of Centrum Medyczne ENEL-MED was selected in the open competition for tenders.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Agreement for the provision of healthcare services in the area of imagining diagnostics: X-rays, magnetic resonance imaging and computed tomography imaging and for rental of premises at Bielański Hospital in Warsaw

Signing two agreement with the Independent Public Health Care Institution – ks. Jerzy Popiełuszko Bielański Hospital in Warsaw (“Hospital”): the agreement for the provision of health care services including imaging diagnostics and the agreement for rental of premises for the purposes of the provision of these services. The agreement for the provision of healthcare services in the area of imagining diagnostics includes X-rays, magnetic resonance imaging and computed tomography imaging. The agreements was concluded for the period from 29 November 2012 to 28 November 2015. The value of the agreement depends on the number of examinations ordered by the Hospital and may amount to approximately PLN 5,814,811.00 gross per year. The Hospital is entitled to deduct a contractual penalty of PLN 500,000.00 in each case of failure to perform an examination covered by the scope of the agreement for a period exceeding 30 days. The above provision does not apply to situations in which the inability to provide the service is the result of a failure of the water, sewage, gas, central heating or electrical systems caused by an activity of a third party or force majeure. The other agreement separately concluded with the Hospital on 28 November 2012 concerns the rental of premises for performance of the health care services. The object of rental is the premises located in Warszawa at Ceglowska 80 in the building of the Hospital, which will be used to conduct medical activity in the field of diagnostic imaging: X-Ray, MRI and CT. The agreement is concluded for the period from 29 November 2012 to 28 November 2015. and its approximate annual value amounts to PLN 586,676.82 gross.

Agreement for rental of premises in the PROMENADA Shopping and Service Centre in Warsaw

Conclusion of the agreement with MD Poland I Sp. z o.o. for rental of premises in the PROMENADA Shopping and Service Centre in Warsaw. The space rented of approximately 1,500 sq. meters will be used by a multi-profile medical centre, the seventh facility of this type in Warszawa, which will be opened in 2014. The premises will be handed over to Centrum Medyczne ENEL-MED (“Company”) until 10 January 2014. In connection with the adaptation works carried out to adjust the premises to the requirements applicable to medical facilities, the Lessor, MD Poland I, has to obtain the decision on the building permit, and then to carry out the finishing works, and if necessary, to obtain the decision on the use permit for the premises. Each party has the right to terminate the agreement at the latest 30 days of the date of obtaining the information on failure to obtain the building permit if the building permit is not obtained until 31 December 2013. The rental agreement enters into force on the date of its signing and is concluded for the definite period of 10 years from the date of transfer of the premises. The agreement is automatically prolonged after expiry of the 10-year period for another 10-year period, unless any of the parties makes a declaration on lack of intention to prolong the agreement at least 12 months before elapse of the 10-year period. Turn-key finishing of the facility according to the Company’s standards is included in the 10-year rent. The rent is payable from the day of handing over of the Premises and will amount to approximately PLN 12,199,140.00 gross in the 10-year period of the agreement (the basic rent and service charges). The guarantee of performance by the Company of its obligations ensuing from the agreement is the bank security or guarantee deposit, as well as the authorisation to block the premises and the access roads. Within 90 days of signing the agreement, the Company provides the Lessor with an irrevocable, unconditional and payable on first demand bank guarantee, each time with validity period of not less than 12 consecutive calendar months, in the amount of not less than EUR 80,257.50. Not later than 30 days before the expiry of the bank guarantee, the Company is required to deliver to the Lessor a new bank guarantee. The above obligation applies during the entire term of the agreement. If the Company fails to perform or improperly performs its obligation to deliver the bank guarantee or the new bank guarantee, the Company is required to pay to the Lessor’s account the amount in which the bank guarantee should be issued as the guarantee deposit.

2. Description of activities of Centrum Medyczne ENEL-MED S.A.

Conclusion of a significant agreement

Conclusion of the annex to the agreement for multi-purpose credit facility with Credit Agricole Bank Polska S.A. ("Bank"). In accordance with the annex concluded, the Bank issues the multi-purpose credit facility ("Credit Facility") made available to the Issuer, from PLN 10,000,000.00 to maximum amount of PLN 15,000,000.00 with respect to the overdraft on account. The final due date of the Credit Facility is on 4 September 2013. Financial terms do not differ from market standard and remain unchanged vs. the original agreement that the company presented in current report no. 22/2011. The agreement is secured with mortgage on real estate in Warsaw, ul. Gilarska 86C, the amount of which was increased to PLN 18,750,000.00, and assignment of receivables up to PLN 27,000,000.00.

Conclusion of a significant agreement with Siemens Finance Sp. z o.o. for financing the purchase of equipment for the diagnostic facility in Gdańsk

Signing a significant agreement with Siemens Sp. z o.o. In accordance with the agreement concluded, Siemens Finance would grant to the Company the cash loan of PLN 6,861,919.02. The aforementioned amount would be used to finance the purchase of equipment for the diagnostic facility in Gdańsk. The loan interest rate is based on variable interest rate set by based on WIBOR 1M plus margin. The loan would be granted for 54 month, and the first instalment would be repaid in January 2013. The agreement is secured with own blank promissory note issued by the Company with promissory note agreement, and the agreement for assignment of the title to the delivery subject. Terms of the agreement do not differ from market terms.

3. PRIVATE HEALTH CARE MARKET IN POLAND

3.1. Description of the private health care market in Poland

In 2011 and at the beginning of 2012, a growth of expectations and requirements of customers, who demonstrated more informed approach to health spending, could have been observed in the pre-paid medical plan as well as additional health insurance sectors. Customers more and more precisely set the scope of medical care contracted (they expected more diversified products, usually tailor-made, with a wide offer of preventive services) and the expected standard of accessibility of services, to be sure that they receive top-quality services.

The ageing of the society results in an increased demand for medical care services, which will also impact the development of the private health care sector. In accordance with Eurostat estimates, the number of persons of 65 years of age and more will increase from 5.1 million in 2007 to 6.9 million in 2020.

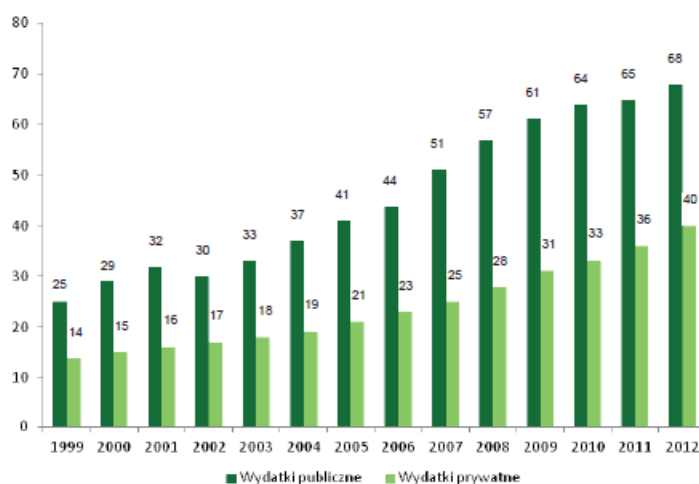
The private health care market in Poland comprises:

- fees for medicinal products and medical devices covered directly by customers;
- rehabilitation services, diagnostic tests and appointments covered by customers;
- pre-paid medical plans offered by medical companies together with occupational medicine services;
- health insurance offered by insurance firms;
- other fees paid directly by customers;
- payments in grey zone.

In the years 2012-2014, in accordance with PMR forecasts, the market would grow by about 5% per year on average (CAGR). The growth dynamics would be equal in each year, while it should be highest in 2014 due to gradual improvement of general economic situation².

The value of the market of medical services in Poland exceeds PLN 100 billion and the share of spending on private health care in total spending has been increasing.

Public and private spending on health care in Poland, in the years 1999-2012 (PLN billion)³



Wydatki publiczne – Public spending Wydatki prywatne – Private spending

² PMR Publications, *Rynek prywatnej opieki zdrowotnej w Polsce 2012. Prognozy rozwoju na lata 2012-2014*. Forecasts were developed in May 2012.

³ Formedis Medical Managements & Consulting, Polish Insurance Association.

3.2. Pre-paid medical plan market⁴

In 2011, the market of pre-paid medical plans experienced growth by 16%. Although no legal changes took place in the segment, it was possible to generate a relatively high growth dynamics. In the opinion of PMR, in the years 2012-2014, no legal solution are going to be implemented that would support the segment of additional health insurance and have negative impact on the pre-paid medical plan segment. It is worthy to note that even in the case of the implementation of such solutions, private medical companies would remain key providers of medical services to holders of health insurance policies.

The pace of the development of cooperation between insurance companies and private medical companies would determine the pace of the development of pre-paid medical plans and additional health insurance.

Due to the aforementioned factors, the market of pre-paid medical plans would record double-digit growth dynamics. In 2014, the value of the market of pre-paid medical plans would reach almost PLN 3 billion.

3.3. Market of private health insurance⁵

The market of private health insurance in Poland is still very immature in comparison with markets in western countries. Legal acts that would provide the basis for the development of the existing system are still missing.

Due to lack of proper legislative solutions, insurance firms still plan the supporting role in comparison with medical companies offering so-called quasi-insurance pre-paid medical plans.

Currently, the market of private insurance is developing based on weaknesses of the public health care sector, in segments, where the public system is inefficient.

In Poland, about 500 thousand people has health insurance and a majority of this group are persons having group policies.

In the opinion of PMR, in the next years, the market of additional health insurance would develop in less saturated segments, mainly based on hospital policies. Additionally, the development would be based on weaknesses and inefficiency of the public segment.

3.4. Non-public hospitals⁶

According to the analysis of PMR, in Poland there are about 360 non-public hospitals with five and more beds. The number of non-public hospitals in Śląskie Voivodeship (64) is the highest among all voivodeships in Poland. Mazovian and Dolnośląskie Voivodeships follow taking into account the total number of beds in non-public hospitals.

General surgery wards, including one-day surgery wards, are the most common wards in non-public hospitals in Poland. The next most common wards in non-public hospitals are gynaecology and obstetrics wards that make up about 12% of all wards. Every tenth ward in non-public hospitals in Poland is a trauma and orthopaedics ward.

A majority of non-public hospitals in Poland offer services under contracts with the National Health Fund.

⁴ PMR Publications, *Rynek prywatnej opieki zdrowotnej w Polsce 2012. Prognozy rozwoju na lata 2012-2014*. Forecasts were developed in May 2012.

⁵ PMR Publications, *Rynek prywatnej opieki zdrowotnej w Polsce 2012. Prognozy rozwoju na lata 2012-2014*. Forecasts were developed in May 2012.

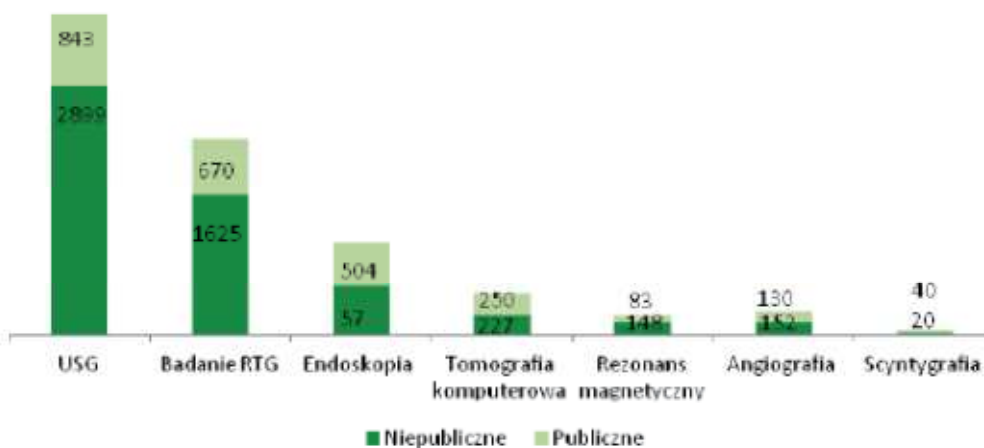
⁶ ibidem

3.5. Facilities offering imaging diagnostics⁷

More than three fourth of facilities offering ultrasonography, more than 70% of facilities offering X-rays and almost two third of facilities offering magnetic resonance imaging are non-public facilities.

In the segment of endoscopy and angiography, the number of facilities is similar, while the number of public facilities offering computed tomography and scintigraphy is still higher than of non-public facilities offering these services.

Number of public and non-public facilities offering imaging diagnostics in Poland, 2011



USG – Ultrasonography
Badanie RTG – X-rays
Endoskopia – Endoscopy
Tomografia komputerowa – Computed tomography
Rezonans magnetyczny – Magnetic resonance imaging
Angiografia – Angiography
Scyntygrafia – Scintigraphy
Niepubliczne – Non-public
Publiczne – Public

Public – operated by independent public health care centres, state budget units and facilities.

Explanation: facilities – organisational units of health care centres (e.g. hospitals, outpatient clinics). Numbers as at the end of 2011.

Source: Ministry of Health, 2012

In Poland, the imaging diagnostics sector to a great degree depends on financing from the National Health Fund, especially with respect to the most expensive methods, i.e. positron emission tomography, computed tomography and magnetic resonance imaging.

According to the Polish Ultrasound Association, hospitals have been becoming better and better equipped with state-of-the-art ultrasound equipment during the last years. Taking into account ultrasound equipment, the non-public sector uses higher-quality equipment.

Companies specialising in such services, as well as some private medical companies operate on the market of private providers of imaging diagnostics. All companies have contracts for the provision of imaging diagnostics services signed with the National Health Fund.

⁷ *ibidem*

4. RISK FACTORS AND THREATS

4.1. Risk arising from the deterioration of the financial situation of the Company's clients

The sale of pre-paid medical plans to corporate clients constitutes the Company's key distribution channel. There is a risk that if the financial situation of a client deteriorates significantly, the client could resign from offering medical care to its employees, as a direct consequence of which he could terminate the agreement with the Issuer or reduce the range of services. The potential risk could also manifest itself in the reduction of employment at the client's company, which could lead directly to a decrease in the related revenue. As at the end of 2012, the Company provided services to 1,436 companies. Consequently, resignation of one client or reduction of employment in the particular company would not have a significant influence on the Company's revenues.

4.2. Risk arising from becoming dependent on clients and distribution channels

The main groups of the Company's clients include corporate clients using pre-paid medical plans, individuals and insurance companies' patients. There is a risk that the share of a given client or a distribution channel in the Company's revenue becomes so significant that the Company's financial performance might deteriorate significantly if the Company loses the client or if the sales in the distribution channel decrease. Having regard to the above, and in order to minimize the risk of becoming dependent on one particular client or distribution channel, the Company consistently pursues the policy of diversifying its sources of revenue. The Company is gradually developing the distribution channel based on the cooperation with insurance firms, such as Generali, Uniqa, Inter Polska, Allianz, Signal Iduna or PZU Pomoc providing services for the PZU group. Related monthly revenues amount to about PLN 1.3 million, which means growth by 6% vs. 2011.

4.3. Risk arising from an excessive spread of seasonal illnesses

The number of patients served by the Company is also influenced by seasonal factors such as the number of persons suffering from seasonal illnesses like flu (especially at the end of winter and summer and at the beginning of spring and autumn). There is a risk that if there is a particularly large number of patients suffering from seasonal illnesses, the Issuer will incur significant costs for the provision of services to the above-average number of patients, which may negatively influence the profitability of its business activity. However, as the Company's historical experience shows, the additional inflow of patients served under the pre-paid medical plan, who generate additional costs, is balanced by an increase in the number of fee-for-service and insurance patients (kind of FFS settlement), who in turn generate additional revenue. In order to reduce the occurrence of seasonal illnesses, such as flue, the Company also carries out a number of educational and preventive campaigns aimed at protecting patients against the effects of seasonal illnesses, such as the campaign of vaccination against the flu among patients served under the pre-paid medical plans.

4.4. Risk arising from higher than average use of products under pre-paid medical plans

The Company sells pre-paid medical plans to corporate clients. The profitability of a contract with a corporate client depends on the use of pre-paid medical plans later on by the patients covered by medical care, i.e. the number of visits made by these patients. There is a risk that the use of pre-paid medical plans will be much higher than the average use, which will result in the reduction of a given contract's profitability for the Issuer. In order to minimize the risk, the Issuer monitors individual contracts' profitability on a monthly basis. In addition, the contracts are also periodically renegotiated. Taking into account the wide base of the Company's corporate clients, the Issuer strives to ensure average satisfactory profitability for the whole client portfolio. Additionally, if the margin on the whole portfolio of clients is lower than assumed, the Company may temporarily limit accessibility of services in order to achieve the assumed level of margin.

4.5. Risk arising from termination of tenancy agreements

In relation to the tenancy agreements concluded for relatively short periods of time with public healthcare facilities, there is a risk that these contracts will not be extended by further periods. The premises covered by tenancy agreements are equipped with important and valuable appliances. There is a risk that the Company will not find substitute premises when needed, which may result in a temporary interruption to the provision of services, which, in turn, may negatively influence the Company's financial performance. However, the Company is able to prepare a new location within 6 months and move the facility in the case of which the tenancy agreement expired.

4.6. Risk of change in the contracting policy of the National Health Fund

The Company has many years' experience of cooperation with the Polish National Healthcare Fund, with which it has been concluding contracts since 2004. ENEL-MED has positive experience of cooperating with the National Health Fund; however, there is a risk of changes in National Health Fund's contracting policy, which may contribute to a reduction in the related revenue. The National Health Fund concludes contracts for services of the pre-determined value for the particular year. In 2013, the Company would receive lower resources for hospital treatment financing than in the previous year. In addition, the Issuer also carries out a certain number of services above the contracted number. There is a risk that the National Health Fund will not pay for the additional services provided by the Company, which may influence the Issuer's financial performance. It is worthy to note that sales to the National Health Fund make up 9.6% of the Company's revenues. Additionally, in order to minimise the risk, the Company has intensified commercial sales of hospital services, as a result of which it would gradually become independent of the National Health Fund.

4.7. Risk of losing key medical personnel

The Company operates on the national market of health care services, and consequently, the medical personnel constitute the Company's key personnel. There is a risk that some physicians will decide to terminate cooperation with the Company, which may result in losing some patients. The Company, however, cooperates with many qualified physicians and specialists. Thus, individual physicians do not have a significant influence on the generated revenue. Furthermore, as a part of the effective human resources management policy, the Company developed an incentive and loyalty programme for the medical personnel, under which the effectiveness of individual physicians is reviewed and rewarded. In addition, there are training and academic courses held for the medical personnel.

4.8. Risk of medical malpractice in relation to the Company's patient

Every year, the Issuer performs a considerable number of medical services, including consultations and operations. There is a risk that the Company's medical personnel will commit an act of medical malpractice in relation to a patient. As a result of such an act of malpractice, the Company may be charged with the costs of compensation, and it may experience significant damage to its reputation. In order to minimize the risk, the Company has implemented management and patient service procedures. A separate unit has been established in the Issuer's organisational structure, which is responsible for the quality of medical services, and for the compliance of medical processes with the developed standards and procedures. Additionally, both the Company and the physicians have taken out medical malpractice insurance policies.

4.9. Risk arising from becoming dependent on suppliers and subcontractors

One of the significant elements of the Company's business model is the use of medical services provided by subcontractors (partner facilities) and by the suppliers of medical materials, housekeeping materials, and by the suppliers of medical equipment, thanks to which the Company is able to offer high-quality medical care to its clients. In order to minimize the risk that the Issuer's operations will become dependent on any single supplier, the Company cooperates with a number of suppliers and diversifies the sources of supply. The market of medical materials, housekeeping materials and medical equipment is, in the Issuer's opinion, a highly competitive market, which allows the Company to freely choose the supplier of any product. Another group of the Company's suppliers are the subcontractors of medical services, thanks to which the Company may offer medical care to its patients in the areas where the Issuer does not have its own medical facilities. Taking into account the fact that the network of partner facilities consists of more than 1,000 entities, the termination of the cooperation with one subcontractor does not pose any threat to the Company's operations, although it

could temporarily hinder the provision of services to corporate patients, particularly in smaller localities, where there is a limited choice of subcontractors.

4.10. Risk arising from changes in medical technologies

The Issuer offers high-quality medical care to its patients, by using the medical technologies available in the market. There is a risk that a new technology occurs in the market, which is so innovative and effective that the fact that the Company does not have this technology in its offer may cause significant deterioration of the Issuer's competitive position. ENEL-MED tries to react as quickly as possible to innovations in the whole area of the treatment process, diagnostics and prevention, by monitoring market changes and trends. At the same time, in the Company's opinion, the technological progress in the medical services market is evolutionary. Nonetheless, if new solutions are launched on the market, which may significantly contribute to a better care of patients' health, the Issuer is willing to take the necessary measures to implement new medical technologies.

4.11. Risk arising from the choice of unsuitable location of multi-profile clinics or diagnostic centres

The Issuer manages a wide medical network, which encompasses facilities multi-profile clinics, branches and diagnostic centres, as well as hospitals. There is a risk that if the selected location is not attractive enough, the actual number of patients attending it may be below the Company's expectations. The Issuer, however, has significant historical experience in selecting specific locations. The Company has developed a suitable model of opening new facilities. The model helps to reduce the risk of choosing an unsuitable location for a clinic or a diagnostic centre.

4.12. Risk that pre-paid medical plan products will be recognised as insurance products

The pre-paid medical plan products offered by the Company have, in the opinion of some entities, the characteristics which are similar to insurance products. The Issuer does not share this opinion. If the pre-paid medical plan products were recognised as insurance products, the Issuer would have to make significant changes to its business model. The Company was granted a final and valid court decision, according to which the business activity consisting in concluding agreements with enterprises under the Enel-Care medical programme, which agreements provide the authorised individuals with health care services in exchange for a fee stipulated in the agreement, does not constitute insurance activity, for which the Company would have to obtain a permission required by law. In the Court's opinion, the agreements concluded by the Issuer do not constitute insurance agreements referred to in the Polish Civil Code. At the same time, the Issuer has developed a strategy if the regulations preventing the Company from offering pre-paid medical plan products come into force.

4.13. Risk of a pandemic or an epidemic

The Company provides medical services to a wide range of patients all over Poland. There is a risk that in the event of a pandemic or an epidemic, the Issuer will be forced to provide services to a significantly larger number of patients, which may negatively influence the Company's financial performance and the effectiveness of its operations. In order to minimise the risk, the Issuer has developed relevant procedures and standards of conduct to be followed in case of the above-mentioned risk (the so-called pandemic plan), which were to some extent used in 2009 in the face of the threat caused by the A/H1N1 virus. The main rules of the developed pandemic plan provide for: the preparation of the method of conduct with the patients suspected to have an infection, changes in the department's work organisation, conducting the campaigns that promote pro-health behaviour and minimize the risk of infection, the introduction of quick diagnostic tests thanks to which viral infections may be differentiated, shortening the time spent on one visit during the period of increased number of visits.

4.14. Risk arising from the lack of effective protection of sensitive data

The Issuer provides comprehensive medical services all over Poland. In connection with keeping patients' medical records, the Company has access to particularly protected sensitive data. There is a risk that an unintentional disclosure of sensitive data may occur in the course of operating activities. In order to minimise the risk, the Issuer has developed and implemented the principles of the personal data protection policy. In their daily work, all employees and partners of the Company must strictly follow the policy. The data protection policy functions as the procedure being a part of the quality management system, certified for compliance with ISO 9001:2008 standard. The correct course of the process of safe personal data processing is constantly monitored by the Chief Information Security Administrator at the registered office of the Issuer, as well as by local Information Security Administrators, who are subordinated to him and functioning as the managers of branches and coordinators of diagnostic centres. Each and every employee and partner must report to the Administrator any information about suspected cases of non-compliance with the personal data protection policy. The role of the Information Security Administrator is to immediately analyse reasons of breaches and take measures aimed at avoiding similar situations in the future.

4.15. Risk of significant change in the macroeconomic situation in Poland

The Company carries out its business activity on the national market of medical services. For that reason the financial results achieved by the Issuer are indirectly also connected with such macroeconomic indicators as: the GDP growth, the level of employment and unemployment, the growth dynamics of salaries, and the level of inflation and interest rates. In 2012, the Monetary Policy Council raised interest rates by 25 b.p. once (May) and reduced them by 25 b.p. twice (November and December). These factors indirectly influence the demand for medical services among corporate and individual clients as well as among insurance firms. They also influence the level of the budget of the National Health Fund, which is the largest individual client of the Company. According to most forecasts it is expected that the economic growth rate will stabilise at a low level close to 1% y/y or will even decrease. Consequently, further growth of structural unemployment is also expected. According to forecasts, in the second half of 2013, the GDP growth may accelerate, but not to the degree allowing for a drop in structural unemployment. The situation on the labour market would impact the level of wages and salaries. According to analysts, salaries and wages will not be rising in real terms in the next few months. If so, this would not be a result of a significant growth in wages and salaries in nominal terms, but of the inflation rate drop. Thus the situation of society will deteriorate. These changes, however, are not expected to be deep.

The influence of the changes in the GDP growth rate, unemployment, and real wages and salaries should not have any significant influence on the Company's financial situation. It should be emphasized that the Company's revenue is mainly dependent on long-term contracts. Moreover, the Company's services are used by individuals who earn more and who – even in the situation of a slowdown in the growth of rates of salary – will be able to afford to maintain the current expenditure structure. In 2012, the GDP growth was lower than in 2011 – it amounted to 2% vs. 4.3% one year before. Economic growth weakening is due primarily to the euro area crisis. In December 2012, inflation rate decreased to 2.4% y/y vs. 4.6% y/y in December 2011. The drop in inflation rate resulted primarily from the economic slowdown (domestic demand decrease).

4.16. Risk of significant foreign exchange fluctuations

Foreign exchange fluctuations have an influence on the Issuer's operating activities, due to rent payments (which in most cases are denominated in the euro) and payments made for medical equipment (which are usually also denominated in the euro). Rent payments are made in zloty at the exchange rate of the National Bank of Poland. The Issuer's total annual liabilities concerning the lease of premises, which are denominated in a foreign currency, amount to approximately EUR 2.5 million. If there are significant deviations of the actual exchange rate from the assumed level, the Issuer may record a gain or loss on foreign exchange differences. The Company constantly monitors the changes in foreign exchange rates. It should be emphasised that, according to most forecasts, the exchange rate of the zloty against the euro is expected to stabilize or grow, which means that the currency loan charge will be smaller.

4.17. Risk of significant changes in interest rates

The Issuer finances its activities using external funds, including loans and borrowings, and the capital raised by issuing shares. Additionally, the Company purchases medical equipment under finance leases. The finance charges related to the servicing of external financing are directly dependent on the level of the WIBOR rate. If the level of interest rates changes, the Company's financial results may be different than those assumed. At the end of 2012, the Monetary Policy Council started a cycle of interest rates' reductions. At present, there are expectations that in 2013, maximum two reductions of interest rates (by 25 b.p.) would take place, and afterwards, interest rates would remain stable for a few or even for a dozen or so months. This certainly means reduction of changes due to debt servicing.

4.18. Risk of changes in legal regulations and their interpretations

The changes introduced or planned to be introduced to regulations, in particular to economic, tax and labour law, may constitute a risk factor causing negative consequences for the Company. Similar consequences result from the changes in interpretation of binding laws, in particular in relation to tax law provisions. The Issuer's activity is also indirectly influenced by the regulations concerning the public health care sector, including the regulations stipulating the methods and rules of its financing, as well as defining the scope in which commercial patients may be admitted to public segment facilities. Depending on the nature of the changes, they may have a positive or a negative influence on the activity of the Issuer and other entities in the sector.

4.19. Risk of more intense domestic and foreign competition in the market

Considerable attractiveness of the Polish market of private medical services, and good prospects for further development may result in an increase in the competition from both Polish and foreign companies, which could have been noticed after the acquisition of a Competitive Group by the international group Bupa. There is a risk that as a result of a more intense competition, the Issuer's revenue and profit may decrease. However, the Company has been operating in the competitive environment for many years, while maintaining sales dynamics.

5. BASIC ECONOMIC AND FINANCIAL RATIOS. THE COMPANY'S DEVELOPMENT PROSPECTS

5.1. Selected financial data

2012 was the next year of intensive development of the Company. Revenues increased significantly in the Outpatient Clinics area (sales of pre-paid medical plans, services for individual customers and insurance firms) and in the Diagnostics area.

Activity area	Sales – 2011	Sales – 2012	Growth
Outpatient clinics	129 417	142 836	10%
Diagnostics	23 036	27 720	20%

High growth of sales in the Diagnostics area is, *inter alia*, a result of activities of the magnetic resonance imaging centre in Konin (launched in the half of 2011) that could have offered services to patients under the contract with the National Health Funds starting January 2012. The value of this contract for 2012 was PLN 900 thousand. Another important growth factor in this area was opening of the diagnostics centre in Warsaw with magnetic resonance imaging, computed tomography, X-rays and ultrasonography, as well as four consultation rooms. Attractive location, state-of-the-art equipment and highly qualified staff made the centre very popular since the first months of its operations, and ensure gradual increase of sales.

The growth of revenues in the Outpatient Clinics area is primarily the result of intensive sales of pre-paid medical plans and the development of cooperation with insurance firms.

Sales in the Hospitals area dropped by 19%. This was mainly due to the lower value of the contract with the National Health Fund (by 13%). Additionally, due to the general situation at the National Health Fund, the Company has not decided to carry out procedures exceeding the limits set in the contract in the scale as one year ago. In the second half of 2012, additional services above the limit amounted to less than PLN 180 thousand (in the second half of 2011 – over PLN 1.7 million).

5.2. Financial factors and events influencing financial results achieved

Years 2011-2012 were the period of intensive investments. In 2012, the multi-profile outpatient clinic with diagnostic facility, launched by the Company in December 2011, started functioning in Gdańsk, the Centrum Diagnostic Facility, opened on 30 November 2011 and the diagnostic facility in Konin.

Additionally, the second hospital in Warsaw was opened in June 2012.

High costs related to maintenance of new facilities had a very adverse effect on financial results achieved by the Company. At the same time, despite previous arrangement, the Company was unable to increase the value of the contract for hospital treatment with the National Health Fund. The value of the contract for 2012 was by 13% lower than in the previous year.

Additionally, in relation to the composition agreement concluded with the National Health Fund with respect to the payment for services above the limit in 2011, the Company was forced to adjust sales for 2012 by PLN 944 thousand equivalent to the value of 52% of services above the limit. Based on the composition agreement, the remaining 48% was accepted by the National Health Fund and paid. Ultimately, sales revenues of hospitals under the contract with the National Health Fund, taking into account adjustments recorded in 2012, were by 36% lower than in 2011. Considering the fact that sales of hospital services under the contract with the National Health Fund was always the most profitable area of activities of the Company, this significant drop of sales in this channel had a very negative impact on the general result for 2012.

The macroeconomic situation in Europe and Poland did not have any negative impact on activities of the Company, which confirms that the medical services market remains unaffected by macroeconomic disturbances.

5. Basic economic and financial ratios. The Company's development prospects

5.3. The Company's development prospects

Since its establishment, Centrum Medyczne ENEL-MED flexibly responds to the changing business environment. The started its activities from opening the first dental clinic in Warsaw, but recognising the demand for professional, comprehensive medical care, it extended the scope of services provided by multi-profile outpatient clinics, diagnostic facilities and branches, as well as hospitals. Years 2011-2012 were the period of the largest investments in the history of the Company. In order to meet expectations of the clients, the Company extended its potential, spending PLN 58 million on new investments. In 2013, the Company intends to focus on sales, mainly sales of services offered on the commercial basis, and utilisation of the existing potential.

It should be noted that the development of medical companies, including Centrum Medyczne ENEL-MED is closely related to contracts with the National Health Fund. The Company offers hospital treatment and diagnostic examinations also under the contract with the National Health Fund and in the case of a lower value of the contract, which took place in 2013, the Company has to target new commercial clients in order to close the financial result with the assumed result.

In 2012, the Company started the cooperation with the nOvum clinic in the field of diagnostics, treatment of infertility and preparation of patients for in vitro treatment. The joint programme is implemented at ENEL-MED centres in Warszawa (Puławska and Atrium Centres), as well as at medical centres located in five major Polish cities: in Gdańsk, Łódź, Cracow, Poznań and Wrocław. Extending the programme by two centres in Warsaw: Blue City and Gilarska, is planned for 2013.

Additionally, in 2013, the Company plans extending the cooperation with insurance firms.

In 2012, we witnessed the largest transaction ever on the market of private medical services – acquisition of a competitive company by the international group Bupa. The transaction showed that the private medical market still enjoys high interest among strategic, as well as financial investors. The market of private medical service achieves high value and investors show continuous interest in companies from the medical sector. In the next years, it will continue to develop dynamically, although its development directions and market branches offering the best results are difficult to predict. Consequently, the Company is continuously identifying new business opportunities that might support the development of the Company, medical sector, as well as improve the financial result. The Company monitors also other areas of the medical services market and in the case of interesting business opportunities it does not reject entering the segments, where it has been absent until now.

6. ADDITIONAL INFORMATION

6.1. Information on organisational or capital relationships of Centrum Medyczne ENEL-MED S.A. with other entities, as well as its domestic and foreign investments

Shareholders of Centrum Medyczne ENEL-MED S.A. include the following companies registered in Larnaca (Republic of Cyprus):

- Koremia Investments Ltd. (100% of its shares are held by Adam Rozwadowski) – 30.23% of the share capital of Centrum Medyczne ENEL-MED S.A.;
- Versinus Ltd. (100% of its shares are held by Anna Rozwadowska) – 30.23% of the share capital of Centrum Medyczne ENEL-MED S.A.;
- Smerona Holdings Ltd. (100% of its shares are held by Jacek Rozwadowski) – 4.21% of the share capital of Centrum Medyczne ENEL-MED S.A.;
- Elvestra Ltd. (100% of its shares are held by Bartosz Rozwadowski) – 4.13% of the share capital of Centrum Medyczne ENEL-MED S.A.

Additionally, Centrum Medyczne ENEL-MED holds 80 shares, making up 80% of the share capital of the subsidiary – Enelbud Sp. z o.o. (on 17 December 2012, the Extraordinary General Meeting of Shareholders of the company operating under the name of “Centrum Nieruchomości Enel-Med” spółka z ograniczoną odpowiedzialnością passed resolution on amending the memorandum of association of the subsidiary – “Centrum Nieruchomości ENEL-MED” by changing its name from “Centrum Nieruchomości Enel-Med” spółka z ograniczoną odpowiedzialnością to Enelbud spółka z ograniczoną odpowiedzialnością).

No domestic or foreign equity investments took place in 2012.

6.2. Information on material related-party transactions concluded by the Company on terms other than arms' length

Neither the Company nor its subsidiary has concluded related-party transactions on terms other than arms' length.

6.3. Information on agreements on loans and borrowings incurred and terminated

Name (company's name)	Loan/ borrowing type	Loan/ borrowing in accordance with the agreement	Currency	Interest rate	Repayment date
Credit Agricole Bank Polska SA	bank loan	15,000,000.00	PLN	WIBOR 1M +0.9% margin	4.09.2013
Siemens Finance Sp. z o.o.	loan	6,861,919.02	PLN	WIBOR 1M +2% margin	15.06.2017
Siemens Finance Sp. z o.o.	loan	1,836,278.21	PLN	WIBOR 1M +2% margin	15.06.2017
Siemens Finance Sp. z o.o.	loan	551,465.51	PLN	WIBOR 1M +2% margin	15.07.2017
Siemens Finance Sp. z o.o.	loan	722,362.02	PLN	WIBOR 1M +2% margin	18.08.2017
Siemens Finance Sp. z o.o.	loan	103,529.65	PLN	WIBOR 1M +2% margin	15.09.2017
Siemens Finance Sp. z o.o.	loan	277,866.11	PLN	WIBOR 1M +2% margin	15.10.2017

6.4. Information on sureties and guarantees received and granted

In 2012, the Company neither granted nor received any sureties or guarantees.

6.5. Explanation of differences between financial results published in the annual report and previously announced annual projections

In current report 5/2013, the Company's Management Board withdrew the revenue forecast for 2012 and 2013, published in the prospectus of Centrum Medyczne ENEL-MED S.A. and approved by the Polish Financial Supervision Authority on 30 March 2011. The growth on the market of medical services and consolidation processes required the Company to undertake more intensive steps, which resulted in withdrawing the financial projections.

The Company has not published new financial projections for 2012.

6.6. Evaluation of the financial resources management

Debt ratios are monitored by the Company on a current basis. As at the balance sheet date – 31 December 2012, financial liquidity ratios and debt ratios were lower than expected due to accumulation of investments commissioned after the initially planned deadline, and a lower level of the contract with the National Health Funds. However, in the next year, the Company's Management Board plans intensifying sales in the absence of material investments in 2013. At the end of 2012 and beginning of 2013, the Management Board restructured employment, which generated savings of about PLN 1 million per year. In order to ensure liquidity, the Company has also requested increasing the working capital loan by PLN 5 million.

6.7. Evaluation of potential implementation of investment projects

The Company does not plan any investments for 2013.

6.8. Evaluation of non-standard factors and events influencing the result on activities

No non-standard events that would influence the result on activities occurred in 2012.

6.9. Description of external and internal factors material for the development of the business and description of the development prospects of the Company's business

The description of factors material for the development of the business is presented in point 4 of this report, presenting risk factors and threats to the Company. Additionally, the Issuer's development prospects are presented in point 5.3.

6.10. Changes in basic principles governing the management of the business of the Company and its capital group

In 2012, the Company changed the organisational structure of the IT Department. The IT Manager was changed and a part of staff were dismissed. Common processes of the IT and other organisational units in the area of personal data protection, mobile telephony management or procurement management were structured. Additionally, the cost optimisation of the organisational structure was carrying out involving reduction of staff in the Procurement Department.

In June 2012, a part of responsibility for the Pre-paid Medical Plans and Health Insurance was transferred to a new Director in charge of Pre-paid Medical Plans and Health Insurance, who took over a significant part of responsibilities of the CEO in the area of sales and maintenance of clients for pre-paid medical plans and insurance firms. Additionally, in order to strengthen the effectiveness of management of the organisational structure of the Pre-paid Health Insurance, a new position was established – Service Process Manager, responsible for overseeing the cost and the quality of service processes at multi-profile outpatient clinics. In 2014, the Service Process Manager would lead a newly created operating department, responsible for functioning of the whole infrastructure of Centrum Medyczne ENEL-MED.

In the third quarter, 2012, the cost optimisation and restructuring processes were also implemented at the Zacisze outpatient clinic, hospital and diagnostic centre – the oldest, the most complex facility of ENEL-MED which provides services in four business areas: Pre-paid Medical Plans and Health Insurance, Diagnostics, Dental Care and Hospitals. The new model of managing the facilities by the Company involves, *inter alia*, entrusting management to one manager, who would be responsible for budgets and services standards in whole, irrespective of the business area.

6.11. Agreements concluded between the Company and managing persons providing for compensation in the case of their resignation or termination of employment on the particular position without important reason, or when they are recalled as a result of the merger of company by acquisition

The Company has not concluded any agreements with managing persons providing for compensation in the case of their resignation or termination of employment on the particular position.

6.12. Value of remuneration, rewards or benefits of persons managing and supervising the Company

The table below presents the value of remuneration, rewards or benefits of the Company's Management Board in 2012

Remuneration of members of the Management Board of Centrum Medyczne ENEL-MED S.A. in 2012 (PLN'000)	
Full name	Remuneration
Adam Rozwadowski*	460,000.00
Jacek Rozwadowski	36,000.00
	333 093,01*
Total	829,093.01

* for the function of the CEO

The table below presents the value of remuneration, rewards or benefits of the Company's Supervisory Board in 2012

Remuneration of members of the Supervisory Board of Centrum Medyczne ENEL-MED S.A. in 2012 (PLN'000)	
Full name	Remuneration
Anna Rozwadowska	228,465.05
Janusz Jakubowski	44,435.49
Anna Piszcz;	30,000.00
Zbigniew Okoński;	30,000.00
Adam Ciuhak	30,000.00
Total	362,900.54

The table below presents the value of remuneration, rewards or benefits of for the Management Board of Enelbud Sp. z o.o. – subsidiary of Centrum Medyczne ENEL-MED S.A. in 2012

Remuneration of members of the Management Board of Enelbud Sp. z o.o. (PLN'000)	
Full name	Remuneration/services provided
Janusz Jakubowski	274,659.00
Total	274,659.00

Mr Janusz Jakubowski, President of the Management Board of Enelbud Sp. z o.o., receives the remuneration for services provided to the Company.

Other members of the Management Board – Mr Adam Rozwadowski (Vice President of the Management Board and Ms Anna Rozwadowska (Member of the Management Board) do not receive any remuneration from the Company.

6. Additional information

6.13. Information on the total number and nominal value of all shares and shares in related parties, held by persons managing and supervising the Company

Shares in the holding company – Centrum Medyczne ENEL-MED S.A.

	Number of shares in Centrum Medyczne ENEL-MED S.A.	Nominal value of all shares (PLN)
Adam Rozwadowski*	7,124,000	7,124,000
Jacek Rozwadowski	992,800	992,800
Anna Rozwadowska	7,123,950	7,123,950

Shares in the subsidiary – Enelbud Sp. z o.o.

	Number of shares in Enelbud Sp. z o.o.	Nominal value of all shares (PLN)
Janusz Jakubowski	20	10,000

6.14. Information on changes to agreements, known to the Company, that might in the future result in changes of proportions of shares held by hitherto shareholders and bondholders

In 2012, the Company did not conclude any agreements that might in the future result in changes of proportions of shares held.

6.15. Information on the system of control over employee shares

There is no employee share programme functioning at the Company.

6.16. Information about the ongoing proceedings before a court, an arbitration body or a public administration body with regard to liabilities or receivables

The Company was not taking part in any proceedings held before any court, any arbitration body or any public administration body, with regard to the Company's liabilities or receivables in the amount of at least 10% of equity.

The total amount of claims in all proceedings pending with reference to the Company's liabilities did not exceed 10% of the Issuer's equity.

The total amount of claims in all proceedings pending with reference to the Company's receivables did not exceed 10% of the Issuer's equity as well.

6.17. Objectives and methods of financial risk management

The Company is exposed to following financial risks:

1. interest rate risk;
2. foreign exchange risk;
3. credit risk.

The risk management objective is minimising the impact of risk on the Company's financial results and ensuring the Company's financial liquidity.

The Company manages its financial liabilities in a manner allowing minimising financial costs related to debt servicing. Long period of cooperation with financial institutions enables the Company to negotiate advantageous interest rate levels. The Company uses other sources of financing, such as subsidies. The Management Board pays significant attention to ensuring financial flows for the Company, allowing settling financial liabilities on a timely basis.

Due to costs of rental of spaces, the Company is exposed to risk of changes in currency exchange rates. Foreign exchange risk arises directly from rental rates set in foreign currency, translated into PLN. To minimise the impact of changes in exchange rate on the Company's financial result, the Management Board negotiates rental rates for space on a current basis.

The Company is also exposed to risk of financial institutions withdrawing from financing the Company's activities. To mitigate this risk, the Company endeavours to achieve good financial results that allow maintaining proper bank ratings. The Management Board monitors loans and borrowings offered by banks that might be utilised if new sources of financing are needed.

7. ENTITY ENTITLED TO AUDIT FINANCIAL STATEMENTS

The entity entitled to audit individual annual financial statements of the Company as at 31 December 2012 and to review interim individual financial statements of the Company as at 30 June 2012 is PKF AUDYT Sp. z o.o. entered on the list of entities entitled to audit financial statements under number 548.

The Company has concluded the following contracts with PKF Audyt Sp. z o.o.:

- The contract for the review of the individual financial statements of the Company as at 30 June 2012 in accordance with the Accounting Act of 29 September 1994 (Journal of Laws of 2009 No. 152 item poz.1223, as amended) and secondary legislation issued based thereon, concluded on 27 July 2012. The parties have agreed that the review would be carried out during the period from the date of signing the contract to 24 August 2012.
- The contract for the audit of the individual financial statements of the Company as at 31 December 2012 in accordance with the Accounting Act of 29 September 1994 (Journal of Laws of 2009 No. 152 item poz.1223, as amended) and secondary legislation issued based thereon, concluded on 30 November 2012. The parties have agreed that the review would be carried out during the period from the date of signing the contract to 15 March 2013.

The table below presents costs that Centrum Medyczne ENEL-MED S.A. incurred due to services provided by PKF AUDYT Sp. z o.o.

PLN'000 (net)	2012	2011
Remuneration of PKF AUDYT Sp. z o.o., of which:		
Audit of the annual financial statements	28,000	26,000
Other assurance services, including the review of the financial statements	17,000	16,000
Tax advisory services	–	–

8. CORPORATE GOVERNANCE

8.1. Corporate governance principles

Corporate governance principles that the Company follows are included in the “Code of Best Practice for WSE Listed Companies” (hereinafter: Best Practices). Best Practices were adopted by resolution of the Board of the Stock Exchange no. 17/1249/2010 of 19 May 2010. Then, on 31 August 2011 and 19 October 2011, the Stock Exchange amended Best Practices. Since 1 January 2012, “Code of Best Practice for WSE Listed Companies” applies, approved on 19 October 2011 by the Board of the Warsaw Stock Exchange by resolution no 20/1287/2011. The text of corporate governance principles is generally available on website www.corp-gov.gpw.pl, i.e. the official website of the Warsaw Stock Exchange pertaining to corporate governance at companies listed on the Stock Exchange.

8.2. Information on withdrawing from the application of corporate governance principles

In 2012, the Company followed and complied with all of the rules set forth in “Code of Best Practices for WSE Listed Companies,” except for the following rules.

- The Company did not broadcast the General Meeting of Shareholders over the Internet. The Company pursues a transparent and effective information policy. It operates a website based on the model investor relationship services and uses modern Internet communication methods, but in 2012, the Company did not broadcast General Meeting of Shareholders over the Internet. Due to the ownership structure of the Company, a majority of shareholders, holding over 70% of the total number of votes, participated in the General Meeting of Shareholders, and for that reason the Company did not broadcast the General Meeting of Shareholders or publish the recordings on the website. Additionally, the General Meetings of Shareholders was held in the place allowing for the participation of the greatest possible number of shareholders.
- The Company did not publish on the website shareholders’ questions on issues on the agenda submitted before and during the General Meeting of Shareholders. The Company is of the opinion that when a notary public drew up minutes of the General Meetings, such information was not necessary. All resolutions passed by the General Meeting of Shareholders were subsequently published in the ESPI system and on the corporate website.
- Since 18 April 2012 (current report no. 1/2012), the Company has not ensured functioning of the website in English, because in its opinions translating all documents into English is not required, because the Company’s shareholders speak Polish. If a shareholder interested in receiving the documents in English approaches the Company, the Company will translate the documents required. However, since 2 August 2012 (current report no. 2/2012), the Company has restored functioning of the website in English.

8.3. Description of key features of internal control system and risk management system used at the Company with respect to the process of drawing up the financial statements

The Management Board of the Company is responsible for the internal control system at the Company and its effectiveness in the process of preparation of the financial statements and periodic reports drawn up and published in keeping with provisions of the regulation of the Minister of Finance of 19 February 2009 on current and periodic information submitted by issuers of securities.

During the year, the Company’s Management Board analyses financial results on a current basis, by comparing them with the budget, using the management accounting system of the Company, developed based on the Company’s accounting policy adopted at the Company, and examines the format and level of details of financial data presented in periodic financial statements of the Company. Preparation of financial statements, periodic financial reports and current management reports of the Company is the responsibility of the Financial Department of the Company, which is currently managed by the Finance Director. Financial statements and periodic reports of the Company are drawn up by the Chief Accountant based on the financial data included in periodic management

8. Corporate governance

reports, after their approval by the Finance Director, taking into account other supplementary data provided by certain employees from other departments. After closing the books for each month, the medium and top management of the Financial Department led by the Finance Director, jointly analyses the Company's financial results in comparison with assumptions, and taking into account business segments. Errors identified are adjusted on a current basis in accounting records of the Company and in the reporting system, in accordance with the accounting policy accepted. The process of drawing up the financial statements and periodic reports begins after the Finance Director approves results for the period.

Semi-annual and annual financial statements are verified by an independent auditor – currently, PKF Audyt Sp. z o.o. Results of the annual audit are presented by the auditor during meetings summarising the audit and to the Supervisory Board fulfilling tasks of the Audit Committee. After the auditor completes the audit, the financial statements and periodic reports are submitted to members of the Company's Supervisory Board. Before the Management Board and Supervisory Board approve periodic financial reports for publishing, the meeting of the Supervisory Board, fulfilling tasks of the Audit Committee, is held. During that meeting, the Finance Director presents material aspects of the annual financial statements – in particular potential changes in accounting principles, major estimates and accounting judgements, material disclosures and business transactions. As a body fulfilling tasks of the Audit Committee, the Supervisory Board carries out reviews of periodic financial reports taking into account the information presented by the Company's Management Board and the independent auditor – approval of the financial reports by the Supervisory Board depends on results of this review.

In accordance with Articles of Association, the statutory auditor is selected by the Company's Supervisory Board. Material issues related to periodic reports that are not verified by the auditor, are consulted with the auditor in order to avoid potential material adjustments in subsequent reports. The Company maintains its accounting records in the Exact system. The system is password protected against unauthorised access. A precisely selected group of employees participate in the process of the financial statements preparation; other persons do not have an access to the data providing the basis for their preparation. Accounting records, accounting vouchers and the documentation of the bookkeeping methods, as well as approved financial statements of the Company are stored in accordance with provisions of the Accounting Act.

8.4. Significant share parcels

Shareholders holding significant share parcels as at 31 December 2012

Shareholder	Number of shares	% of the capital	Number of votes	% of votes
Adam Rozwadowski*	7,124,000	30.23	7,124,000	30.23
Anna Rozwadowska**	7,123,950	30.23	7,123,950	30.23
Generali Otwarty Fundusz Emerytalny	2,377,000	10.09	2,377,000	10.09

* through Koremia Investments Ltd., registered in Larnaca (Republic of Cyprus)

** through Versinus Ltd., registered in Larnaca (Republic of Cyprus)

In 2013, OFE PZU „Złota Jesień” and DFE PZU joint the group of shareholders holding significant parcels of shares.

Shareholder	number of shares	% of the capital	Number of votes	% of votes
Adam Rozwadowski*	7,124,000	30.23	7,124,000	30.23
Anna Rozwadowska**	7,123,950	30.23	7,123,950	30.23
Generali Otwarty Fundusz Emerytalny	2,377,000	10.09	2,377,000	10.09
Otwarty Fundusz Emerytalny PZU „Złota Jesień” and Dobrowolny Fundusz Emerytalny PZU	1,186,229	5.03	1,186,229	5.03

* through Koremia Investments Ltd., registered in Larnaca (Republic of Cyprus)

** through Versinus Ltd., registered in Larnaca (Republic of Cyprus)

8.5. Special control activities

Shares of the Company are bearer ordinary shares listed on the Warsaw Stock Exchange. No shares of the Company are preferred, each shares gives the right to one vote at the General Meeting of Shareholders.

8.6. Limitation of voting rights from existing shares

The Articles of Association of ENEL-MED S.A. do not impose any limitations of voting rights. Pursuant to Article 413 § 1 with reference to Article 413 § 2 of the Code of Commercial Companies, a shareholder may not vote on resolutions concerning his liability towards the company on whatever account, including the acknowledgement of the fulfilment of his duties, release from any of his duties towards the company, or any dispute between him and the Company.

8.7. Limitations with respect to transfer of the title to securities

The Articles of Association of ENEL-MED S.A. do not introduce any limitations with respect to the transfer of the title to securities.

Shareholders of Versinus Ltd, Elvestra Ltd, Smerona Holdings Ltd and Koremia Investments Ltd undertook not to sell any of the shares without consent of Millennium Dom Maklerski S.A. with its registered office in Warsaw, for 12 months from the date of the first listing of series D shares on the regulated market (the first listing took place on 14 June 2011). Additionally, the aforementioned Shareholders undertook not to conclude any agreement that would result of might result in transferring the title to shares before the aforementioned deadline. However, these undertakings do not refer to sale of shares to a person being the Company's shareholder as at 11 February 2011 or sale of shares in response to the call to register for sale of shares, excluding the call announced based on article 72 of the Act of 29 July 2005 on public offer and the conditions for introducing financial instruments to the organized trading system and on public companies. The Company also concluded with Millennium Dom Maklerski S.A. the agreement for acting as the Issue Sponsor in the National Depository for Securities S.A. (KDPW) for the Issuer's shares. In accordance with resolution no. 975/12, the Management Board of the National Depository for Securities S.A., Millenium Dom Maklerski S.A. ceased to act as the Issue Sponsor for the Company's shares.

8.8. Principles for appointing and recalling members of the Management Board

In accordance with the Articles of Association of ENEL-MED S.A., the Management Board shall consist of 1 (one) to 5 (five) members appointed by the Supervisory Board. The Supervisory Board may appoint the President or the Vice President from among members of the Management Board. Members of the Management Board shall be appointed by the Supervisory Board for a three-year common term of office. The Supervisory Board has the right to appoint and recall members of the Management Board.

8.9. Principles for amending the Company's Articles of Association

Principles for amending the Company's Articles of Association arise from provisions of Articles 430-443 and Articles 455-458 of the Code of Commercial Companies. The Company's Articles of Association do not introduce different provisions, provided that subject to relevant provisions of the law, any change of the scope of activities of the Company may be introduced without the obligation to purchase the shares from the shareholders who do not express their consent for such change.

8.10. Manner of acting of the General Meeting, its principal authorisations, and description of rights of shareholders and the method of their use

The General Meeting of Shareholders is convened and prepared in accordance with provisions of the Code of Commercial Companies, Articles of Association of the Company and the Regulations of the General Meeting of Shareholders. The Articles of Association and the Regulations of the General Meeting of Shareholders are available on the investor relations website, at: www.inwestor.enel.pl.

General Meetings can be held as annual or extraordinary. The Annual General Meeting of Shareholders is convened by the Management Board and should be held within six months after the end of the financial year. The Supervisory Board may convene the Annual General Meeting of Shareholders if the Management Board does not convene it within the aforementioned deadline. The Supervisory Board may also convene the Extraordinary General Meeting of Shareholders, if considers recommended. Additionally, shareholders representing at least half of the share capital or at least half of total votes have the right to convene the General Meeting of Shareholders. At the same time, a shareholder or shareholders representing at least one-twentieth of the share capital may request the Management Board to convene the General Meeting of Shareholders and place certain matters on the agenda.

A shareholder being a natural person may participate in the General Meeting of Shareholders and exercise his/her voting right in person or by proxy. A shareholder who is not a natural person may participate in the General Meeting of Shareholders and exercise its voting right by a person authorised to represent this shareholder or by proxy. The power of attorney to participate in the General Meeting should be drawn up in writing under pain of invalidity or granted in electronic version and enclosed to the minutes of the General Meeting of Shareholders.

The General Meeting of Shareholders is opened by the Chairman of the Company's Supervisory Board or another person appointed by the Chairman. In the absence of these persons, the General Meeting of Shareholders will be opened by the President of the Management Board or a person appointed by the Management Board, and afterwards, the General Meeting of Shareholders would immediately carry out elections of the Chairman of the General Meeting of Shareholders.

The General Meeting of Shareholders may select the Ballot Counting Committee from among candidates appointed by participants of the General Meeting of Shareholders. Duties of the Ballot Counting Committee include overseeing the correct course of every voting, as well as determining and announcing results of voting.

A shareholder or shareholders representing at least one-twentieth of the share capital may request including certain matters on the agenda, while such request cannot be made later than 21 days before the scheduled date of the General Meeting of Shareholders.

A shareholder may vote differently from each share held by the shareholder.

In principle, voting on resolutions is open. The Chairman of the General Meeting of Shareholders orders a secret ballot in the case of election and voting on motions to remove members of the company's authorities or liquidators, or to hold such person liable, and motions concerning personal issues. Furthermore, the Chairman of the General Meeting of Shareholders orders a secret ballot at the request of at least one shareholder from among those present or represented at the General Meeting of Shareholders. The General Meeting of Shareholders may pass a resolution on repealing the secrecy of vote on matters concerning the election of the Ballot Counting Committee.

8. Corporate governance

The General Meeting of Shareholders is authorised to appoint members of the Supervisory Board.

The General Meeting of Shareholders passes resolutions on matters set forth by provisions of the Code of Commercial Companies, and in particular, it:

- appoints and recalls members of the Supervisory Board;
- sets the manner of remunerating and the amount of remuneration of members of the Supervisory Board, but the manner of remunerating and the amount of remuneration of members of the Supervisory Board for independent performance of certain supervisory activities is set by the Supervisory Board;
- decides on issuing convertible or preference bonds;
- decides on purchasing treasury shares in case determined in Article 362 § 1 point 2 of the Code of commercial companies;
- resolves other matters reserved for competencies of the General Meeting of Shareholders in accordance with provisions of the Company's Articles of Association and absolutely binding legal regulations.

8.11. Composition and description of the manner of acting of the Company's management and supervisory authorities and its committees

Rules governing activities of the Management Board of Centrum Medyczne ENEL-MED S.A. are set in the Company's Articles of Association and Regulations of the Management Board. Both documents are available on the Company's investor relations website, at: www.inwestor.enel.pl.

In accordance with the Articles of Association of the Company, the Management Board consists of one to five members appointed by the Supervisory Board for a 3-year common term of office.

The composition of the Management Board of Centrum Medyczne ENEL-MED S.A. is as follows:

Full name	Function
Adam Rozwadowski*	President of the Management Board
Jacek Rozwadowski	Vice President of the Management Board, CEO

On 7 May 2012, based on resolution no. 9/05/2012, the Supervisory Board of the Company recalled Adam Stanisław Rozwadowski from the function of the Member of the Company's Management Board and, based on resolution no. 10/05/2012 – Jacek Jakub Rozwadowski from the function of the Member of the Company's Management Board. The term of office of the aforementioned Members of the Management Board started as at 19 November 2009 and expired as at 7 May 2012. At the same time, based on resolution no. 11/05/2012, the Supervisory Board of the Company appointed Adam Stanisław Rozwadowski as the Member of the Company's Management Board and selected him the President of the Company's Management Board, and, based on resolution no. 12/05/2012 – appointed Jacek Jakub Rozwadowski as the Member of the Company's Management Board and selected him the Vice President of the Company's Management Board. In accordance with §12 section 2 of the Company's Articles of Association, new Members of the Management Board were appointed for a common 3-year term of office, and their term of office will expire as at the date of holding the Annual General Meeting of Shareholders approving the financial statements for 2014.

The Management Board manages affairs of the Company. The President of the Management Board manages work of the Management Board, chairs meetings of the Management Board and coordinates performance of tasks delegated to other members of the Management Board.

In particular, the scope of activities of the President of the Management Board includes:

- coordinating and managing work of the Management Board;
- notifying members of the Management Board of important current matters and issues related to functioning of the Company;
- issuing instructions within the scope set in the Regulations of the Management Board.

8. Corporate governance

Meetings of the Management Board are held when necessary, but at least once a quarter. The meeting of the Management Board is convened by the President of the Management Board at his own initiative or at a written request of another member of the Management Board. The meeting shall be convened no later than within 7 days of submitting the request. Notifications of the meeting of the Management Board are submitted to members of the Management Board no later than on the day preceding the day of the meeting. During meetings of the Management Board, before approving the agenda of the meeting, members of the Management Board may request the President to supplement or modify the agenda of the meeting, including proposing a resolution. A meeting of the Management Board may be held without formal convening if all its members express their consent thereto no later than on the day of the meeting and confirm it in writing or put their signature on the register of attendance. Meetings of the Management Board are opened by the President of the Management Board, who manages work of the Management Board. At the request of any member of the Management Board, persons, who are not members of the Management Board, can also participate in meetings of the Management Board. Resolutions of the Management Board are passed by a majority of votes of all members. In case of equal number of votes, the vote of the President of the Management is a casting vote. Resolutions of the Management Board are passed in open voting. Resolutions of the Management Board are kept in form of a register of resolutions, at the Company's registered office. Meetings of the Management Board are recorded in form of minutes.

The composition of the Supervisory Board of Centrum Medyczne ENEL-MED S.A. is as follows:

Full name	Function
Anna Rozwadowska	Chairman of the Supervisory Board
Anna Piszcz;	Member of the Supervisory Board
Janusz Jakubowski	Member of the Supervisory Board
Adam Ciuhak	Member of the Supervisory Board
Zbigniew Okoński;	Member of the Supervisory Board

As at 24 May 2012, terms of office of the following members of the Supervisory Board expired:

- Anna Maria Rozwadowska;
- Janusz Ryszard Jakubowski;
- Anna Piszcz;
- Zbigniew Wojciech Okoński;
- Adam Augustyn Ciuhak.

On 24 May 2012, the Annual General Meeting of Shareholders of Centrum Medyczne ENEL-MED S.A. decided to appoint the following persons to the Supervisory Board, as at 24 May 2012:

- Anna Maria Rozwadowska;
- Janusz Ryszard Jakubowski;
- Anna Piszcz;
- Zbigniew Wojciech Okoński;
- Adam Augustyn Ciuhak.

In accordance with §15 section 4 of the Company's Articles of Association, new Members of the Supervisory Board were appointed for a common 3-year term of office, and their term of office will expire as at the date of holding the Annual General Meeting of Shareholders approving the financial statements for 2014.

As a result, in 2012, the composition of the Company's Supervisory Board did not change.

Based on Resolution no. 1/06/2012 of 14 June 2012, the Supervisory Board selected Ms Anna Maria Rozwadowska – member of the Board, as the Chairman of the Supervisory Board.

8. Corporate governance

The Board operates based on the Code of Commercial Companies, the Company's Articles of Association, resolution of the General Meeting of Shareholders, Regulations of the Supervisory Board and regulations of other authorities of the Company within the scope related to its role, function, work or failure to act of the Supervisory Board and its individual members, as well as based on other regulations binding at the Company. The Supervisory Board oversees activities of the Company in all areas. The General Meeting of Shareholders is authorised to appoint members of the Supervisory Board.

The Supervisory Board consists of from 5 (five) to 9 (nine) members, including its Chairman chosen by members of the Board among themselves. The General Meeting of Shareholders shall in each case set the number of members of the Supervisory Board. The common term of office of the Supervisory Board is three years.

Competencies of the Supervisory Board shall include in particular:

- evaluation of the financial statements, Directors' reports and its recommendations as to the profit distribution or loss coverage, and presenting reports on the result of this evaluation to the General Meeting of Shareholders;
- expressing opinions on the Company's business plans developed by the Management Board;
- approving regulations of the Management Board;
- approving the financial plan for each year and regulations for managing special-purpose funds of the Company;
- appointing and recalling members of the Management Board;
- laying down principles for remunerating members of the Management Board, including the President of the Management Board;
- selecting the statutory auditor to audit the financial statements of the Company;
- expressing consent to the Management Board of the Company to establish companies or subsidiaries or to establish or invest funds of the Company in other companies or business entities;
- approving framework principles of cooperation of the Company with its business partners;
- appointing members of the Management Board;
- passing the regulation of the Supervisory Board.

The Supervisory Board fulfils its duties collectively, but it may authorise its members to independently carry out individual supervisory duties, including participating, when necessary, in meetings and work of the Management Board. Members delegated to independently carry out individual supervisory duties receive separate remuneration. These members are subject to competition ban, which is imposed on members of the Management Board.

The Supervisory Board shall pass resolutions by absolute majority of votes of members present, provided that all members were invited to the meeting. Resolutions may be passed, when each member of the Supervisory Board was correctly notified in writing of the meeting of the Supervisory Board, at least 14 days before the meeting. In case of equal number of votes, the vote of the Chairman shall be a casting vote. Resignation, death or any other important reason resulting in a reduction – during the term of office – of the number of members of the Supervisory Board below the number of members of the Supervisory Board set for a given term of office by the General Meeting of Shareholders, authorises the Supervisory Board to appoint a new member by a resolution on co-opting.

Members of the Supervisory Board may participate in passing resolutions of the Supervisory Board by voting in writing, through another member of the Supervisory Board, subject to Article 388 of the Code of commercial companies. Resolutions may be passed by the Supervisory Board by voting in writing, by fax or electronic mail, subject to Article 388 of the Code of Commercial Companies. The Supervisory Board may establish its committees (including the Audit Committee). In case of establishing a committee, the Supervisory Board will appoint and recall its members, as well as lay down the method of its organisation.

8. Corporate governance

In 2011, the Supervisory Board did not appoint any committees. Because the Supervisory Board comprises 5 members, tasks of the Audit Committee were entrusted to the Supervisory Board (in accordance with Article 86 section 1 with reference to Article 86 section 3 of the Act of 7 May 2009 on statutory auditors and their self-government, entities entitled to audit financial statements and public supervision).

A member of the Supervisory Board should have proper knowledge and experience, and be able to allocate sufficient time for his/her duties. Members of the Board should participate in General Meetings of Shareholders, in a manner allowing providing meaningful answers to questions asked during the General Meeting.

Meetings of the Supervisory Board can be held as ordinary or extraordinary. Ordinary meetings should be convened at least three times a year. Extraordinary meetings of the Board can be convened when necessary, at any time.

9. POST-BALANCE SHEET EVENTS

In 2013, Centrum Medyczne ENEL-MED concluded contracts with the National Health Fund for diagnostic examinations and hospital treatment in Masovian Voivodeship.

The contract for diagnostic examinations covers computed tomography, magnetic resonance imaging, gastroscopy and colonoscopy. These services would be provided at diagnostic facilities and centres in Mazovian Voivodeship (Zacisze and Bielany in Warsaw, and in Wołomin). The contract was concluded for the period from 01 January 2011 to 31 December 2013 (this is an annex to a long-term contract, setting the contract value for 2013), and its value for 2013 is PLN 5,170,149.00 net.

Another contract with the National Health Fund – contract for hospital treatment covers services in the area of neurosurgery, orthopaedics, general surgery, otolaryngology, ophthalmology and vascular surgery. Medical services will be provided in two hospitals of Centrum Medyczne ENEL-MED located in Warsaw: Centre Hospital (neurosurgery and orthopaedics) and Zacisze Hospital (other areas). The value of the contract for 2013 is PLN 5,130,580.00 net.

In 2013, the Company concluded the agreement with another company from the LG Cluster – LG Electronics Wrocław Sp. z o.o. The subject of the agreements is the provision of medical services to employees of the company and their families. Services will be at the healthcare centre of Centrum Medyczne ENEL-MED – LG Display Company Clinic, centres of Centrum Medyczne ENEL-MED and at other medical centres cooperating with the Service Provider. The agreement was concluded for two years, and its value depends on the number of persons covered by the medical plan in a given month, and might reach about PLN 1,440,000 during the term of the agreement.

Additionally, the Company renewed cooperation in the area of provision of medical services with three companies of the PGE Group: PGE Polska Grupa Energetyczna S.A. (agreement for three years), PGE Obrót S.A. (agreement for occupational medicine for two years, and for other medical services – for three years) and PGE Systemy S.A. (for three years). The total value of agreements with companies of the PGE Group depends on the number of persons covered by the medical plan in a given month, and might reach about PLN 4,544,028.00 during the term of agreements.

Ruch S.A. has also joined the group of the Company's clients. The subject of the agreements is the provision of medical services to employees, contractors and their families. The agreement was concluded for indefinite period starting 1 April 2013, and its value depends on the number of persons covered by the medical plan in a given month, and may amount to a minimum of PLN 1,500,000 in five years.

Moreover, PZU OFE „Złota Jesień” and DFE PZU have increased their exposure to Centrum Medyczne ENEL-MED. As a result of the transaction involving the purchase of the Company's shares at the Warsaw Stock Exchange, the number of shares and the number of votes currently controlled by PZU exceeded 5% of votes at the General Meeting of Shareholders of the Company. At present, PZU holds 1,186,229 shares and votes at the General Meeting of Shareholders of the Company, which represents 5.03% of the capital and 5.03% of votes at the General Meeting of Shareholders.