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*This document is a translation.
The Polish original should be referred to in matters of interpretation*

Independent Auditor's Report to the General Meeting and Supervisory Board of Medicalgorithmics S.A.

Report on the Audit of the Year-end Financial Statements

Opinion

We have audited the year-end financial statements of Medicalgorithmics S.A. ("the Company"), which comprise the statement of financial position prepared as at 31 December 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, as well as notes to the financial statements ("the financial statements").

In our opinion, the accompanying financial statements:

- give a true and fair view of the Company's financial position as at 31 December 2019, as well as of its financial result and cash flows for the financial year then ended, in accordance with the applicable International Financial Reporting Standards endorsed by the European Union, as well as the adopted accounting methods (policies);
- are consistent, in content and in form, with the applicable laws and regulations and with the Company's Statute;
- have been prepared on the basis of properly kept books of account in accordance with Chapter 2 of the Accounting Act of 29 September 1994 ("the Accounting Act" - 2019 Journal of Laws, item 351 with subsequent amendments).

The present opinion is consistent with the additional report to the Audit Committee, which we issued on 27 April 2020.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing adopted by the National Council of Certified Auditors as National Standards on Auditing ("NSA") and in compliance with the Act on Certified Auditors, Audit Firms and on Public Oversight ("the Certified Auditors Act" - 2019 Journal of Laws, item 1421 with subsequent amendments) and Regulation (EU) No. 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public interest entities ("Regulation EU" - OJ L 158). Our responsibilities under those standards are further described in *the Responsibilities of the Auditor for the Audit of the Financial Statements* section of this report.

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We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the International Federation of Accountants (“the IFAC Code”) and adopted by resolutions of the National Council of Certified Auditors, and with other ethical requirements relevant to the audit of financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IFAC Code. During the audit, the engagement partner and the audit firm remained independent of the Company in accordance with the independence requirements laid down in the Certified Auditors Act and Regulation EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 33 “Subsequent events” to the financial statements, in which the Company’s Management disclosed its assessment of the current and potential effect of the SARS-Cov-2 pandemic on the operations of the Company and the Medicalgorithmics Group. Our opinion has not been modified with regard to this matter.

Other Matters

The Company’s financial statements for the financial year ended 31 December 2018 have been audited by an engagement partner acting on behalf of another audit firm, who expressed an unmodified opinion on the financial statements on 26 March 2019.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in the audit of the financial statements for the current reporting period. They include the most significant assessed types of risks of material misstatements, including assessed types of risks of material misstatements resulting from fraud. We addressed these matters in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and have summarized our response to these types of risks, and where relevant, presented our key observations relating to those risks. We do not express a separate opinion on these matters.

1. Measurement and impairment of interests in and loans granted to subsidiaries

Key audit matter

Medicalgorithmics S.A. holds significant interests in subsidiaries, as well as financial assets in the form of loans granted to subsidiaries. As at 31 December 2019 the accumulated value of these financial statements items amounted to PLN 160,2 million, or 77,8% of total assets and liabilities.

Due to the materiality of these financial statements items, and because of the complexity of the matter and sensitivity of the impairment test of the Company’s interests and loans to the adopted assumptions, the matter of test performance was the subject of our analyses. In particular we found that key audit risk consists of the Management’s judgements and estimates associated with assumptions as to future cash flows, determination of the discount rate, estimation of residual values contained in the discounted cash flows model used to determine if the above items have been impaired.

In view of the above we have classified this matter as a key audit matter.

Disclosures in the financial statements

The methods used by the Company to recognize and measure interests in and loans granted to subsidiaries are presented in Notes 3.6 and 3.7 to the financial statements.

Disclosures on the value of subsidiaries and loans granted to subsidiaries are presented in Notes 14 and 15 to the Company's financial statements.

Audit procedures performed in response to the risk

Our audit procedures included in particular:

- understanding and assessing the process of identifying indications of impairment of interests in subsidiaries and the accuracy of the method used to perform the test in accordance with the applicable financial reporting standards,
 - performing a critical assessment of the assumptions and estimates applied by the Company's Management to calculate the recoverable amount, including: comparing the adopted assumptions relating to future cash flows with the budgets and medium term plans and assessing the validity of such plans, analyzing the validity of key macro-economic assumptions, assessing the methods used to determine residual values after the period covered by the medium term plans and consistency of test methodology with international financial reporting standards,
 - analyzing the method used to calculate discount rates,
 - assessing the Management's analysis of the impairment test's sensitivity to the adopted key assumptions,
 - evaluating the accuracy and completeness of disclosures in the Company's financial statements.
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Responsibilities of the Company's Management and Supervisory Board for the Financial Statements

The Company's Management is responsible for the preparation, based on properly kept books of account, of the financial statements that give a true and fair view of the Company's financial position and financial result in accordance with International Financial Reporting Standards endorsed by the European Union, the adopted accounting methods (policies), the applicable binding regulations and the Company's Statute. The Company's Management is also responsible for such internal controls as it considers necessary to ensure that the financial statements are free from material misstatements resulting from fraud or error.

In preparing the financial statements the Company's Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, any matters related to going concern and using the going concern basis of accounting, except in situations where the Management intends to either liquidate the Company or discontinue its operations, or has no realistic alternative but to do so.

The Company's Management and members of its Supervisory Board are required to ensure that the financial statements meet the requirements of the Accounting Act. Members of the Supervisory Board are responsible for overseeing the Company's financial reporting process.

Responsibilities of the Auditor for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with NSA will always detect an existing material misstatement. Misstatements can arise from fraud or error and are considered material if it could be reasonably expected that they, individually or in the aggregate, could influence the economic decisions of users made on the basis of these financial statements.

The concept of materiality is applied by the auditor at the planning stage and when performing the audit and evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements, as well as when formulating the auditor's opinion. In view of the above, all of the opinions and statements contained in the auditor's report are expressed subject to the qualitative and quantitative level of materiality set in accordance with the applicable standards on auditing and the auditor's professional judgement.

The scope of the audit does not include an assurance regarding the Company's future profitability, or regarding the Management's effectiveness in the handling of the Company's affairs now or in the future.

Throughout an audit in accordance with NSA, we exercise professional judgement and maintain professional skepticism, as well as:

- identify and assess the risks of a material misstatement of the financial statements resulting from fraud or error, design and perform audit procedures in response to such risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, forgery, deliberate omission, misrepresentation or override of internal controls;
- obtain an understanding of the internal controls relevant to the audit in order to plan our audit procedures, but not to express an opinion on the effectiveness of the Company's internal controls;
- evaluate the appropriateness of the accounting policies used and the reasonableness of the estimates and related disclosures made by the Company's Management;
- conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We provide the Audit Committee of the Supervisory Board with information about, among others, the planned scope and timing of the audit and significant audit findings, including any significant weaknesses of internal controls that we identify during our audit.

We provide the Audit Committee with a statement that we have complied with the relevant ethical requirements relating to independence, and that we will communicate to them all relationships and other matters that may reasonably be considered to constitute a threat to our independence, and where applicable, inform them of the related safety measures.

From the matters communicated to the Audit Committee we determined those matters that were of the most significance to the audit of the financial statements for the current reporting period and were therefore chosen as key audit matters. We describe these matters in our auditor's report, unless law or regulations prohibit their public disclosure or when, in exceptional cases, we find that a given matter should not be presented in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such information.

Other Information, Including Report on Activities

Based on the regulations of Article 55 par. 2a of the Accounting Act and par. 71 point 8 of the Minister's of Finance Decree of 29 March 2018 on the current and periodic information reported by the issuers of securities and on the conditions for recognizing as equally valid the information required by the regulations of a state that is not a member state (2018 Journal of Laws, item 757 with subsequent amendments), the Company's Management has prepared in the form of a single document a report on the activities of the Medicalgorithmics Group and of the Company, on which we reported in the auditor's report on consolidated financial statements of the Medicalgorithmics Group.

Report on Other Legal and Regulatory Requirements

Declaration on the Provision of Non-audit Services

To the best of our knowledge and belief we declare that any non-audit services we have provided to the Company and its subsidiaries were consistent with the law and the regulations binding in Poland and that we have not provided any non-audit services prohibited by virtue of Article 5 par. 1 of Regulation EU and Article 136 of the Certified Auditors Act. The non-audit services we have provided to the Company and its subsidiaries in the audited period are listed in point I.12 of the Report on the activities of the Company and Group.

Appointment of the Auditor

We were appointed as auditors of the Company's financial statements in a resolution passed by the Company's Supervisory Board on 25 June 2019. We have audited the Company's financial statements for the first time.



The engagement partner on the audit resulting in this independent auditor's report is Krzysztof Maksymik.

BDO spółka z ograniczoną odpowiedzialnością sp.k. with its registered office in Warsaw
entered on the list of audit firms in number **3355**

represented by the engagement partner

*Signed with e-signature
on the Polish original*

Krzysztof Maksymik
Certified Auditor No. 11380

*Signed with e-signature
on the Polish original*

Dr. André Helin
Managing Partner of the General Partner
Certified Auditor No. 90004

Warsaw, 29 April 2020