

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

**ON THE SHARE CAPITAL INCREASE WITH ALLOCATION OF FREE OF CHARGE SHARES  
(ITEM 1 OF THE AGENDA OF THE MEETING CONVENED FOR 03.08.2023/04.08.2023)**

**1. PROPOSAL SUBMITTED TO THE SHAREHOLDERS APPROVAL**

1. " Approval of the increase of the share capital with the amount of RON 99,652,869 from the current amount of RON 33,217,623 to RON 132,870,492 through the issuance of 398,611,476 new shares with a nominal value of RON 0.25/share (the "**Share Capital Increase**"). The Share Capital Increase will be carried out through the incorporation of share premiums and reserves (with the exception of the legal reserves), and the newly issued shares will be allocated free of charge to the Company's shareholders registered in the register of shareholders kept by Depozitarul Central - S.A. as of 04.09.2023, established as record date ("**Record Date**"). Each shareholder registered in the register of shareholders kept by Depozitarul Central - S.A. on the Record Date will receive 3 (three) newly issued shares, free of charge for each share held on the Record Date. The increase of the Share Capital will be carried out to support the current activity of the Company."

**2. LEGAL ISSUES**

Art. 210 para. (2) of the Companies Law no. 31/1990 and Art. 5.1.2 and Art. 9.3. letter d) of the articles of association of Med Life S.A.

**3. ECONOMIC JUSTIFICATION FOR THE PROPOSAL**

Med Life S.A.'s proposal is to allocate the share premium and part of the retained earnings and distributable reserves, as recorded in the Company's financial statements, to the capitalisation of the Company.

The proposal is to increase the share capital by RON 99,652,869 by issuing a number of 398,611,476 new shares with a nominal value of RON 0.25 each.

Following the completion of the capital increase operation, each shareholder registered in the Company's Register of Shareholders kept by the Central Depository S.A. at the end of September 4, 2023, established as the record date, will be granted 3 shares free of charge for each share held at the record date.

The share capital increase will be carried out in order to support the Company's current activities, in line with the Company's growth strategy.

The share capital increase shall be carried out in accordance with the exception from drawing up of a prospectus provided for in Article 1 para. (5) lit. (g) of REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

Based on the above considerations, the Board of Directors proposes that shareholders to vote in favour of item 1 on the agenda of the GSM of 03.08.2023/04.08.2023.

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**Mihail Marcu**

Chairman of the Board