

**PKF**

**INDEPENDENT STATUTORY AUDITOR'S  
OPINION AND REPORT**  
concerning the financial statements of  
**Centrum Medyczne ENEL-MED Spółka Akcyjna**  
in  
**Warsaw**  
for the period from 1 January 2012 to 31 December 2012

The opinion includes 2 pages.  
The supplementary report includes 10 pages.  
Independent statutory auditor's opinion  
and report supplementing the opinion  
from the audit of financial statements  
for the financial year  
ended 31 December 2012.

## **INDEPENDENT STATUTORY AUDITOR'S OPINION**

*to the General Meeting of Shareholders of Centrum Medyczne ENEL-MED S.A.*

We have audited the accompanying financial statements of Centrum Medyczne ENEL-MED Spółka Akcyjna with its registered office in Warsaw, ul. Słomińskiego 19, lok. 524 ("Company") comprising the introduction to the financial statements, balance sheet as at 31 December 2012, profit and loss account, statement of changes in equity and the cash flow statement for the financial year ended on that day, as well as additional notes and explanations.

### *Responsibility of the Management Board and the Supervisory Board*

The Management Board of the Company is responsible for the accuracy of accounting records, preparation and accurate presentation of these financial statements as well as drawing up the report on activities in accordance with the Accounting Act of 29 September 1994 (Journal of Laws of 2009 No. 152, item 1223, as amended) ("Accounting Act") and secondary legislation issued based thereon, as well as requirements imposed on issuers of securities admitted to trading or applying for admission to trading on the official stock exchange, and by other binding regulations. The Management Board of the Company is also responsible for internal control, which it considers necessary to ensure that the financial statements prepared are free of inaccuracies occurring as a result of intentional actions or mistakes.

Pursuant to the Accounting Act, the Management Board of the Company and members of the Supervisory Board are obliged to ensure that the financial statements and report on activities meet the requirements of this Act.

### *Responsibility of the Statutory Auditor*

Our task was to express, based on the audit performed, an opinion on these financial statements and the accuracy of accounting records constituting the basis for their preparation. The audit of financial statements was conducted in accordance with the provisions of chapter 7 of the Accounting Act, national financial revision standards issued by the National Chamber of Statutory Auditors in Poland and the International Standards on Auditing. Those regulations oblige us to act in conformity to ethics principles and to plan and conduct the audit in such a way as to achieve reasonable certainty that the financial statements and accounting records constituting the basis for their preparation are free of significant inaccuracies.

The audit involves applying procedures aimed at obtaining the audit evidence concerning the amounts and disclosures in the financial statements. The selection of audit procedures depends on our judgment, including evaluation of risk of a significant inaccuracy of the financial statements occurring as a result of intentional actions or mistakes. When evaluating the risk, we take into account the internal control related to preparation and reliable presentation of the financial statements in order to plan the audit procedures which are appropriate in the given circumstances, not in order to express our opinion on the efficiency of internal control in the entity. The audit also includes evaluation of appropriateness of the applied accounting policy, reasonableness of estimations made by the Management Board and evaluation of the general presentation of financial statements.

We believe that the audit evidence gathered by us constitutes sufficient and proper basis for expressing our opinion from the audit.

**Centrum Medyczne ENEL-MED Spółka Akcyjna**

*Opinion from the audit of the financial statements  
for the financial year ended 31 December 2012*

*Opinion*

In our opinion, the attached financial statements of Centrum Medyczne ENEL-MED S.A. present reliably and clearly the financial and economic position of the Company as at 31 December 2012, as well as its financial result and cash flows for the financial year ended on that day, in all material aspects, in accordance with accounting principles binding on the territory of the Republic of Poland laid down in the Accounting Act and secondary legislation issued based thereon, as well as requirements imposed on issuers of securities admitted to trading or applying for admission to trading on the official stock exchange, are consistent with legal regulations and provisions of the Company's Articles of Association affecting the contents of the financial statements, and were prepared on the basis of accounting records kept correctly in all the material aspects.

*Additional note to the opinion*

Without any qualifications to the true and fair character of the audited financial statements, we would like to draw your attention to point 8 in the Introduction to the financial statements. In this point, the Management Board expressed its opinion on lack of threats to the Company continuing as a going concern, despite liquidity ratios, including debt services ratios, lower than expected, based on arguments proving improvement of the financial position in the future. Based on the analysis of the documentation presented by the Company, we have recognised the opinion of the Management Board as justified.

*Other issues*

Additionally, in accordance with requirements of the Accounting Act, we find that the report on activities of the Company takes into consideration, in all material aspects, the information referred to in Article 49 of the Accounting Act and the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for regarding information required by the law of a non-member state as equivalent (Journal of Laws of 2009, No. 33, item 259) and it conforms to the information included in the financial statements.

*[Signature illegible]*

Dorota Kubiak  
Statutory Auditor no. 12079

key statutory auditor carrying out the audit  
on behalf of PKF Audyt Sp. z o.o.  
entity entitled to audit financial statements no. 548

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*Tax Identification Number (NIP) 725-10-13-699*

*Statistical Identification Number (REGON) 471072925]*

Warsaw, 18 March 2013

**PKF**

**Report supplementing the opinion  
from the audit of the financial statements of**

**Centrum Medyczne ENEL-MED  
Spółka Akcyjna**

**in**

**Warsaw**

**for the period from 1 January 2012 to 31 December 2012**

The supplementary report includes 10 pages.  
Report supplementing the opinion  
from the audit of financial statements  
for the financial year  
ended 31 December 2012.

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**Centrum Medyczne ENEL-MED Spółka Akcyjna**

Report supplementing the opinion from the audit of the financial statements  
for the financial year ended 31 December 2012

**1. General part of the report****1.1 Identification details of the audited entity****1.1.1 Name of the Company**

Centrum Medyczne ENEL-MED Spółka Akcyjna

**1.1.2 Registered office of the Company**

Warsaw, ul. Słomińskiego 19 lok. 524.

**1.1.3 Registration in the National Court Register**

Register Court: District Court, 12<sup>th</sup> Business Department of the National Court Register  
Date: 28 February 2007  
Register number: KRS 275255  
Statistical Identification Number (REGON): 140802685  
Tax Identification Number (NIP): 524-25-93-360

The core business of the Company includes:

- general medical practice activities;
- specialist medical practice activities;
- physiotherapy activities;
- dental practice activities;
- other health care activities not elsewhere classified.

**1.1.4 Ownership structure and related parties**

As at 31 December 2012, the ownership structure of the Company's share capital of PLN 23,566,900 was as follows:

Shareholder	Number of shares	Votes (%)	Nominal value of shares (PLN'000)	% of the share capital
Karemia Investments Ltd	7,124,000	30.23%	7,124	30.23%
Versinus Ltd	7,123,950	30.23%	7,124	30.23%
Generali Powszechne Towarzystwo Emerytalne S.A.	2,377,000	10.09%	2,377	10.09%
OFE PZU "Złota Jesień" and DFE PZU	1,186,229	5.03%	1,186	5.03%
Smerona Holdings Ltd	992,800	4.21%	993	4.21%
Elvestra Ltd	972,650	4.13%	973	4.13%
Other shareholders <5%	3,790,271	16.08%	3,790	16.08%
	<b>23,566,900</b>	<b>100.00%</b>	<b>23,567</b>	<b>100.00%</b>

As at the end of the audited period, the audited Company was:

- the holding company for Centrum Nieruchomości ENEL-MED Sp. z o.o. in which it holds 80% in the capital and 80% of voting rights;
- the associated company of Koremia Investments Ltd and Versinus Ltd that hold 30.23% in the capital of the audited entity each.

### **1.1.5 Manager of the entity**

The function of the entity's manager is performed by the Management Board.

As at 31 December 2012, the composition of the Company's Management Board was as follows:

- Adam Rozwadowski – President of the Management Board,
- Jacek Rozwadowski – Vice President of the Management Board.

## **1.2 Details of the key statutory auditor and the entity entitled to audit the financial statements**

### **1.2.1 Details of the key statutory auditor**

Full name: Dorota Kubiak  
Number in the register: 12079

### **1.2.2 Details of the entity entitled to audit the financial statements**

Company name: PKF Audyt Sp. z o.o.  
Registered office: Warsaw  
Address: ul. Orzycka 6 lok. 1B, 02-695 Warszawa  
Number in the register: KRS 19875  
Register Court: District Court for the capital city of Warsaw,  
13<sup>th</sup> Business Department of the National Court  
Register  
Share capital: PLN 80,000  
Tax Identification Number (NIP): 7251013699

PKF Audyt Sp. z o.o. is entered into the list of entities entitled to audit financial statements under number 548.

The audit of financial statements was conducted in accordance with the contract of 30 November 2012, concluded on the basis of Resolution of the Supervisory Board of 07 May 2012 on selection of the entity entitled to audit the financial statements.

The audit of financial statements was conducted in the period from 18 February 2013 to 18 March 2013.

The key statutory auditor and PKF Audyt Sp. z o.o. meet the requirement of being independent from the audited Company within the meaning of Article 56 sections 3 and 4 of the Act of 7 May 2009 on statutory auditors and their self-governance, entities entitled to audit financial statements and public oversight (Journal of Laws No. 77, item 649).

## **1.3 Information on the financial statements for the previous financial year**

The financial statements prepared as at 31 December 2011 and for the period ended on that day were audited by PKF Audyt Sp. z o.o and the statutory auditor issued an unqualified opinion on these financial statements.

The financial statements were approved on 24 May 2012 by the General Meeting of Shareholders, which decided that the profit for the previous financial year of PLN 4,086,736.72 would be divided as follows:

- PLN 707,007.00 was allocated for dividends;
- PLN 3,379,739.72 was allocated to the supplementary capital.

The financial statements were submitted to the Register Court on 05 June 2012 and published in Monitor Polski B no. 3186 under item 17534 on 03 December 2012.

#### **1.4 Scope of work and responsibility**

This report was prepared for Centrum Medyczne ENEL-MED Spółka Akcyjna, with its registered office in Warsaw, ul. Słomińskiego 19 lok. 524, and concerns the financial statements comprising the introduction to the financial statements, balance sheet as at 31 December 2012, profit and loss account, statement of changes in equity and the cash flow statement for the financial year ended on that day, as well as additional notes and explanations.

The audit of the financial statements was conducted in accordance with the provisions of chapter 7 of the Accounting Act, national financial revision standards issued by the National Chamber of Statutory Auditors in Poland and the International Standards on Auditing.

The Management Board of the Company is responsible for the accuracy of accounting records, preparation and accurate presentation of these financial statements as well as drawing up the report on activities in accordance with the Accounting Act and secondary legislation issued based thereon, as well as requirements imposed on issuers of securities admitted to trading or applying for admission to trading on the official stock exchange, and by other binding regulations.

Our task was to express, based on the audit performed, an opinion on these financial statements, as well as drawing up the supplementary report on these financial statements and the accuracy of accounting records constituting the basis for their preparation.

On the day of issuing this report, the Management Board of the Company submitted a declaration of reliability and clarity of the financial statements presented for the audit and lack of events having a significant influence on the data disclosed in the financial statements for the year under examination.

During the audit of the financial statements, the Management Board of the Company submitted all the declarations, explanations and information required by us and gave us access to all the documents necessary to express the opinion and prepare the report.

The scope of the planned and performed work was not limited in any way. The scope and manner of the conducted audit results from the working papers prepared by us, kept in the seat of PKF Audyt Sp. z o.o.



## 2. Analytical part of the report

### 2.1 Balance sheet

ASSETS	31.12.2012 PLN'000	% of the balance sheet total	31.12.2011 PLN'000	% of the balance sheet total
<b>Non-current assets</b>				
Intangible assets, of which:	1,858	1.6%	1,788	1.5%
Tangible fixed assets	94,610	79.7%	91,895	77.0%
Long-term receivables	581	0.5%	1,038	0.9%
Long-term investments	4,741	4.0%	4,474	3.7%
Long-term prepayments	2,337	2.0%	541	0.5%
	<b>104,127</b>	<b>87.7%</b>	<b>99,736</b>	<b>83.6%</b>
<b>Current assets</b>				
Inventories	1,005	0.8%	962	0.8%
Short-term receivables	11,139	9.4%	10,513	8.8%
Short-term investments	409	0.3%	4,526	3.8%
Short-term prepayments	2,100	1.8%	3,610	3.0%
	<b>14,653</b>	<b>12.3%</b>	<b>19,611</b>	<b>16.4%</b>
<b>TOTAL ASSETS</b>	<b>118,780</b>	<b>100.0%</b>	<b>119,347</b>	<b>100.0%</b>

EQUITY AND LIABILITIES	31.12.2012 PLN'000	% of the balance sheet total	31.12.2011 PLN'000	% of the balance sheet total
<b>Equity</b>				
Share capital:	23,567	19.8%	23,567	19.7%
Supplementary capital	29,991	25.2%	26,611	22.3%
Retained earnings (accumulated losses)	(566)	-0.5%	(566)	-0.5%
Net profit (loss)	(8,831)	-7.4%	4,087	3.4%
	<b>44,161</b>	<b>37.2%</b>	<b>53,699</b>	<b>45.0%</b>
<b>Liabilities and provisions for liabilities</b>				
Provisions for liabilities	2,162	1.8%	1,385	1.2%
Long-term liabilities	32,436	27.3%	28,069	23.5%
Short-term liabilities	39,738	33.5%	36,118	30.3%
Accruals	283	0.2%	76	0.1%
	<b>74,619</b>	<b>62.8%</b>	<b>65,648</b>	<b>55.0%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>118,780</b>	<b>100.0%</b>	<b>119,347</b>	<b>100.0%</b>

## 2.2 Profit and loss account

	2012 PLN'000	% of sales revenues	2011 PLN'000	% of sales revenues
<b>Net revenues from sales of products, goods and materials, of which:</b>	<b>180,785</b>	<b>100.0%</b>	<b>166,289</b>	<b>100.0%</b>
Net revenues from sales of products	180,785	100.0%	166,289	100.0%
<b>Cost of products, goods and materials sold</b>				
Manufacturing cost of the products sold	(175,302)	-97.0%	(146,775)	-88.3%
	<b>(175,302)</b>	<b>-97.0%</b>	<b>(146,775)</b>	<b>-88.3%</b>
<b>Gross profit (loss) from sales</b>	<b>5,483</b>	<b>3.0%</b>	<b>19,514</b>	<b>11.7%</b>
<b>Selling costs</b>	(6,805)	-3.8%	(6,556)	-3.9%
<b>General and administrative costs</b>	(6,433)	-3.6%	(6,270)	-3.8%
<b>Profit (loss) on sales</b>	<b>(7,755)</b>	<b>-4.3%</b>	<b>6,688</b>	<b>4.0%</b>
<b>Other operating income</b>				
Gain on disposal of non-financial, non-current assets	88	0.0%	-	0.0%
Subsidies	196	0.1%	224	0.1%
Other operating income	719	0.4%	1,312	0.8%
	<b>1,003</b>	<b>0.6%</b>	<b>1,536</b>	<b>0.9%</b>
<b>Other operating costs</b>				
Loss on disposal of non-financial, non-current assets	-	0.0%	(27)	0.0%
Revaluation of non-financial assets	(147)	-0.1%	(226)	-0.1%
Other operating costs	(467)	-0.3%	(582)	-0.3%
	<b>(614)</b>	<b>-0.3%</b>	<b>(834)</b>	<b>-0.5%</b>
<b>Operating profit (loss)</b>	<b>(7,366)</b>	<b>-4.1%</b>	<b>7,390</b>	<b>4.4%</b>
<b>Financial income</b>				
Interest, of which:	293	0.2%	532	0.3%
	<b>293</b>	<b>0.2%</b>	<b>532</b>	<b>0.3%</b>
<b>Financial costs</b>				
Interest	(2,795)	-1.5%	(2,140)	-1.3%
Other	(103)	-0.1%	(75)	0.0%
	<b>(2,898)</b>	<b>-1.6%</b>	<b>(2,215)</b>	<b>-1.3%</b>
<b>Profit (loss) on business activities</b>	<b>(9,971)</b>	<b>-5.5%</b>	<b>5,707</b>	<b>3.4%</b>
<b>Net extraordinary gains/losses</b>				
<b>Profit (loss) before tax</b>	<b>(9,971)</b>	<b>-5.5%</b>	<b>5,707</b>	<b>3.4%</b>
<b>Income tax</b>	<b>1,140</b>	<b>0.6%</b>	<b>(1,620)</b>	<b>-1.0%</b>
<b>Net profit (loss)</b>	<b>(8,831)</b>	<b>-4.9%</b>	<b>4,087</b>	<b>2.5%</b>

**2.3. Selected financial ratios**

	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>1. Gross profit margin</b>			
<u>result on sales before profit x 100%</u> net revenues	3.0%	11.7%	2.9%
<b>2. Net return on equity</b>			
<u>net result profit x 100%</u> average equity	negative value	11.5%	6.1%
<b>3. Receivables turnover</b>			
<u>average trade receivables x 365 days</u> net revenues	21 days	23 days	25 days
<b>4. Debt ratio</b>			
<u>liabilities and provisions for liabilities/assets x 100%</u> total assets	62.6%	54.9%	76.1%
<b>5. Liquidity ratio</b>			
<u>current assets</u> short-term liabilities	0.4	0.5	0.5

**2.4. Interpretation of ratios**

During the whole period audited, the Company recorded high debt ratio. Additionally, it was possible to notice a downward trend with respect to the liquidity ratio and a drop in profit margin. In point 8 of the Introduction to the financial statements, the Management Board expressed its opinion on lack of threats to the Company continuing as a going concern, despite liquidity ratios lower than expected, while presenting the following arguments proving improvement of the financial position:

- temporary deterioration of ratios, including debt service ratios, is due to accumulation of investments commissioned after initially planned deadlines and the lower level of the contract with the National Health Fund;
- in the next financial year, the Company's Management Board plans intensifying sales with no material outlays for new 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.

### **3. Detailed part of the report**

#### **3.1 Accuracy of the applied accounting system**

The Company has up-to-date documentation describing the accounting principles adopted by the Management Board of the Company in accordance with the provisions of Article 10 of the Accounting Act.

During the audit of financial statements, we performed random tests of the accuracy of operations of the accounting system.

During our work, we did not detect any significant irregularities regarding the accounting system which were not corrected and might have a significant impact on the examined financial statements, including irregularities concerning:

- justification and continuity of the applied accounting principles (policy);
- documenting economic operations;
- reliability, correctness and verifiability of account books and relations between entries in the account records;
- correctness of opening balances in account records on the basis of closing balances disclosed in the approved balance sheet for the previous period;
- relations between entries, accounting documents and the financial statements;
- justification of the applied methods of data access security and the system of processing them with the use of computer;
- meeting the requirements for accounting documentation security and keeping account records and financial statements.

Our audit was not aimed at expressing a comprehensive opinion on the functioning of this accounting system.

The Company conducted an inventory of assets whose scope and time is determined in Article 26 of the Accounting Act. Inventory differences were recognized and settled in the records for the audited period.

#### **3.2 Introduction, additional notes and explanations to the financial statements**

Data included in the introduction to the financial statements, additional notes and explanations to the financial statements were presented completely and correctly in all material aspects. The introduction as well as additional notes and explanations constitute an integral part of the financial statements.

#### **3.3 Directors' report on activities of the Company**

The Directors' report takes into consideration, in all material aspects, the information referred to in Article 49 of the Accounting Act and the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for regarding information required by the law of a non-member state as equivalent (Journal of Laws of 2009, No. 33, item 259) and it conforms to the information included in the financial statements.

**3.4. Information on the opinion of the statutory auditor**

Based on our audit of the Company's financial statements as at 31 December 2012 and for the period ended on that day, we issued an unqualified opinion with a following note:

Without any qualifications to the true and fair character of the audited financial statements, we would like to draw your attention to point 8 in the Introduction to the financial statements. In this point, the Management Board expressed its opinion on lack of threats to the Company continuing as a going concern, despite liquidity ratios, including debt services ratios, lower than expected, based on arguments proving improvement of the financial position in the future. Based on the analysis of the documentation presented by the Company, we have recognised the opinion of the Management Board as justified.

*[Signature illegible]*

Dorota Kubiak  
Statutory Auditor no. 12079

key statutory auditor carrying out the audit  
on behalf of PKF Audyt Sp. z o.o.  
entity entitled to audit financial statements no. 548

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Warsaw, 18 March 2013