GENERAL CLINIC, DIAGNOSTIC, TREATMENT, SURGERY CENTRE

ATHENS EUROCLINIC, SOCIÉTÉ ANONYME

FINANCIAL STATEMENTS

FOR THE FISCAL PERIOD BETWEEN JANUARY 1 AND DECEMBER 31, 2019

PREPARED IN ACCORDANCE WITH THE

INTERNATIONAL FINANCIAL

REPORTING STANDARDS

(I.F.R.S.)

SA REGISTRATION NO.: 1477/01/B/86/1476
Registered Offices: 7-9 Athanasiadou Street, POSTCODE: 11521, Athens

Disclaimer: The English version is a translation of the original in Greek, for information purposes only. In case of discrepancy, the Greek version will prevail.

Contents

A. Directors' Report of the company under the title "GENERAL CLINIC, DIAGNOSTIC, TREATMENT, SURGERY CENTRE, ATHENS EUROCLINIC S.A." on the Financial Statements concerning the period between January 1 and December 31, 2019

Dear Shareholders,

We hereby present you with the Directors' Report of the Company under the title: "**GENERAL CLINIC, DIAGNOSTIC, TREATMENT, SURGERY CENTRE, ATHENS EUROCLINIC S.A.**" on the annual financial statements of 2018 fiscal period, by virtue of the clauses of codified Law 2190/1920 as substituted by Law 4548/2018 and we inform you briefly about the following:

The Annual Financial Statements include the information required by virtue of the clauses of Law 4548/2018 the Statement of Financial Position of the Company, the Statements on Comprehensive Income, Changes in Equity, the Cash Flow Statement, the Notes on the Annual Financial Statements, including the Audit Report prepared by the independent Certified Auditor - Accountant. The present have been prepared based on the applicable Legislation and the principles of the International Financial Reporting Standards, cover the fiscal period between 01/01/2019 and 31/12/2019 and present the actual financial structure of the Group.

FINANCIAL POSITION

In 2019, the Greek economy continued its growing course, with a GDP growth rate of 1.9%, that of 2018, albeit slower growth rates among the economies of the EU. Adherence to the requirements of the adjustment program, completion of fiscal reforms and the adoption of a fiscal policy oriented towards development contributed to the restoration of trust in the potential of the Greek economy and the gradual decline of bond rates. Complete removal of capital controls in September 2019 gave a further boost.

The health care industry has changed significantly after various mergers and acquisitions. Operational issues in the public healthcare sector led to an increase of demand for services offered by the private sector, which in turn contributed in the increase of top line figures and general improvement of financial ratios for all participants.

Within this context, Athens Euroclinic Group took advantage of the acquired know how and the innovative collaborations with private insurance companies and achieved a successful year.

Turnover: Turnover of the Group net of rebate and clawback reached € 45.94 million versus € 41.09 million in the previous year, an increase of 11.80%. Turnover net of rebate and clawback for the Company was € 44.99 million, compared to € 40.53 million in 2018 an increase of 11.02%.

Total amount of rebate and clawback charged on the Income Statement of 31/12/2019 at the Group level is € 2.79 million and for the Company is € 2.70 million without VAT.

Inpatient hospitalisation days for 2019 increased by (9.07%) versus the previous year, reaching 32,578 vs 29,868 in 2018.

Gross profit: On a Group level, gross profit net of rebate and claw back reached € 6.25 million in comparison to € 6.41 million of 2018, a decrease of 2.51%.

For the Company, gross profit net of rebate and claw back reached € 5.70 million in comparison to € 6.13 million of 2018, an increase of 7.12%.

Earnings before interest, taxes, depreciation and amortization (EBITDA): EBITDA for the Group net of rebate and clawback reached € 6.58 million compared to € 5.36 million in 2018, a notable increase of 22.74%.

For the Company EBITDA net of rebate and claw back recorded a notable increase of 21.35% and reached € 6.47 million compared to € 5.33 million in 2018.

Profit (Loss) after Taxes: Including rebate and clawback, the Group is reporting profits of € 1.41 million in comparison to € 1.50 million in 2018. The parent Company is reporting profits after taxes of € 1.34 million, compared to € 1.49 million in 2018.

Loans*:* At a consolidated and standalone level, the loans liabilities as of 31/12/2019 were € 35.45 million compared to € 32.76 million on 31/12/2018.

On 07/03/2018 a Coverage Agreement for the amount of € 29.71 million was signed according to Law 3456/2013 with ''EFG Eurobank" and "Piraeus Bank" identifying "'EFG Eurobank" to be the bondholder agent.

During 2019, capital amounts of € 442.76 thousand of the bond loan and € 949.73 thousand of the finance leases were repaid.

During 2019, the Company applied the new IFRS 16 - Leases. The effect of this change is described in Note 2.3.

The bank loan liabilities are secured with collaterals on the tangible and intangible assets of the company.

Equity: As at 31/12/2019, at a Group level equity was € 1.66 million increased by € 1.34 million compared to 2018, while at a Company level equity amounted to € 1.52 million compared to € 0.26 million on 31/12/2018.

Trade and other payables**:** At a consolidated level, suppliers and other liabilities on 31/12/2019 reached € 27.75 million compared to € 26.30 million in 2018. For the Company the amount was € 27.65 million in comparison with € 26.20 million in 2018.

Cash Receivables and cash equivalents: Cash and cash equivalents for the Group reached € 2.66 million compared with € 0.88 million in 31/12/2018. For the Company cash and cash equivalents reached € 2.26 million in comparison with € 0.70 million in 2018. The Company is fulfilling all its short-term obligations (personnel payroll, insurance contributions and taxes, loan interest, etc).

Trade and other receivables: Trade and other short-term receivables for the group as of 31/12/2019 amounted to € 17.09 million in comparison with € 15.97 million on 31/12/2018. For the Company, trade and other receivables amounted to € 17.39 million compared with € 16.07 million on 31/12/2018. This change includes Rebate and Clawback amounts, reaching € 26.55 million for period 2013—2019 for the Group and € 26.40 million for the Company, the reversal of provisions due to the issuing of credit notes for rebate and clawback, as well as the collection of receivables from private customers.

Expenses: For the Group, cost of sales increased by 14.43% compared to 2018 (€ 39.69 million compared to € 34.68 million) and for the Company by 14.25% (€ 39.30 million vs € 34.40 million).

Administrative expenses increased by 15.05% compared to 2018 (€ 6.32 million vs € 5.50 million) for the Group and 14.65% (€ 6.22 million vs € 5.42 million) for the Company.

At a Group level the personnel expenses reached € 13.69million, increased by 9.83% compared to 2018, while personnel on 31 December 2019 was 573 people compared to 537 people on 31 December 2018 (increased by 6,70 %). At a Company level the cost and expenses of human resources was € 13.58 million, dropped by 9.82% vs 2018, while the total of personnel was 568 people vs 529 at 31/12/2018.

Inventory**:** Year-end inventory amounted to € 0.80 million, increased by 6.18% compared to 2018. For the Company inventory was € 0.79 million increased by 7.82% compared to 2018.

Other income: Other income of the Group amounted to € 3.80 million from € 1.74 million in 2018 and for the Company € 4.15 million from € 1.92 million in 2018.

Financial Indicators: Management evaluates the results and the Group's performance on a monthly basis, by identifying promptly and effectively any deviations from the objectives and taking actions accordingly. Performance is evaluated by the use of key performance indicators as follows:

				Group		Company	
Ratio	**Description**			**2019**	**2018**	**2019**	**2018**
Liabilities to Assets ratio	Liabilities to Assets ratio	/	Liabilities to Assets ratio	97.70%	99.52%	97.89%	99.61%
Gearing ratio	Net debt	/	Total Equity + Net debt	95.18%	99.02%	95.62%	99.21%
Working Capital	Current Assets	-	Current Liabilities	(10,485,035)	(11,128,580)	(10,504,467)	(11,127,204)

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

During the reporting period, the Group and Company invested € 2.80 million in infrastructure and equipment in an effort to improve the quality of services provided to patients. On 31/10/2019, the company acquired a new MRI Magnetom Aera 1.5T as part of its investment program in cutting-edge technology.

On 24/12/2019, the Company was granted the approval of bondholders for the restructuring of the Bond Loan agreement signed on 07/03/2018. This restructuring included the reduction of the interest rate margin, the modification of existing financial covenants and the extension of the repayment plan up to 2025. This restructuring is dependent upon specific conditions, which include a Share Capital increase up to € 4.00 million to be completed by 30/06/2020.

With regards to business collaborations, on 01/09/2019 Euroclinic Group renewed its cooperation with Europaiki Pisti SY.S.P.A. – O.T.E (Additional insurance Retirement fund O.T.E.) which covers approximately 1.000 members, obtaining an increased yearly fee at the same time. This is a health insurance program under the form of a closed network (capitation) providing secondary health care services.

After two years of successful cooperation, in October 2019 the company renewed collaboration with the Fund of the Employees of the Ministry of Economy, for the provision of primary and secondary health services via programs with coverage from Euroclinic's closed network. The insured members are more than 12.500 including dependent members, while this number is expected to grow further.

For a third consecutive year, in November 2019 the company renewed cooperation with Europaiki Pisti YP.ES.D.D.A (Fund of the employees of the Ministry of Internal Affairs). The insured member are approximately 5.600 and they will receive primary and hospital services within Euroclinic's closed network.

On 01/11/2019, Euroclinic Group has undertaken the provision of healthcare services to the insured of the programs Orange Easy Group 1 & 2 and In & Out both launched by NN Hellas. The programs account for approximately 13.500 insured.

Finally, after one year of successful collaboration with Minetta Insurance company we renewed our contract for the provision of services to 6.700 insured in the program Minetta - DEH.

RISK AND UNCERTAINTIES

(a) Market risk

Market risk results from fluctuations in future cash flows of a financial instrument due to fluctuations in market prices. The market risk for the Company mainly results from changes in the prices for medical procedures, as well as of those DRGs and from possible delays in reimbursement from E.O.P.Y.Y. The Company does not own any financial instruments in foreign currency or any investments in bonds or shares apart from checking accounts.

Price risk
The Company is exposed to price risk concerning the change of value in land and buildings recognised at fair value.

Risk of cash flows and risk of changes in fair value due to changes in interest rates

Interest rate risk mainly comes from loans. Loans with variable interest rate expose the Company to a cash flow risk due to changes in the interest rates. All Company loans are in Euro with variable interest.

(b) Credit risk

The Group's Finance Division manages credit risk. Credit risk results from credit offered to customers (customer credit risk). Regarding the cash reserves and cash equivalents, the Group is trading only with credit certified financial institutions.

The clientele of the Group and the Company consists of insurance funds and organizations, insurance companies and other private parties. Sales to insurance funds and insurance companies usually involve a small amount of risk regarding bad debt, mainly due to delayed payments. Credit risk is mainly focused on private patients - customers without coverage by any insurance, or whose insurance policies do not cover the entire cost of their hospitalization. The Company has set specific procedures for the proper and quick collection of its receivables.

The Group is applying a simplified approach of IFRS 9 to calculate the expected credit losses. Regarding receivables from costumers', provision credit losses are equal to the expected credit losses throughout the total lifetime regarding receivables from customer.

Group's exposure in credit risk is constrained to its financial assets, which are analyzed below at the date of financial statements.

	Group		Company	
	2019	**2018**	**2019**	**2018**
Trade and other receivables	17,094,012	15,972,263	17,389,026	16,066,785
Cash available and cash equivalents	2,657,642	881,490	2,256,743	698,827
Total	**19,751,653**	**16,853,753**	**19,645,769**	**16,765,612**

The aging of financial receivables for the group and the company at 31/12/2019 and 31/12/2018 is depicted below:

	Group		Company	
	2019	**2018**	**2019**	**2018**
< 3 months	3,058,328	3,140,905	3,030,490	3,077,111
3 - 6 months	4,408,682	4,477,649	4,407,985	4,475,798
> 6 months	6,357,984	6,435,512	6,336,479	6,433,960
Total	**13,824,993**	**14,054,065**	**13,774,954**	**13,986,870**

(c) Liquidity risk

The monitoring of liquidity risk is focused on the ability of the Group and the Company to maintain certain liquidity levels in order to ensure the payment of trading activities, which is accomplished by managing the timing of cash inflows and outflows, as well as the sufficiency of cash and cash equivalents.

Management is analysing data and uses credit lines that have been agreed with the banks and the rest of financial institutions, when deemed necessary. More specifically, considering the low credit supply, the Group and the Company are trying to reduce the demand for working capital in any possible way.

The Group during its effort to reduce its exposure to EOPYY by developing further collaborations with private insurance companies that can contribute in liquidity demands.

The table below is analysing the non-discounted cash flows of liabilities, sorted by expiry date, accounted according to the time remaining from the balance sheet date until the conventional expiry date.

Liabilities with expiry date less than one year, are presented according to the net book value because the discount effect is immaterial.

31 December 2019		**Group**	
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,261,448	28,367,235	0
Finance leases	1,023,425	3,799,935	0
Suppliers and other liabilities	27,747,074	0	0
	31,031,947	**32,167,170**	**0**

31 December 2018			
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,133,129	29,260,000	0
Finance leases	293,776	1,074,143	0
Suppliers and other liabilities	26,304,382	0	0
	28,731,287	**30,334,143**	**0**

31 December 2019		**Company**	
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,261,448	28,367,235	0
Finance leases	1,023,425	3,799,935	0
Suppliers and other liabilities	27,654,072	0	0
	30,938,944	**32,167,170**	**0**

31 December 2018			
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,133,129	29,260,000	0
Finance leases	293,776	1,074,143	0
Suppliers and other liabilities	26,197,446	0	0
	28,624,351	**30,334,143**	**0**

(d) Capital risk

The objective of the Group with regards to the management of capital is the preservation of its ability to continue its operation, in order to achieve profits for its shareholders and benefits for all stakeholders, while maintaining the optimum capital structure in order to reduce its capital cost.

To preserve or change its capital structure, the Group may alter the dividend paid to shareholders, return capitals to shareholders, issue new shares or sell assets with the purpose of reducing loans.

In line with the standard industry practice, the Group is monitoring its capital structure using the gearing ratio. The gearing ratios on 31/12/2019 and 2018 are presented below.

	Group		Company	
	2019	**2018**	**2019**	**2018**
Total debt	35,452,043	32,761,048	35,452,043	32,761,048
Minus: Cash and cash equivalents	(2,657,642)	(881,490)	(2,256,743)	(698,827)
Net debt	**32,794,401**	**31,879,558**	**33,195,300**	**32,062,221**
Equity	1,659,460	315,532	1,521,483	255,597
Total capital employed	**34,453,861**	**32,195,089**	**34,716,783**	**32,317,818**
Gearing ratio	**95.18%**	**99.02%**	**95.62%**	**99.21%**

The leverage ratio has slightly decreased in 2019 to 95.18%, due to the increase of equity.

COMPANY PERSPECTIVES

The current year is characterized by the uncertainty caused by the pandemic of the new coronavirus SARS-CoV-2, which causes the disease COVID-19. The spread of the new coronavirus has already made its impact in the European and Greek economies. The latest projections of the Bank of Greece, estimate recession of the Greek economy within the range of 5% - 10% for the year 2020. Taking into consideration the fact that the pandemic is still ongoing, these projections may be altered.

Since the beginning of the year, the Group has shown growth in both top line figures and profitability. According to monthly management accounts for the first two months of 2020, net sales increased by 10.7% and EBITDA by 20.7% compared to 2019.

Following the decision no. 237/20-03-2020 of the Ministry of Health, all surgeries in private clinics and public hospitals were suspended, in an effort to contain the spread of the coronavirus. Additionally, the Company suspended the operation of its outpatients department and its subsidiary (Euroclinic SIMEIO D.Y.O.) as a means to preserve the health of its patients and personnel. Consequently, for Q1 2020, patient discharges decreased by 3.7% and outpatients by 5.9% compared to 2019. The following lock down further affected patient visits and the Clinic only provided services for emergency cases.

In terms of profitability, EBITDA in Q1 2020 decreased by 31.4% compared to 2019, since our Clinics were staffed with personnel numbers required to provide services to patient levels as those in the first two months of 2020. Apart from the decrease in turnover, the Company incurred additional expenses for the procurement of consumables and protective means against the disease, increased number of decontaminations, rents for special boxes to host possible COVID cases and protective glasses in all contact points with patients.

Following a new ministerial decision from 04/05/2020 surgeries and outpatients departments began their gradual operation, based upon certain conditions targeting safety and public health. The most important condition refers to the numbers of surgeries, which cannot exceed 50% of the average number of monthly surgeries in 2019.

Taking into consideration that this restriction is dependent upon the spread of the pandemic, the Company has drawn various scenarios based on its estimations about the course of the disease. Additionally, it adopted actions that will strengthen its profitability and is willing to introduce additional measures if needed.

Throughout this period, the Company has adopted all necessary measures in order to secure the health and safety of its staff and patients, while maintaining the high level of services.

Finally, the Company offered 10 ICU beds to the public sector, one inpatient ward with 20 patient beds for cases not related to COVID-19, as well as its emergency department for all non-contagious cases, contributing to the public health care system throughout the period of the crisis.

With its sight on the future, the Group has secured an environment of total safety. Our strategy to provide high quality services remains intact and will be attained through the collaborations with reputable doctors, investments in cutting edge technology and improvements of infrastructure. Within the Group's priorities is the modernization of services and the transition in the digital area, which more than ever seems very close.

Additionally, the plan for strategic collaborations with insurance companies is ongoing. Today, the Group is moving forward with innovative capitation programs with a population of more than 65.000 insured, cooperation with professional insurance funds and adopting for the first time pricing models based on diagnosis. This pricing policy is the ultimate means to control costs, time improves the efficiency of managing cases and will extend the scope of cooperation with insurance companies and funds with large clientele.

RELATED-PARTY TRANSACTIONS

On 31/12/2019, 99.99% of the shares and voting rights of the Company were owned by Hippokrates Holdings BV, registered in Holland.

The Company shares are held by 57.89% by "Hippokrates Holdings B.V.", registered in Holland, which a 100% subsidiary of "Gulert Enterprises Limited", registered in Cyprus, which in turn is a 100% subsidiary of "South Eastern Europe Fund (SEEF)", registered in Jersey Island. 42.10% of total shares is owned by "AKKADIA HOLDINGS LIMITED", registered in Cyprus, which is a 100% subsidiary of "Hippokrates Holdings B.V.". The remaining 0.01% of the shares are owned by physicians.

The remaining transactions with related parties refer to transactions with members of the Board and with key management personnel of the Company, as well as to transactions with its subsidiary and are formulated as follows:+

(a) Transactions with members of the Board and key management personnel

	Group		Company	
	2019	**2018**	**2019**	**2018**
Remuneration of BoD members	223,600	213,600	223,600	213,600
Remuneration of Management personnel	1,015,399	912,044	1,015,399	912,044
Total	**1,238,999**	**1,125,644**	**1,238,999**	**1,125,644**

(b) Transactions with subsidiary

Subsidiary Euroclinic - Simeio D.Y.O. - Private Clinic Medical Single-Member Private Company was established on 07/11/2016 with the purpose of engaging in the field of primary healthcare services. The share capital of the subsidiary amounts to € 10,000 (10 shares, with nominal value € 1,000 / share) and was paid in cash by the Company within 2016.

The transactions with the subsidiary refer to rents for the use of the subsidiary buildings and are listed below:

	2019		2018	
	Income	**Receivables**	**Income**	**Receivables**
EUROCLINIC - SIMEIO D.Y.O. - PRIVATE CLINIC MEDICAL SINGLE-MEMBER PRIVATE COMPANY	351,293	414,481	183,388	210,329
Total	**351,293**	**414,481**	**183,388**	**210,329**

FACILITIES - BRANCHES

The Company is registered and established in Greece, having its registered offices in Ampelokipi, Attica (7-9 Athanasiadou Str.).

EVENTS AFTER THE REPORTING PERIOD

Effect of COVID-19

2020 is characterized by the uncertainty caused by the new coronavirus SARS-CoV-2, which causes the disease COVID-19. On March 2020, the WHO categorized COVID-19 as a pandemic. Measures adopted in order to preserve public health have a negative effect in economic activity worldwide, while the level of uncertainty regarding the course of the pandemic and its consequences is high.

According to IAS 10, the effects of the pandemic of COVID-19 constitue a non-adjusting event after the reporting period.

Throughout this period, the Group and the Company adopted all necessary measures in order to secure health and safety of their staff and patients, while maintaining the high level of services.

The Group offered 10 ICU beds to the public sector, one inpatient ward with 20 patient beds for cases not related to COVID-19, as well as its emergency department for all non-contagious cases, contributing to the public health care system throughout the period of the crisis.

Since the beginning of the year, the Group has shown growth in both top line figures and profitability. According to monthly management accounts for the first two months of 2020, net sales increased by 10.7% and EBITDA by 20.7% compared to 2019. The same developing course continued the first half of March, even though the consequences of the pandemic were apparent.

Following the decision 237/20-03-2020 of the Ministry of Health, all surgeries in private clinics and public hospitals were suspended, in an effort to contain the spread of the coronavirus. Additionally, the Company suspended the operation of its outpatients department and its subsidiary (Euroclinic SIMEIO D.Y.O.) as a means to preserve the health of its patients and personnel. Consequently, for Q1 2020, patient discharges decreased by 3.7% and outpatients by 5.9% compared to 2019. The following lock down further affected patient visits and the Clinic only provided services for emergency cases. In terms of profitability, EBITDA in Q1 2020 decreased by 34.97% compared to 2019, since our Clinics were staffed with personnel numbers required to provide services to patient levels as those in the first two months of 2020. Apart from the decrease in turnover, the Company incurred additional expenses for the procurement of consumables and protective means against the disease, increased number of decontaminations, rents for special boxes to host possible COVID cases and protective glasses in all contact points with patients. More information regarding the consequences of the COVID-19 pandemic on the financial position and liquidity of the Group, as well as factors of uncertainty that exist are presented in Note 30 of the Financial Statements.

Due to the estimated adverse effect of the pandemic on the economy and by association on the economic efficiency of the Group and the Company, there is a possibility that the Group's assets, both tangible and intangible may be impaired in the future and any impairment will affect the Group's profits and financial position.

The Group and the Company have adopted the adequate policies and procedures for the minimization of credit risk, monitoring every counterparty's credit ability. However, the outbreak of COVID-19 creates uncertainty and the collection of receivables may be delayed.

With regards to the bond loan, it is contingent to the attainment of specific covenants. The Management is monitoring performance in order to request a waiver should this be deemed necessary.

Making specific predictions about the economic consequences of the pandemic involves high risk, since the phenomenon is still ongoing. The Group's management designed and implemented a series of measures and action plans in order to safeguard liquidity and the Group's performance

On 24/12/2019, the Company was granted the approval of bondholders for the restructuring of the Bond Loan agreement signed on 07/03/2018. This restructuring included the reduction of the interest rate margin, the modification of existing financial covenants and the extension of the repayment plan up to 2025. This restructuring is dependent upon specific conditions, which include a Share Capital increase up to € 4.00 million to be completed by 30/06/2020. This share capital increase will be in cash, in order to reinforce the Company's liquidity and is expected to be approved by the Company's General Assembly on 30/06/2020.

The proposal of the BoD on 04/06/2020 regarding the increase of Equity, so that article 119 par. 4 of Law 4548/2018 is no longer in place, is as follows:

1. Nominal reduction of the Company's Ordinary Share Capital by thirty two million ninety three thousand two hundred ninety six euros and eighty two cents (€ 32.09 million), through reduction of the nominal value of each share carrying one voting right from € 4.40 per share to € 0.70 per share and the creation of a special reserve, according to article 31 of L. 4548/2018.
2. Share Capital increase up to € 3.81 million in cash, through a rights issue of 1.326.136 new common shares carrying one voting right per share in favor of existing shareholders. Shares will have nominal value of € 0.70 per share and issue price at € 2.87 per share. Difference between nominal and issue price will be credit to the "Share Premium" account.

Upon completion of the above and following the approval of the Company's General Assembly on 30/06/2020 the latest, the Group's and Company's Share Capital will be € 7 million (10 million shares at par value of € 0.70 per share).

On May 2020, Management submitted a request to its lending banks for an additional credit line of € 7.0 million, to cover its working capital needs. Management estimates that negotiations will be completed within the next months.

Following a new ministerial decision from 04/05/2020 surgeries and outpatients departments began their gradual operation, based upon certain conditions targeting safety and public health. The most important condition refers to the numbers of surgeries, which cannot exceed 50% of the average number of monthly surgeries of 2019.

Management estimates that its revenue stream will be normalized gradually by September 2020, while at the same time it has adopted several measures to reinforce profitability:

- Operational changes according to patient flow and reduction of ancillary costs (eg cleaning services, electricity)
- Renegotiation of lease contracts
- Renegotiation with vendors in order to delay liability repayment
- Redesign of initial CAPEX budget for 2020, in order to contain initial cash outflows.

Change in share holding composition

On 14/04/2020, the share holding composition of the company has changed. Total number of common shares is 8.673.864 with nominal value of € 4.40 per share. Shareholding of the company is:

SHAREHOLDER	No of SHARES
AKKADIA HOLDINGS LIMITED	8,672,785
OTHER SHAREHOLDERS	1,079
TOTAL	**8,673,864**

SUMMARY DESCRIPTION OF THE BUSINESS MODEL

Athens Euroclinic was founded by Interamerican and commenced its operation in 1998, offering healthcare services. It is a state-of-the art diagnostic, surgical and treatment centre, capable of meeting the expectations of its patients, by setting strict criteria and an austere quality policy, equal to the largest hospital centres abroad.

Having high calibre medical and nursing personnel, with excellent scientific training, unique specialisations and having earned distinctions nationally and at a European level, holds a leading role in the field of private health. Athens Euroclinic is equipped state of the art medical equipment and modern facilities that allow it to cope with even the most challenging cases.

Children's Euroclinic was founded in 2002, which, operating within the context of Athens Euroclinic, provides quality specialized healthcare services to children.

In 2008, the transfer of the shares of both clinics to the South Eastern Europe Fund (SEEF) by Eureko B.V. (parent of Interamerican) was completed.

The subsidiary Euroclinic – Shmeio 2 – Private Polyclinic I.K.E. was established on 07/11/2016 with a mission to operate in the primary health care sector. The equity of the subsidiary is 10,000 € (10 shares, with nominal value of 1,000 € / Share) and was paid in cash from the Company in 2016.

CERTIFICATES

In 2019, Athens Euroclinic continued to provide high quality services according to the protocol "Patients friendly hospital" and he global certification of ISO 9001:2015 for the quality of the Healthcare Services provided, as well as the European standard EN 15224:2012, the safety of the meals prepared, distributed and delivered within the clinic, as per the international standard ISO 22000:2005.

During 2019, part of the preparations for the certification of the Medical Laboratories as per ISO 15189:2012 began in view of obtaining the certification by the fall of 2020. We have also competed preparations for the certification of the Stroke Unit according to the requirements of the European Stroke Organization.

Athens Euroclinic performed a patients' satisfaction research in a random sample of patients of both clinics and the index NET PROMOTER SCORE (NPS) was calculated. This index depicts the percentage of patients who would recommend Athens Euroclinic to others. The results are as follows:

- Average NPS 2019 for inpatients: Athens Euroclinic: 64.2 (GREAT)
  Childrens' Euroclinic: 75 (EXCELLENT)
- Average NPS 2019 for outpatients: Athens Euroclinic: 60.4 (GREAT)
  Childrens' Euroclinic: 66.4 (GREAT)

At the same time, we monitor any complaints in order to improve quality of services provided.

ENVIRONMENTAL ISSUES

The Group's objective is to preserve and protect the environment, through the application of specific environmental policies, with the purpose of reducing energy consumption and waste. The sorting of materials (office paper, clean packaging and wrapping material of health equipment, plastic, aluminium) from the common stream of wastes, as well as from purely hospital wastes, has contributed significantly to the protection of the environment. Special attention is given to the facilities, to ensure the necessary health conditions and the proper appearance of the areas. Cleaning is performed by companies - cleaning crews, which consist of specialised personnel, trained in the cleaning methodology, using modern equipment and environmentally-friendly materials. All third parties are certified by ISO 14001 and ISO 45001.

The specific environmental policies that aim to reduce the environmental footprint of the Group are the following:

- Replacement of high consuming lights with led lightening.
- Replacement of floors with recycled products that have Environmental certificate, Recycle content certificate, fire certificate, fdes & lrv certificate, as well as ISO 846 Part C (Bacteria Resistance).
- Building insulation contributing to the reduction of energy consumption.
- Special filtration of the air inside the areas of Athen's Clinic.
- Recycling and reduction of consumption of paper, aluminium, and plastic, thus reducing urban wastes.
- Careful management of infectious wastes. Disposal using a special procedure, employing a specialized Company for handling infectious wastes.
- Avoidance and application of all necessary measures to prevent environmental pollution.
- Neutralisation of liquid wastes coming from the microbiology laboratory to the necessary level to dispose them to the public sewage network.
- Continuous personnel training in the Company policies on the protection of the environment.

LABOUR ISSUES

Our personnel is the timeless value in which we invest having in mind their professional and scientific improvement. Highlighting talent, giving incentives to our people and rewarding effort is the Company's practice and commitment.

The total amount of personnel employed by the Group and the Company on 31/12/2019 reached 573 and 568 people accordingly (34% men and 66% women). The allocation of personnel per category and educational level is listed below:

Personnel Category	Group	Company	Personnel Category	Group	Company
			Ph. D.	5	4
Medical	42	38	Masters	66	63
Nursing	262	262	Bachelor's	86	85
Administrating	199	198	Technical Education	180	180
Assisting	29	29	Vocational Training	147	147
Paramedical	41	41	Secondary Education	84	84
			Basic Education	5	5
Total	**573**	**568**	**Total**	**573**	**568**

To achieve its objectives, the Company is focusing on attracting medical, nursing, and administrative personnel who are distinguished for their ethics and professionalism, while investing heavily in training its employees, through continuous

professional development and the implementation of programs that cover operational and personal needs and priorities. Within this context, it organizes and implements training programs that mainly involve the following:

- Smooth integration and training of new hires.
- Learning of improvement of personal skills.
- Continuous training in modern methods and nursing protocols.
- Certifications and intraclinical courses on nursing service.
- Participation in national or international conferences.

Through a distinguished third party, Euroclinic organized a Development Program for middle management executives (40 people in 2 groups) in order to improve their competences, motivate their employees by giving appropriate guidance and manage effectively through coaching.

The Group's and Company's continuing growth is dependent upon the improvement of the personnel's skills. Towards this direction, various educational seminars are organized and the participation of all employees is encouraged. The goal of these initiatives is the improvement of skills, their continuous professional development and their preparation to achieve the Company's goals.

During 2019, 36 seminars took place for all nursing employees. Additionally, 34 seminars were arranged by third parties.

Euroclinic is offering equal opportunities and equal treatment to its personnel and is treating them according to their abilities and performance. In addition, we are creating a working environment operating autonomously and creatively, respecting basic human rights and facing all the personnel equally.

The selection of the personnel is based on the recognition of talents and growth is the centre of Human Resource Management (HRM) adopted by the Group. Creativity, flexibility and problem solving thinking are encouraged by the Management. Moreover, the balance between work and personal life is adopted (worklife balance). We are working according to the global standards regarding security, the current legislation and the internal rules. We are in line with safety regulations, creating a comfortable working environment preventing accidents due to negligence.

Keeping employees engaged in corporate matters, improving intracompany communication and their satisfaction is important for strengthening corporate culture. Thus, for the first time the company performed an anonymous survey of employees' satisfaction and the results were discussed in private meetings between the Vice President and the departments' managers, setting in motion action plans where possible.

CORPORATE SOCIAL RESPONSIBILITY

Over the years, Corporate Social Responsibility has become an integral part of a business operation. Athens Euroclinic Group is interconnected with the social context, within which it operates and recognises its responsibility towards society and the environment.

Within this context and on the occasion of the 1 year anniversary of its Social Responsibility program through which it provides all medical and diagnostic tests to the 1.100 children of "The smile of the child", the union "Together for Children" and "Ark of the World", the Company organised activities for the children of these organisations.

The goal of these initiatives was the development of social and cognitive abilities of children through experiential games and activities. The first of these activities took place at the Center of Robotics STEM and tried to bring the children of "Together for Children" in touch with medicine, technology and robotics. The children of "The smile of the child" visited a specialised center for climbing in order to acquaint children with the value of sports and at the same time boost their self-confidence. Finally, the children of "Ark of the World" had the chance to learn the basic rules of medical prevention and safety, through cognitive games organised by the educational group "Dro".

In total Children's Euroclinic has offered medical services to more than 100 children who lack insurance coverage, suffer from chronic diseases and have had difficult family conditions.

Euroclinic Group with its program for the support of the three most important child-care organizations in Greece, stands out and ranks between the 35 top Companies that contribute with actions in the shaping of Corporate Social Responsibility in Greece, as presented in the 6th Actions Panorama of Corporate Social Responsibility hosted by Marketing Week.

Additionally, during 2019 the Group's employees participated in various voluntary actions, such as Race for the cure for the breast cancer and Action Hellas, assisting local communities, specially these are located in distant areas of Greece. For these areas the medical team of Athens Euroclinic offered free microbiology test, PAP test and hiστολογυ τεστ.

Finally, the Group supported the work of the voluntary group for fire-safety of Afidne, offering to all members specialized equipment.

CORPORATE GOVERNANCE

Corporate Governance is the framework of principles, rules and practices based on which the Company is managed and operated, in order to safeguard the shareholders' interests, ensure the equal treatment among them and the repsect of the rights of all stakeholders.

As the Company is a not listed, it does not have the obligation to adhere to a Corporate Governance code. However, in order to protect its shareholders' and other stakeholders' interests, to ensure the transparency and to avoid fraudulent actions, the Group voluntarily follows a part of generally accepted Corporate Governance values applied by companies listed in the Greek Stock Market. In this context, the Group adopts moral business practices in order to avoid bribery, money laundering and any kind of fraud. Every relevant complaint is examined, while the findings are forwarded to the relevant authorities when needed.

Apart from the provisions of L. 4548/2018, the major points of adherence to the principles of corporate governance are the following:

- The majority of the members of the Board of Directors are non-executive members (3 out of 5)
- There is an independent Internal Audit function reporting directly to the BoD.
- There is a Central Supplies Committee, targeting to the proper and transparent management of procurement.

DIVIDEND POLICY

The Board of Directors is proposing against the payment of dividends, due to accumulated losses.

The Board of Directors wishes to thank everyone who contributed to the achievement of the objectives and to the progress of the Company in 2019, including the Management, the Physicians and the staff.

Athens, June 04, 2020

THE CHIEF EXECUTIVE OFFICER

ANTONIOS VOUKLARIS

B. Independent Auditor's Report

To the Shareholders of the "EUROCLINIC S.A."

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying separate and consolidated financial statements of EUROCLINIC S.A. ("the Company"), which comprise the separate and consolidated statement of financial position as at December 31, 2019, separate and consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flows for the year then ended including a summary of significant accounting policies and other explanatory notes to the financial statements.

In our opinion, apart from the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries (the Group) as at 31 December 2019, their financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Qualified Opinion

Based on our audit and notwithstanding the requirements of International Accounting standard 16 "Property, Plant and Equipment", no update has been conducted regarding the valuation of the Group's and the Company's land and buildings of carrying amount of € 30.1 million at fair value, according to the accounting policies selected by the Group and Company. Due to this event, it is likely that the value of land and buildings as presented in the financial statements, has changed. Therefore, we were not in position to obtain sufficient and appropriate audit evidence in order to verify the fair value of the assets and, consequently, we have qualified our opinion with regards to the valuation of the aforementioned assets and the potential impact on the Company's equity and Statement of Profit and Loss and Comprehensive Income for the year ended December 31, 2019.

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the separate and consolidated financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of separate and consolidated financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw your attention to Note 2.2 to the financial statements making reference to the fact that as at 31/12/2019, the Group's and the Company's total Equity is lower than the half of its share capital and, therefore, the requirements of Article 119 par.4, CL 4548/2018 regarding the Group's and Company's ability to continue as a going concern are applicable. At the same time, the aforementioned Note refers to the fact that the current liabilities of the Group and the Company exceed the total current assets by € 10.49 million and € 10.50 million respectively and therefore, the Group and the Company might not be able to meet their contractual obligations. Finally, Note 2.2 describes the effects that the COVID-19 pandemic is expected to have on the liquidity of the Group and the Company.

The conditions described above indicate the existence of material uncertainty regarding the Group's and the Company's ability to continue as a going concern. However, as mentioned in Note 2.2 to the financial statements, the Group and the Company Management has planned the actions required to enhance the financial position and the going concern

assumption of the Group and the Company, condition which has been taken into account for the preparation of the accompanying financial statements according to the going concern principle.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information is included in the Annual Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report but do not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, we conclude based on our audit, that there is a material misstatement therein, we are required to communicate that matter. We have nothing to report regarding the aforementioned matter.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to liquidate the Company or the Group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

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

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those 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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or the Group'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 and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and the Group to express audit opinions on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We disclose to the management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

a) Board of Directors' Report

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015,management has the responsibility for the preparation of the Board of Directors' Report, the following are to be noted:

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Articles 150 and 153, CL 4548/2018, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31/12/2019.

b) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company EUROCLINIC S.A. and its environment.

b) Equity and relevant requirements of CL 4548/2018

At the Note 2.2 of the financial statements is mentioned the fact that the Company's total Equity is lower than the half of its share capital and therefore there are effective the prerequisites for applying Article 119 par.4 CL 4548/2018. As a result, the Board of Directors is obliged to convene the general meeting of shareholders on the subject of acting appropriately.

Athens, June 4, 2020
Certified Accountant

Pelagia Kaza
SOEL Reg.: No. 62591

Grant Thornton
An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

C. Annual Financial Statements

Statement of Financial Position as at 31 December 2019 (Consolidated and Stand-alone)

	Notes	Group		Company	
		2019	2018	2019	2018
ASSETS					
Fixed assets					
Tangible assets	**4**	38,135,972	34,228,945	38,042,611	34,172,594
Other intangible assets	**5**	13,286,064	14,368,191	13,286,064	14,368,191
Investments in Subsidiaries and Associate Companies	**9**	0	0	10,000	10,000
Trade and other receivables	**8**	182,708	190,233	182,708	190,233
Total non-current assets		**51,604,744**	**48,787,369**	**51,521,383**	**48,741,018**
Current Assets					
Inventory	**7**	795,258	748,954	788,708	731,534
Trade and other receivables	**8**	17,094,012	15,972,263	17,389,026	16,066,785
Cash and cash equivalents	**10**	2,657,642	881,490	2,256,743	698,827
Total current assets		**20,546,912**	**17,602,707**	**20,434,477**	**17,497,146**
TOTAL ASSETS		**72,151,656**	**66,390,076**	**71,955,860**	**66,238,164**
LIABILITIES					
Equity					
Share capital	**11**	38,165,002	38,165,002	38,165,002	38,165,002
Share premium	**11**	62,225,811	62,225,811	62,225,811	62,225,811
Other reserves	**12**	7,054,082	7,124,398	7,054,082	7,124,398
Retained earnings		(105,785,434)	(107,199,678)	(105,923,412)	(107,259,613)
Total equity		**1,659,460**	**315,532**	**1,521,483**	**255,597**
Liabilities					
Long-term liabilities					
Long term loans	**13**	32,167,170	30,334,143	32,167,170	30,334,143
Liabilities for personnel benefits	**14**	1,022,484	910,959	1,022,484	910,959
Deferred tax liabilities	**15**	5,698,990	5,450,551	5,734,175	5,465,510
Other provisions	**16**	571,604	647,604	571,604	647,604
Total long-term liabilities		39,460,249	37,343,258	39,495,434	37,358,217
Short-term Liabilities					
Short term loans	**13**	3,284,873	2,426,905	3,284,873	2,426,905
Suppliers and other liabilities	**17**	27,747,074	26,304,382	27,654,072	26,197,446
Total short-term liabilities		31,031,947	28,731,287	30,938,944	28,624,351
Total Liabilities		**70,492,195**	**66,074,544**	**70,434,378**	**65,982,567**
TOTAL EQUITY AND LIABILITIES		**72,151,656**	**66,390,076**	**71,955,860**	**66,238,164**

The attached notes form an integral part of the Financial Statements.

Statement of Comprehensive Income 2019 (Consolidated and Stand-alone)

	Notes	Group		Company	
		2019	2018	2019	2018
Sales	18	45,938,978	41,090,783	44,991,105	40,526,708
Cost of sales	22	(39,692,800)	(34,683,863)	(39,300,568)	(34,399,832)
Gross Profit		**6,246,178**	**6,406,919**	**5,690,537**	**6,126,876**
Other income	20	3,799,516	1,741,233	4,149,436	1,923,687
Administrative expenses	22	(6,322,575)	(5,495,574)	(6,217,761)	(5,423,421)
Other profits / (losses), net	19	(17,225)	52,564	(17,225)	52,564
Operating profits / (losses)		**3,705,894**	**2,705,143**	**3,604,987**	**2,679,706**
Financial income	23	3,912	2,577	3,912	2,577
Financial expenses	23	(1,985,955)	(1,805,206)	(1,981,828)	(1,802,142)
Financial incomes / (expenses), net	23	(1,982,043)	(1,802,630)	(1,977,916)	(1,799,566)
Profits / (losses) before taxes		**1,723,851**	**902,514**	**1,627,071**	**880,140**
Income Tax	24	(309,607)	600,533	(290,870)	607,449
Profits / (losses) after Taxes		**1,414,244**	**1,503,046**	**1,336,201**	**1,487,589**
Results after Taxes		**1,414,244**	**1,503,046**	**1,336,201**	**1,487,589**
Amounts not classified in the Income Statement:					
Actuarial (losses)/profits		(92,520)	131,925	(92,520)	131,925
Deffered tax on actuarial profits/losses		22,205	(38,258)	22,205	(38,258)
Other comprehensive income for the period after taxes		**(70,315)**	**93,666**	**(70,315)**	**93,666**
Comprehensive income for the period		**1,343,929**	**1,596,713**	**1,265,885**	**1,581,255**
Profits / (losses) after Taxes attributable to shareholders		**1,414,244**	**1,503,046**	**1,336,201**	**1,487,589**
Cumulative comprehensive income attributable to shareholders		**1,343,929**	**1,596,713**	**1,265,885**	**1,581,255**

The attached notes form an integral part of the Financial Statements.

Statement of Changes in Equity 2019 (Consolidated and Stand-alone)

	Group						Company					
	Share Capital	Share Premium	Other Reserves	Actuarial Gains/Losses Reserve	Retained Earnings	Total	Share Capital	Share Premium	Other Reserves	Actuarial Gains/Losses Reserve	Retained Earnings	Total
Balance as at 1 January 2018	**38,165,002**	**62,225,811**	**6,935,210**	**95,522**	**(107,302,725)**	**118,819**	**38,165,002**	**62,225,811**	**6,935,210**	**95,522**	**(107,347,202)**	**74,342**
Impact from the application of IFRS 9	**0**	**0**	**0**	**0**	**(1,400,000)**	**(1,400,000)**	**0**	**0**	**0**	**0**	**(1,400,000)**	**(1,400,000)**
Revised balance as at 1 January 2018	**38,165,002**	**62,225,811**	**6,935,210**	**95,522**	**(108,702,725)**	**(1,281,181)**	**38,165,002**	**62,225,811**	**6,935,210**	**95,522**	**(108,747,202)**	**(1,325,658)**
Profits / (losses) of 2018 after taxes	0	0	0	0	1,503,046	1,503,046	0	0	0	0	1,487,589	1,487,589
Revaluation of employee benefits	0	0	0	131,925	0	131,925	0	0	0	131,925	0	131,925
Deferred tax liability from the remeasurment of employee benefits	0	0	0	(38,258)	0	(38,258)	0	0	0	(38,258)	0	(38,258)
Accumulated comprehensive income	**0**	**0**	**0**	**93,666**	**1,503,046**	**1,596,713**	**0**	**0**	**0**	**93,666**	**1,487,589**	**1,581,255**
Balance as at 31 December 2018	**38,165,002**	**62,225,811**	**6,935,210**	**189,188**	**(107,199,678)**	**315,532**	**38,165,002**	**62,225,811**	**6,935,210**	**189,188**	**(107,259,613)**	**255,597**
Balance as at 1 January 2019	**38,165,002**	**62,225,811**	**6,935,210**	**189,188**	**(107,199,678)**	**315,532**	**38,165,002**	**62,225,811**	**6,935,210**	**189,188**	**(107,259,613)**	**255,597**
Profits / (losses) of 2019 after taxes	0	0	0	0	1,414,244	1,414,244	0	0	0	0	1,336,201	1,336,201
Revaluation of employee benefits	0	0	0	(92,520)	0	(92,520)	0	0	0	(92,520)	0	(92,520)
Deferred tax liability from the remeasurment of employee benefits	0	0	0	22,205	0	22,205	0	0	0	22,205	0	22,205
Accumulated comprehensive income	**0**	**0**	**0**	**(70,315)**	**1,414,244**	**1,343,929**	**0**	**0**	**0**	**(70,315)**	**1,336,201**	**1,265,885**
Balance on 31 December 2019	**38,165,002**	**62,225,811**	**6,935,210**	**118,873**	**(105,785,434)**	**1,659,461**	**38,165,002**	**62,225,811**	**6,935,210**	**118,873**	**(105,923,412)**	**1,521,483**

The attached notes form an integral part of the Financial Statements.

Statement of Cash Flows 2019 (Consolidated and Stand-alone)

		Group		Company	
	Notes	**2019**	**2018**	**2019**	**2018**
Cash flows from operating activities					
Cash flows from operating activities	**25**	6,768,966	2,438,400	6,501,162	2,237,286
Taxes paid		(180)	(20,978)	0	0
Interest paid		(1,804,225)	(1,710,202)	(1,800,098)	(1,707,138)
Net cash flows from operating activities		**4,964,560**	**707,220**	**4,701,064**	**530,147**
Cash flows from investing activities					
Acquisitions of tangible assets		(1,478,140)	(2,378,601)	(1,432,880)	(2,320,267)
Interest received		3,912	2,577	3,912	2,577
Net cash flows from investing activities		**(1,474,228)**	**(2,376,025)**	**(1,428,968)**	**(2,317,691)**
Cash flows from financing activities					
Collections from loans taken out (net from direct transaction expenses)		14,342,574	13,276,076	14,342,574	13,276,076
Loan repayment		(15,107,021)	(11,419,554)	(15,107,021)	(11,419,554)
Payments of capital for finance leases		(949,734)	(237,081)	(949,734)	(237,081)
Net cash flows from financing activities		**(1,714,180)**	**1,619,440**	**(1,714,180)**	**1,619,440**
Net increase / (decrease) in cash and cash equivalents		**1,776,152**	**(49,365)**	**1,557,916**	**(168,104)**
Cash and cash equivalents at the beggining of period		881,494	930,859	698,831	866,935
Cash and cash equivalents at the end of period	**10**	**2,657,646**	**881,494**	**2,256,747**	**698,831**

The attached notes form an integral part of the Financial Statements.

Notes on the Annual Financial Statements

1. Background

The Company operates in the field of health services in Greece.

The Company is registered and established in Greece, having its registered office in Ampelokipi, Attica (7-9 Athanasiadou Str.) and its electronic address is www.euroclinic.gr.

The Company shares are held by 57.89% by "Hippokrates Holdings B.V.", registered in Holland, which is a 100% subsidiary of "Gulert Enterprises Limited", registered in Cyprus, which in turn is a 100% subsidiary of "South Eastern Europe Fund (SEEF)", registered in Jersey Island. 42.10% of the shares is owned by "AKKADIA HOLDINGS LIMITED", registered in Cyprus, which is a 100% subsidiary of "Hippokrates Holdings B.V.". The remaining 0.01% of the shares is owned by physicians.

Subsidiary Euroclinic - Simeio D.Y.O. - Private Clinic Medical Single-Member Private Company was established on 7.11.16 with the purpose of engaging in the field of primary healthcare services. The share capital of the subsidiary amounts to € 10,000 (10 shares, with nominal value € 1,000 / share) and was paid on cash by the Company within 2016.

The consolidated financial statements of the year 2019 have been prepared in accordance with IFRS10.

The financial statements for the fiscal period ending on December 31, 2019 were approved for publication by the Company's Board on June 04, 2020, and are subject to approval by the Ordinary General Meeting of the Shareholders.

2. Summary of important accounting policies

The key accounting policies applied during the preparation of those financial statements are described below. The annual financial statements were prepared using the same accounting policies followed for the preparation and presentation of the financial statements of the Company for 2019, unless stated differently.

2.1 Framework for the preparation of the financial statements

The consolidated and stand-alone financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) including the International Accounting Standards (IAS) and the interpretations issued by the Standing Interpretations Committee (SIC), which have been issued by the International Accounting Standards Board (IASB), as well as the interpretations thereof, which have been issued by the International Financial Reporting Interpretation Committee (IFRIC) and had been adopted by the European Union as of 31/12/2019. The Group is applying all International Financial Reporting Standards (IFRS) that relate to its operations.

The financial statements have been prepared by using historical cost, as it has been amended when valuating tangible assets (lands and buildings) at fair value.

The preparation of the financial statements in accordance with the IFRS standards requires the use of significant accounting estimations and judgments by Management, regarding the application of accounting principles. In addition, the use of calculations and assumptions that affect the reported amounts of assets and liabilities, the disclosure of possible receivables and liabilities at the reporting date and the reported income and expenses of the period presented are required. Despite the fact that these calculations are based on the best possible knowledge of the Management in relation to the current conditions and actions, the actual results may be different. The areas that refer to complex transactions and include a great level of subjectivity and the cases and assessments that are important to the financial statements are mentioned in Note 3.

Any differences between the amounts in the financial statements and the respective amounts in Notes are due to rounding.

2.2 Statement of compliance

The consolidated and standalone financial statements have been prepared based on the continued activity and do not contain any adjustments reflecting possible future impact on the assets and liabilities regarding the recovery and restructuring rate thereof if the Company becomes unable to continue operating in the future. The Management does not wish and it is not required to proceed to the liquidation of Group assets in the short-run.

According to the figures of Financial Position, on 31/12/2019, the Group and the Company are registering negative working capital as short term liabilities is over the non-current assets by € 10.49 million and € 10.50 million respectively. At the same time, equity for the Group and the Company as at 31/12/2019, was lower than half of the share capital on the same date. As a result, the provisions of article 119 paragraph 4 of Law 4548/2018 should be implemented.

2020 is characterized by the uncertainty caused by the new coronavirus SARS-CoV-2, which causes the disease COVID-19. On March 2020, the WHO categorized COVID-19 as a pandemic. Measures adopted in order to preserve public health have a negative effect in economic activity worldwide, while the level of uncertainty regarding the course of the pandemic and its consequences is high.

Since the beginning of the year, the Group has shown growth in both top line figures and profitability. According to monthly management accounts for the first two months of 2020, net sales increased by 10.7% and EBITDA by 20.7% compared to 2019. The same developing course continued the first half of March, even though the consequences of the pandemic were apparent.

Following the decision 237/20-03-2020 of the Ministry of Health, all surgeries in private clinics and public hospitals were suspended, in an effort to contain the spread of the coronavirus. Additionally, the Company suspended the operation of its outpatients department and its subsidiary (Euroclinic SIMEIO D.Y.O.) as a means to preserve the health of its patients and personnel. Consequently, for Q1 2020, patient discharges decreased by 3.7% and outpatients by 5.9% compared to 2019. The following lock down further affected patient visits and the Clinic only provided services for emergency cases. In total for the period April – May 2020, the Group's revenue before rebate and clawback decreased by 34.97% compared to the respective period of 2019.

Making specific predictions about the economic consequences of the pandemic involves high risk since the phenomenon is still ongoing. The Group's management designed and implemented a series of measures and action plans in order to safeguard liquidity and the Group's performance.

On 24/12/2019, the Company was granted the approval of bondholders for the restructuring of the Bond Loan agreement signed on 07/03/2018. This restructuring included the reduction of the interest rate margin, the modification of existing financial covenants and the extension of the repayment plan up to 2025. This restructuring is dependent upon specific conditions, which include a Share Capital increase up to € 4.00 million to be completed by 30/06/2020. This share capital increase will be in cash, in order to reinforce the Company's liquidity and is expected to be approved by the Company's General Assembly on 30/06/2020.

The proposal of the BoD on 04/06/2020 regarding the increase of Equity, so that article 119 par. 4 of Law 4548/2018 is no longer in place, is as follows:

1. Nominal reduction of the Company's Ordinary Share Capital by thirty two million ninety three thousand two hundred ninety six euros and eighty two cents (€ 32.09 million), through reduction of the nominal value of each share carrying one voting right from € 4.40 per share to € 0.70 per share for the creation of a special reserve, according to article 31 of L. 4548/2018.
2. Share Capital increase up to € 3.81 million in cash, through a rights issue of 1.326.136 new common shares carrying one voting right per share in favor of existing shareholders. Shares will have nominal value of € 0.70 per share and issue price at € 2.87 per share. Difference between nominal and issue price will be credit to the "Share Premium" account.

Upon completion of the above and following the approval of the Company's General Assembly on 30/06/2020 the latest, the Group's and Company's Share Capital will be € 7 million (10 million shares at par value of € 0.70 per share).

On May 2020, Management submitted a request to its lending banks for an additional credit line of € 7 million, to cover its working capital needs. Management estimates that negotiations will be completed within the next months.

Following a new ministerial decision from 04/05/2020 surgeries and outpatients departments began their gradual operation, based upon certain conditions targeting safety and public health. The most important condition refers to the numbers of surgeries, which cannot exceed 50% of the average number of monthly surgeries of 2019.

Management estimates that its revenue stream will be normalized gradually by September 2020, while at the same time it has adopted several measures to reinforce profitability:

- Operational changes according to patient flow and reduction of ancillary costs (e.g. cleaning services, electricity etc)
- Renegotiation of lease contracts
- Renegotiation with vendors in order to delay liability repayment
- Redesign of initial CAPEX budget for 2020, in order to contain initial cash outflows.

Should the above measures prove to be insufficient due to the overall uncertainty from COVID -19, there is a possibility that the perspectives for the future may be adversely affected. This implies that there are indications of going concern issues.

However, taking into consideration the long standing relations of the Group with its creditors and the fact that there are no indications that the actions by Management will not be successful, it is estimated that the Company will not face any financing and liquidity issues within the next 12 months.

2.3 Change in Accounting Policies

The accounting policies used for the preparation of the Financial Statements are consistent with those used for the preparation of the annual Financial Statements of the period ended on 31/12/2019, apart from the changes in Standards and Interpretations that apply since 01/01/2019. The standards presented are those that were adopted by the EU as of 01/01/2019, along with the standards that are compulsory from 01/01/2019, but have not been adopted yet by the EU - these are expected to be adopted in the future.

New standards, interpretations, revisions and amendments to existing Standards that have come into force and have been adopted by the EU

The following amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2019.

- **IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

On January 2016, the IASB issued a new Standard, IFRS 16. The objective of IASB's project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The new Standard affects/ does not affect the consolidated/ separate Financial Statements (to be adapted in respect of every Group/ Company).

Effect from the adoption of IFRS16

IFRS16 – Leases substitutes the current accounting treatment of IAS17 – Leases, IFRIC 4 – Determining whether an arrangement contains a Lease, SIC 15 – Operating Leases – Incentives and SIC 27 – Evaluating the substance of

transactions in the legal form of a lease. The new standard introduces a common practice in dealing with leases and it provides certain exemptions stated below.

The Group applied the new standard on 01/01/2019 using the simplified retrospective approach, based on which the standard is applied retrospectively with the accumulated effect of its application being measured on 01/01/2019. As a result, comparative figures as at 31/12/2018 are not restated and presented in accordance with IAS17.

The Group and Company made use of the following exemptions in accordance with IFRS16:

1. The Group applied IFRS 16 only on contracts valid as at 01/01/2019 and recognized as leases in accordance with IAS 17 and IFRIC 4.
2. Short-term and low value leases were exempted.
3. With respect to the discount rate, the Group decided to use a single discount rate to each category of leases with similar characteristics (eg duration of the lease, asset characteristics).
4. Initial related costs were exempted from the measurement of the Right of Use assets upon transitition.
5. Leases containing extension or termination clauses were evaluated based on prior experience.

The effect from the application of IFRS 16 – Leases, on the Group and Company's figures is recorded below. Figures that were not affected are not presented.

	Group	Company
Long-Term Leasing Liabilities	3,554,242	3,554,242
Short-Term Leasing Liabilities	683,779	683,779
Total leasing liabilities on 1st January 2019	**4,238,021**	**4,238,021**
Weighted average discount rate on 1st January 2019	**5.0% - 5.5%**	**5.0% - 5.5%**

	Group			
	< 1 Year	**From 2 to 5 years**	**> 5 years**	**Total**
Leasing Liabilities	915,679	3,390,743	3,500	4,309,922
Finance cost	(203,839)	(377,924)	(29)	(581,791)
Net present value of Liability	**711,840**	**3,012,819**	**3,471**	**3,728,131**

	Company			
	< 1 Year	**From 2 to 5 years**	**> 5 years**	**Total**
Leasing Liabilities	915,679	3,390,743	3,500	4,309,922
Finance cost	(203,839)	(377,924)	(29)	(581,791)
Net present value of Liability	**711,840**	**3,012,819**	**3,471**	**3,728,131**

Right of Use assets are related to the following categories of assets and are included in "Tangible Assets".

	Group Right of Use				
	Buildings & facilities	**Machinery and installations**	**Transportation means**	**Furniture and other equipment**	**Total**
Balance on 1/1/2019 1st IFRS 16 implementation	**0**	**0**	**0**	**0**	**0**
Additions	2,626,633	1,015,389	228,109	367,890	4,238,021
Depreciations	(450,007)	(20,576)	(62,959)	(85,443)	(618,985)
Balance on 31/12/2019	**2,176,626**	**994,813**	**165,150**	**282,447**	**3,619,036**

	Company Right of Use				
	Buildings & facilities	**Machinery and installations**	**Transportation means**	**Furniture and other equipment**	**Total**
Balance on 1/1/2019 1st IFRS 16 implementation	**0**	**0**	**0**	**0**	**0**
Additions	2,626,633	1,015,389	228,109	367,890	4,238,021
Depreciations	(450,007)	(20,576)	(62,959)	(85,443)	(618,985)
Balance on 31/12/2019	**2,176,626**	**994,813**	**165,150**	**282,447**	**3,619,036**

Further to the application of IFRS 16, the Group recognized depreciation and finance costs instead of rental expenses. For the period ending on 31/12/2019 the Group and Company incurred depreciation of € 618.99 thousand and finance costs of € 153.75 thousand. EBITDA for the year 2019 is positively affect by € 601.13 thousand following the application of IFRS 16.

- **IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The new Interpretation does not affect the Group and Company's Financial Statements.

- **Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The amendments do not affect the Group and Company's Financial Statements.

- **Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the Group and Company's Financial Statements.

- **Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the Group and Company's Financial Statements.

- **Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the Group and Company's Financial Statements.

New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group and the Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group and the Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group and the Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

- **Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01/01/2020)**

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The Group and Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

- **Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group and the Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2020.

- **IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group and the Company will examine the impact of the above on its Financial Statements, though it is not expected to have. The above have not been adopted by the European Union.

- **Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2022)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The Group and the Company will

examine the impact of the above on its Financial Statements, though it is not expected to have. The above have not been adopted by the European Union.

2.4 Change in Accounting Policies

(a) Valuation currency and reporting currency

The Company and its subsidiary operate in Greece. All the accounts of the financial statements are measured in Euros, which is the currency of the primary financial environment in which the Company operates (the "functional currency"). The financial statements are presented in Euros, i.e. the currency used for the functional purposes of the Company and for the presentation of its financial figures.

(b) Foreign transactions and balances

Transactions in foreign currency are valuated at the functional currency using the exchange rates applicable at the date of the transaction. Any translation profits or losses resulting from settling such transactions and from the valuation of the cost of use of foreign currency receivables and liabilities are recognized in the Statement of Comprehensive Income. There are no significant transactions or balances in currencies other than Euro.

2.5 Tangible assets

Group's land and buildings include the privately owned clinics. Land and the buildings are presented at fair value, based on periodical valuations by independent certified valuators, minus the subsequent depreciations of buildings. Any accumulated depreciation at the date the buildings are valued, are deleted against the book value of the buildings and the net amount is set at the adjusted value of the building.

Tangible assets in other categories are measured at historical cost minus any accumulated depreciation and minus any accumulated value impairment losses. The historical cost includes all direct expenses relevant with the acquisition of assets.

Deferred expenses are registered in excess of the book value of the tangible assets or are recognized as a separate asset, depending on the specific case, only if there is a significant possibility that the Company shall acquire future financial benefits relevant with the fixed asset will be accounted, and the cost of that asset can be reliably measured. The Company recognises at the book value of that tangible asset the cost for replacing an asset, when such cost is charged to it, provided that the recognition criteria are met. The book value of the replaced parts of the tangible assets is written off. Any other expense for repairs and maintenance is registered in the results of the financial statements of the year.

The increase in the book value of land and buildings resulting through the readjustment of these assets is recognized in equity, by crediting sundry reserves. Any reductions eliminating previous increases of the same assets are recognized in equity, by charging sundry reserves. Any additional reductions are recognized by charging the operating results and reduce or increase profits or losses respectively.

Any borrowing costs for acquiring, constructing or producing a tangible asset, which requires a significant period in order to operate or be sold, are capitalized as part of its cost. The borrowing costs are capitalized during the acquisition or active construction and capitalization ceases upon completion of the asset. The capitalization of borrowing costs is postponed if the construction of the asset gets postponed.

Land is not depreciated. The depreciation charges of the remaining tangible assets, which are approached by using the component method for each asset, are calculated using the straight fine method during the useful life thereof, which is as follows:

Category	Usefull Economic Life (in Years)
Buildings and facilities	20 - 40
Machinery and installations	5 – 10
Transportation means	9 - 11
Furniture and other equipment	5 – 10

The residual values and the useful lives of the tangible assets are subject to re-evaluation and adjustment, at least at the end of each fiscal period.

When the book values of the tangible assets exceed the recoverable value thereof, the difference (impairment) is directly registered as expense in results (Note 2.7 below).

During the sale of tangible assets, except from lands and buildings, the differences between the price received and the book value thereof is registered as a profit or loss (net) in results.

Upon selling the lands and buildings, the amount noted in sundry reserves is transferred to results carried forward.

2.6 Intangible assets

Licenses & Trademarks

Any licenses and trademarks acquired are recognised at historical cost. Any licenses and trademarks acquired through business combinations are recognized at fair value on the date of acquisition.

The licenses and trademarks have limited useful life and are measured at historical cost minus any accumulated amortization and minus any accumulated impairment losses. Amortization is calculated by using the straight line method during the economic useful life thereof (23.5 years), which is regularly re-examined.

Customer relations

Any customer relations acquired through business combinations are recognized at fair value on the date of acquisition. The customer relations have limited useful life and are measured at historical cost minus any accumulated amortization and minus any accumulated impairment losses. Amortization is calculated by using the straight fine method during the evaluated useful life thereof (3.5 - 9.6 years), which is regularly re-examined.

2.7 Impairment of non-financial assets

The assets subject to depreciation are audited for any impairment of their value, when indications are present that their book value will not be recovered. Impairment is recognized at the amount that the book value of the asset exceeds its recoverable amount. The recoverable amount is the highest between fair value less costs to sell and value in use. In order to evaluate impairment losses, assets are classified in the smaller possible cash generating units. Any non-financial assets that have been impaired are re-examined for any inversion of the impairment at the end of each period.

2.8 Financial assets

1. Classification

The investments of the Company are classified in the following categories based on the purpose of acquisition thereof. Management sets classification at the initial recognition and re-examines the classification at each date of publication.

(a) Loans and receivables

The financial assets of the group and the company are ranked in the category "Loans & Receivables", which consist of non-derivatives financial assets with fixed or scheduled payments, which are not negotiable in active marketplaces and there in no intention of selling them. This includes non-derivative assets with fixed or determined payments, which are not traded in active markets and for which there is no intention to sell. Those are included in the current assets, apart from those expiring more than 12 months after the reporting date. The latter are included in non-current assets, within the account "Customers and trade receivables".

2. Recognition and Measurement

The acquisition and sale of financial assets are recognised on the date of the transaction, which is also the date on which the Company commits to buy or sale the asset. The investments are initially recognized at fair value including transaction expenses for all financial assets that are not valued at FVTPL. Financial assets valued at FVTPL are initially recognized at fair value. Any transaction expenses are registered in results. The financial assets are derecognised when the right to collect in the cash flows of investments expires or is transferred and the Company has substantially transferred all risks and benefits related to the ownership thereof.

Then, the financial assets available for sale, including the financial assets valued at FVTPL are presented at fair value. Loans, receivables and investments withheld until expiration are presented at amortized cost by using the method of effective interest rate.

Any profits or losses resulting from the changes in fair value of the financial assets valuated at FVTPL are recognized in the period results which come up as "Sundry profits / (losses) - net". Income from dividends of financial assets valued at fair value are recognized in results as "Sundry income" when the Company has established a right for the collection thereof.

The Group, examines whether there are indications of impairment on each balance sheet date.

2.9 Netting of financial assets

Financial assets and liabilities are netted and the net amount is presented in the Statement of Financial Position, in case there is a legitimate right for netting along with the intention of settling on a net basis or recognising the asset and settling the liability at the same time.

2.10 Impairment of financial assets

The group and the company recognise provisions of impairment for expected credit losses for all the financial assets, except from them that accounted in fair value as of the financial statements.

The goal of impairment of receivables regarding IFRS 9 is to recognize the expected credit losses for the total life of a financial asset, of which credit risk has been increased after the initial recognition, without taking into consideration if the valuation is in a group or individual level, using all, using all the information that can be collected, based not only on historic and present data, but also data of future fair evaluations.

For the implementation of the above approach we are proceeding in the distinction between:

- The financial assets of which the credit risk has not increased significantly after the initial recognition or which have lower assets risk at the reporting date (level 1)
- The financial assets of which the credit risk has been significantly worse after the initial recognition and which the credit risk remains high (level 2)
- The financial assets of which there is objective evidence of impairment at the reporting date (level 3)

The financial assets classified in stage one are recognized as expected credit losses for the period of the next twelve months, while there that are classified in stage 2 or stage 3 are recognized as expected credit losses for the total life of the financial asset.

The expected credit losses are based on the difference between the conventional cash flows and the expected cash flows. The difference is accounted using an estimation of initial real interest rate of the financial asset.

The group and the company are applying the simplified approach of the template regarding the assets from contacts, or trade receivables and rent receivables, calculating the expected credit losses for the total life of these assets. In this case the expected credit losses recommend the expected shortages on conventional cash flows, taking into consideration the possibility of breaking the agreement anytime during the life of the asset. During the calculation of the expected credit losses, the company is using a table of provisions having grouped the assets according to the nature and aging the balance and taking into consideration available historic data in relation with the debtors and the financial environment.

2.11 Inventory

The Group and the Company maintain a stock of consumables and pharmaceuticals. Inventory is valued at the lowest value of and net realisable value. The cost of consumables is measured based on weighted average method, whereas the cost of pharmaceuticals based on latest price, due to the continuing price changes.

The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Any impairment losses are recognized in the results of the period during which they occur.

2.12 Cash & Cash equivalents

Cash and Cash equivalents include cash, bank deposits and short term (less than three months) low risk investments that are considered as easily liquidated. They include deposits of the Group and the Company valued at € 5.91 thousand (31/12/2018: € 22.6 thousand) concerning mainly guarantee letters from cooperating banks of the company. The bank accounts overdrafts are available as short term liabilities on loans.

2.13 Share Capital

Share capital includes ordinary Company shares. Ordinary shares are registered in equity.

The direct costs for the issuing of shares are registered after deducting the relevant income tax, by reducing the value of the issued shares.

2.14 Suppliers and other liabilities

Liabilities to suppliers refer to Group and Company liabilities originating from the purchase of goods and services in the course of its standard operation.

Liabilities to suppliers and others are initially recognized at fair value and are later measured at amortized cost using the effective interest rate method.

The above liabilities are registered as short-term liabilities if they expire within 12 months before the end of the fiscal period. Otherwise, they are registered as long-term liabilities.

2.15 Factoring

Factoring agreements with recourse are initially recognised at fair value, as a liability to the factoring Company. Any difference between the collected amount (after deducting the relevant expenses) and the repayment value is recognised in the Statement of Comprehensive Income during the loan using the effective rate method.

The amounts pre-collected by factoring companies, without recourse, reduce the trade receivables.

2.16 Loans

Loans are valued at cost, which is the real value of exchange received minus the issue cost related with the loan. After the initial recognition, loans are calculated on the unamortized cost using real interest rate. Any difference between the collected amount (after relevant expenses are deducted) and the payoff value is recognized in the financial statements during the loan period is accounted by the real interest rate method.

Amounts paid for the creation of loan lines are recognized as expenses for the accomplishment of the transaction, at the point which is possible that part or all the limits will be used. In this occasion the remunerations are postponed until limits are used. In this occasion where it is not sure that part or all of the boundaries will be used, remunerations are capitalized as payments in advance and are depreciated based on the period these boundaries concern.

The loans are ranked as short-term liabilities, except if the company has the right to postpone the payoff of the liability for at least 12 months from the balance sheet publication date.

2.17 Taxes

Taxation of the fiscal period includes the income tax and the deferred tax. Taxation is recognised as an expense in the statement of comprehensive income, (excluding the part that refers to funds that have been directly recognized at net position or in other comprehensive income). In this case, taxation is recognised in equity or in other comprehensive income.

Income tax is calculated based on tax legislation and the tax rates applicable in Greece and is registered as an expense in the period during which the income has occurred. The Company Management valuates in regular periods the position of the Company with regards to tax laws and recognises provisions for amounts that may result for payment to tax authorities. These amounts are identified as “Provisions” in the Statement of Financial Position.

Any deferred income tax is calculated by applying the liability method to all temporary differences between the carrying value and the tax base of assets and liabilities. No deferred income tax is accounted from the initial recognition of an asset or liability in a transaction, apart from a business combination that did not affect either the accounting or the taxable profit or loss. The deferred income tax is determined by using the tax rates (and laws) applied on the reporting date, or that are expected to apply when the income shall be recognised from the deferred tax receivable, or when the deferred tax liability is settled.

A deferred tax asset is recognised for unused losses carried forward, If and only if it is considered probable that there will be sufficient future taxable profits against which the losses can be utilised.

Deferred tax is recognized for the temporary differences that come up from investments in affiliates and affiliate businesses, except from the case in which the inversion of temporary differences is controlled from the company and is possible that temporary differences with not revert in the future.

Any deferred tax assets and liabilities are set off when there is a legally established right to set off the current tax assets against the current tax liabilities and when the deferred income taxes refer to the same tax authority.

2.18 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the Company will comply with all applicable laws and that the grant will be received.

Any government grants referring to expenses are registered in transitory accounts and are recognised in results so that they are matched with the expenses destined to repay.

2.19 Employee benefits

(a) Post-employment benefits

The Group and the Company participate in various defined contribution plans, which are financed through contributions made to funds. Those payments are defined by Greek legislation and the Funds' regulations. A benefit system includes a pension programme that sets the amount the employee shall collect upon retirement, which usually depends on factors such as age, years of experience and fees. Benefits paid to all employees of the country of origin of the Company are considered to constitute a pension programme for fixed benefits.

The liability registered in the Statement of Financial Position with regards to defined contribution plans is the present value of the liability for the defined benefit at the end of the fiscal period minus the fair value of the assets of the programme and the changes resulting from non-recognised actuarial gains and losses and the cost of experience. The commitment of the defined benefit is calculated annually by an independent actuarial using the projected unit credit method. The present value of the defined benefits is defined by discounting the budgeted future cash outflows, was calculated using the iBoxx AA Corporate Overall 10+ EUR indices, at the payable currency of the benefits and on terms, until the expiration thereof, that are similar to the terms applying for the commitment of a defined benefit.

All actuarial gains are recognized in other comprehensive income.

Service cost is directly registered in results, except from the case where the changes of the program depend on the remaining service time of the employees. In this case, the service cost is registered in results using the fixed method in the maturity period.

(b) Termination benefits

Termination benefits are paid when employees are made redundant before the retirement date or in case of voluntary redundancy in exchange of those benefits. The Company registers those benefits when it has clearly committed either to terminate the employment of existing employees, in accordance with a detailed program for which there is no option of withdrawal, or when offering such benefits as incentive for voluntary redundancy. Any termination benefits that are due 12 months after the balance sheet date are discounted at the current value thereof.

(c) Short-term benefits

Short-term benefits to personnel, in money or in kind, are registered as an expense when they occur.

2.20 Provisions

Provisions for litigious actions are recognised when there is a commitment resulting from past events, with probable outflow of resources, and when the required amount can be reliably.

The provisions are calculated at the fair value of expenses that are required in order to cover the current liability on the reporting date. The discount interest rate used in order to define the current value reflects on the current market assessments for the time value of money and the increases concerning the specific liability.

When the outflow of financial resources as a result of present commitments is not considered possible, or when the amount of this provision cannot be reliably evaluated, not liability is recognized in the financial statements. Contingent

liabilities are not recognised in financial statements; instead these are disclosed, unless the possibility of releasing resources, which include financial benefits, is minimal.

The increase of the provision relevant with the passing of time is recognised as a financial cost.

2.21 Recognition of revenue

The group and the company are implementing the new IFRS 15 Receivables from contracts with customers from 01/01/2018, without the adjustment of comparative information, recognizing the cumulative effect of the initial application in the remaining of equity at the reporting date.

For the recognition and the count of revenue received from contracts with clients, the new template is implementing a new model that is consisting of five stages:

1. Identifying the contact with the client
2. Identifying the commitment of execution
3. Identifying the price of the exchange
4. Allocation of the trade amount based the agreement commitments
5. Identifying revenue the time the agreement commitments are fulfilled.

The price of the exchange and amount of the trade amount on a contract which a company is expecting to have right, as exchange for the transfer of goods or services to a client , excluding the amounts that earned on behalf of a third party (VAT, other taxes on sales).

The income is recognized when relative implementation commitments are fulfilled or in a specific moment (usually for promises that have to do with transfer of goods to a client) or as the time passes.

The group and the company are recognizing a conventional liability for the amounts they receive from their clients (payments in advance), which concerns commitment of execution that have not been completed, as well as when they maintain the right (with a price which is unconditional) before the execution of contract commitments and the transfer of product or services. The contractual obligation is write off when commitments are executed and the revenue is recognized in the financial statements.

The group and the company are recognizing receivables from a client when there is unconditional right of the client to receive the price for the execution of contract commitments to the client. Respectively the company is recognizing an element of the asset from contracts when the execution commitments are fulfilled, before the client pay or before the payment is demanded, for example when the products or series are transferred to the client before the right of the company to issue an invoice.

The revenue recognition from health services is taking place at the time the service is being provided based on the amounts expected to being received from the counterparties. The revenue from selling products is recognized at the time when the buyer acquires the control of the products, usually with the delivery of the product. The adoption of IFRS 15 has not any impact on the revenue recognition of the above revenue.

The revenue from operating leases is recognized gradually during the rental. The IFRS 15 has not any effect in revenue recognition of this category, as it is falls in IAS 17 implementation.

2.22 Interest revenue/interest expenses

Interest income expenses are recognised in the financial income. Expenses line, using the effective interest rate method, excluding the financing expenses related with the acquisition, manufacture or production of an asset for which a significant time period is required in order to operate or be sold, which are capitalised as a part of the asset's cost.

The effective interest rate method is a method for calculating the amortised cost of a financial asset or of a financial liability and for classifying the revenue from interest or the interest expense in the relevant period. The effective interest rate is the interest rate accurately discounting future cash payments or collections during the expected life of the financial

tool or during a shorter period where it applies to the net value of the financial asset or financial liability. In the calculation of the effective interest rate, the Company evaluates the cash flows by considering all contractual terms of the financial tool (e.g. prepayment options) but does not take into consideration all future credit losses. This calculation includes all fees paid or collected between the contracting parties that are an integral part to the effective interest rate, the expenses of transactions and all other goodwill or discounts.

When there is impairment of receivables, their book value is reduced to their recoverable amount, which refers to the present value of the anticipated future cash flows, discounted by the initial effective interest. Then, the interest rates are accounted using the same interest rate over the impaired value (new book value).

2.23 Leases

(a) The Company as a lessee

For every contract on or after 01/01/2019, the Group evaluates if the contract is or contains a lease. A contract is or contains a lease, if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. Within this context the Group evaluates if:

- The contract conveys the right to control the use of an identified asset by being explicitly specified in a contract, or by being implicitly specified at the time it is made available3 for use by the customer.
- The Group has the right to obtain all the economic benefits from the use of this asset.
- The Group has the right to direct the identified asset's use.

Leases are recognized as a right-of-use asset and a lease liability on the Statement of Financial Position on the date the asset is ready for use. The right-of-use asset is initially measured on 01/01/2019 at the amount of the lease liability adjusted by the amount of prepaid or deferred lease payments. The right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment. Cost upon initial recognition includes the lease liability, any initial direct costs, restoration costs and lease payments at the recognition date less discounts and lease incentives.

After recognition, right-of-use assets are depreciated using the straight line method in the lower of their value in use and contract duration. They are also tested for impairment, should such indications exist.

The lease liability is initially measured at the present value of the lease payments payable over the lease term and include fixed leases, variable leases dependent on an index and amounts payable under residual value guarantees. They also include amounts should the right to acquire be exercised, as well as penalties for termination should it be virtually certain that the lessee will exercise this option.

For the computation of the present value of lease payments, the discount rate of the contract is used or in the case that it is not specified in the contract then the incremental borrowing rate. This interest rate represents the cost of capital that the lessee would pay in order to acquire a similar asset in similar conditions. On 01/01/2019, the weighted average discount rate applied by the Group and Company was 5% - 5.5%.

Following initial recognition, lease liabilities are increased by related finance costs and reduced by lease payments. In the case of variation in lease payments due to a change of an index, change in the residual value or the right to acquire the asset, extension or termination of the contract, then the liability is being re-measured. In the Statement of Financial Position right-of-use assets are presented in "Intangible Assets" and lease liabilities are presented separately.

(b) The Company as a lessor

The Company leases real property only in the form of operating leases.

2.24 Attribution of dividends

The attribution of dividend is recognised as a liability when approved by the shareholder's General Meeting.

2.25 Investment in subsidiaries

Subsidiaries are businesses controlled by the Company, directly or indirectly through other subsidiaries. The Company acquires control through the acquisition of the majority of voting rights of these companies. Additionally, as subsidiaries are considered entities in which the Company as the majority shareholder can elect the majority of members of the BoD. The existence of potential voting rights that are exercisable at the date of the financial statements, is gathered in order to assess whether the Company has control over these entities.

In the Company's Financial Statements investments in subsidiaries are valued at cost including any impairment losses. On each date of the Statement of Financial Position, the Company examines whether or not there are indications of impairment. If impairment is documented, the loss referring to the difference between the cost of and fair value is transferring to the Statement of Comprehensive Income.

Subsidiaries are consolidated using the acquisition method (full consolidation), starting from the control acquisition date, and cease being consolidated from the date such control does not exist.

Intercompany transactions, balances and unrealized earnings from transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides impairment indications of the transferred asset.

The companies included in the consolidated financial statements as at 31/12/2019 are the following:

no	Company	Registered in	Activity	% of participation	Consolidation method
1	GENERAL CLINIC, DIAGNOSTIC, TREATMENT, SURGERY CENTRE - **ATHENS EUROCLINIC S.A.**	Greece	Provision of healthcare services		Parent company
Subsidiaries					
1	EUROCLINIC SIMEIO D.Y.O. PRIVATE POLYCLINIC	Greece	Provision of primary healthcare services	100%	Full

3. Important accounting assessments and judgments by Management

Management assessments and judgements are continuously re-examined and are based on historical data and expectations for future events that are considered fair according to the data at hand.

The Company performs assessments and assumptions with regards to the development of future events. The assessments and assumptions with significant risk to cause substantial adjustments to the book values of the assets and liabilities within the next 12 months are as follows:

(a) Assessment of "fair value" of land and buildings

The most suitable indication of "fair value" is the current value that applies in an active market of similar real properties. If it is impossible to locate such information, the Company defines the value using a variety of logical assessments for the "fair values". In order to take such a decision, the Company takes into consideration a number of sources, including the following:

i) The current prices in an active real estate market of different nature, condition or location, which have been adapted to express such differences.

ii) Recent prices of similar real properties in less active markets, adapted in order to express any changes in the financial conditions that took place from the date the respective transactions occurred at that prices, and

iii) Discounted future cash flows, based on reliable valuations of future cash flows from external sources, such as current real property prices for the same location and condition, using discount interest rates showing the current assessment of the market with regards to the uncertainty about the amount of and time moment such cash flows appeared.

If it is not possible to locate current or recent prices, "fair value" is defined by employing valuation techniques for discounted cash flows. The Group uses assumptions that are basically based on the conditions of the market prevailing on the date of preparation of each balance sheet (market growth rate, discount interest rate).

The land and buildings of the Company were valued by independent valuators on December 31, 2010. The valuation was based on recent transactions made on standard commercial terms and market conditions.

(b) Impairment of trade receivables

The management of the company is evaluating at the end of each reporting period the recoverability of trade receivables of the group targeting to represent the recoverable amount. During the calculation of expected credit losses according to IFRS 9, the company is using a provision table, having grouped the receivables from customers, based on the nature and aging of the outstanding amount and taking into consideration the historic date in relation to the debtors and the financial environment.

On 31/12/2019, the results of the Company were charged with impairment of trade receivables amounting to € 665.46 thousand (December 31, 2018: € 436.04 thousand).

Since July 2013, the following have been enacted, in accordance with article 100 of law 4172/2013:

a) The Clawback mechanism for expenses related to hospitalization, diagnostic tests, and physical therapy. Based on this mechanism, the monthly expense by E.O.P.Y.Y. regarding diagnostic tests, hospitalisation, and physical therapies provided by contracted private healthcare providers cannot exceed 1/12 of the approved credit registered in the budget of E.O.P.Y.Y. The calculation basis for the amount that applies each month to each contracted provider is the monthly invoice submitted by the latter to E.O.P.Y.Y. for healthcare services provided to its insured parties during the respective period. No expenses submitted to E.O.P.Y.Y. are acknowledged or reimbursed after twenty (20) days from the end of each calendar month. The entire amount of the clawback is calculated at a semi-annual basis, calculating the difference between the budgeted and the actual expense, resulting from the expense required by the providers, after deducting any rebate amounts and other disallowable expenses at calculation time.

b) The establishment of a scale rate over the debts of E.O.P.Y.Y. for hospitalization, diagnostic tests, and physical therapies of the persons insured over the private healthcare providers contracted with E.O.P.Y.Y., in favour of the Organisation in the form of a Rebate for each month. The rebate is calculated on a monthly basis and paid by the indebted healthcare providers within one month from the written or electronic personal notice, to a bank account suggested by E.O.P.Y.Y.

Moreover, E.O.P.Y.Y. is allowed to offset the above rebate amounts with equal debts owed to these providers within the same and/or previous year, as such result from their lawful vouchers.

The clauses of the above cases (a) and (b) have a retroactive effect from 01.01.2013 and its duration extended to 2019-2022 according to article 25 of Law 4549/2018-GG 105^{A}/14-06-2018.

Private clinics have appealed against the mentioned law adjustments, supporting that these adjustments are clearing and canceling the collection of due amounts, while at the same time is imposing to the clinic to offer free of charge healthcare services at the part that is over E.O.P.Y.Y. monthly limit.

(c) Provisions for legal cases

The Group forms a provision for medical and other cases based on data received by its Legal Department and its collaborating Counsels. The provisions are calculate based on the assesment of the management regarding the expenditure will needed to solve the expected liabilities at the reporting date of financial statements and is based on a number of factors that requires exersize of judgement. If the final awarded amount is different from the one initially recognised, the difference shall affect the results of the period during which such event shall take place.

(d) Provision for income tax

Greek tax legislation and the relevant clauses are subject to interpretations by tax authorities. There are several transactions and calculations for which the final tax determination is uncertain. The income statements are filed with the tax authorities on an annual basis, but the profits or losses declared for tax purposes, remain temporary pending until tax authorities have audited the tax statements and the books of the taxed entity; based on these audits, the relevant tax liabilities are finalized. If the final tax is different from the one initially recognised, the difference shall affect the income tax for the period when this shall take place.

(e) Personnel benefits

The present value of obligations for personnel benefits is based on various factors that are actuarially calculated using certain assumptions. The assumptions used for determining the net expense for personnel benefits include discount interest rate, future increases in wages, and inflation rates. Any changes in these assumptions shall affect the book value of the liability.

The present value of fixed benefits is specified by using the suitable discounting rate. Specifically, the iBoxx AA Corporate Overall 10+ EUR index was used, at the payable currency of the benefits and on terms, until the expiration thereof, that are similar to the terms applying for the commitment of a fixed benefit. In addition, another basic financial assumption is related with the increases in personnel pay.

The assumptions used are further analysed in Note 14.

(g) Useful life of depreciable assets

The Management reviews regularly the useful lives of depreciable assets, in order to evaluate the appropriateness of the initial estimates. On 31/12/2019, the Management estimated that the useful lives represented the anticipated usefulness of assets.

(h) Impairment of assets with definite useful life

Assets with definite useful life are tested for impairment when events indicate that their value might not be recovered. For the estimation of their value in use the management estimates future cash flows from the asset or the CGU and selects the appropriate discounting factor, in order to estimate the present value of these future cash flows.

4. Tangible assets

	Group							
	Land	**Buildings & facilities**	**Improvement to third-party properties**	**Fixed assets under way**	**Machinery and installations**	**Transportation means**	**Furniture and other equipment**	**Total**
Opening b/ce as at 1 January 2018	**7,552,150**	**26,636,158**	**982,410**	**0**	**17,992,409**	**60,604**	**9,875,233**	**63,098,965**
Additions	0	111,844	72,759	2,743	1,730,145	0	461,111	**2,378,601**
Sales / Disposals	0	0	0	0	(127,749)	0	(165,323)	**(293,072)**
Closing b/ce as at 31 December 2018	**7,552,150**	**26,748,002**	**1,055,169**	**2,743**	**19,594,805**	**60,604**	**10,171,021**	**65,184,494**
Accrued depreciation as at 1 January 2018	**0**	**(4,040,860)**	**(287,041)**	**0**	**(17,297,770)**	**(60,604)**	**(8,390,330)**	**(30,076,606)**
Depreciation	0	(490,181)	(105,470)	0	(282,675)	0	(286,012)	**(1,164,338)**
Depreciation of sold/disposed assets	0	0	0	0	127,040	0	158,352	**285,392**
Closing b/ce as at 31 December 2018	**0**	**(4,531,041)**	**(392,511)**	**0**	**(17,453,404)**	**(60,604)**	**(8,517,991)**	**(30,955,552)**
Net Book Value as at 31 December 2018	**7,552,150**	**22,216,961**	**662,658**	**2,743**	**2,141,400**	**0**	**1,653,030**	**34,228,942**
Opening b/ce as at 1 January 2019	**7,552,150**	**26,748,002**	**1,055,169**	**2,743**	**19,594,805**	**60,604**	**10,171,021**	**65,184,494**
Additions	0	722,334	41,926	77,465	117,206	0	594,173	**1,553,105**
Sales / Dispodsals	0	0	0	0	(26,500)	0	(36,355)	**(62,855)**
Other transfers	0	0	0	(74,965)	0	0	0	**(74,965)**
Closing b/ce as at 31 December 2019	**7,552,150**	**27,470,336**	**1,097,095**	**5,243**	**19,685,510**	**60,604**	**10,728,839**	**66,599,778**
Accrued depreciation as at 1 January 2019	**0**	**(4,531,041)**	**(392,511)**	**0**	**(17,453,404)**	**(60,604)**	**(8,517,991)**	**(30,955,552)**
Depreciation	0	(429,682)	(120,048)	0	(312,133)	0	(311,061)	**(1,172,924)**
Depreciation of sold/disposed assets	0	0	0	0	9,275	0	36,355	**45,630**
Closing b/ce as at 31 December 2019	**0**	**(4,960,723)**	**(512,559)**	**0**	**(17,756,262)**	**(60,604)**	**(8,792,696)**	**(32,082,845)**
Net Book Value as at 31 December 2019	**7,552,150**	**22,509,613**	**584,536**	**5,243**	**1,929,248**	**0**	**1,936,142**	**34,516,933**

Right Of Use Assets

	Land	Buildings & facilities	Improvement to third-party properties	Fixed assets under way	Machinery and installations	Transportation means	Furniture and other equipment	Total
Opening b/ce as at 1 January 2019	0	0	0	0	0	0	0	**0**
Additions	0	2,626,633	0	0	1,015,389	228,109	367,890	**4,238,021**
Closing b/ce as at 31 December 2019	**0**	**2,626,633**	**0**	**0**	**1,015,389**	**228,109**	**367,890**	**4,238,021**
Accrued depreciation as at 1 January 2019	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Depreciation	0	(450,007)	0	0	(20,576)	(62,959)	(85,443)	**(618,985)**
Accrued depreciation as at 31 December 2019	**0**	**(450,007)**	**0**	**0**	**(20,576)**	**(62,959)**	**(85,443)**	**(618,985)**
Net Book Value as at 31 December 2019	**0**	**2,176,626**	**0**	**0**	**994,813**	**165,150**	**282,447**	**3,619,036**

Total Assets

Net Book Value of Total Assets as at 31 December 2019	**7,552,150**	**22,509,613**	**584,536**	**5,243**	**1,929,248**	**0**	**1,936,142**	**34,516,933**
Net Book Value of Right of Use Assets as at 31 December 2019	**0**	**2,176,626**	**0**	**0**	**994,813**	**165,150**	**282,447**	**3,619,036**
Net Book Value of Total Assets and Right of Use Assets as at 31 December 2019	**7,552,150**	**24,686,239**	**584,536**	**5,243**	**2,924,062**	**165,150**	**2,218,589**	**38,135,969**

	Company							
	Land	**Buildings & facilities**	**Improvement to third-party properties**	**Fixed assets under way**	**Machinery and installations**	**Transportation means**	**Furniture and other equipment**	**Total**
Opening b/ce as at 1 January 2018	**7,552,150**	**26,636,158**	**982,410**	**0**	**17,992,409**	**60,604**	**9,873,994**	**63,097,726**
Additions	0	111,844	60,829	2,743	1,730,145	0	414,707	**2,320,267**
Sales / Disposals	0	0	0	0	(127,749)	0	(165,323)	**(293,072)**
Closing b/ce as at 31 December 2018	**7,552,150**	**26,748,002**	**1,043,239**	**2,743**	**19,594,805**	**60,604**	**10,123,378**	**65,124,921**
Accrued depreciation as at 1 January 2018	**0**	**(4,040,860)**	**(287,041)**	**0**	**(17,297,770)**	**(60,604)**	**(8,390,309)**	**(30,076,585)**
Depreciation	0	(490,181)	(105,470)	0	(282,675)	0	(282,812)	**(1,161,137)**
Depreciation of sold/disposed assets	0	0	0	0	127,040	0	158,352	**285,392**
Closing b/ce as at 31 December 2018	**0**	**(4,531,041)**	**(392,511)**	**0**	**(17,453,404)**	**(60,604)**	**(8,514,769)**	**(30,952,330)**
Net Book Value as at 31 December 2018	**7,552,150**	**22,216,961**	**650,728**	**2,743**	**2,141,400**	**0**	**1,608,609**	**34,172,591**
Opening b/ce as at 1 January 2019	**7,552,150**	**26,748,002**	**1,043,239**	**2,743**	**19,594,805**	**60,604**	**10,123,378**	**65,124,921**
Additions	0	722,334	41,926	77,465	117,206	0	548,913	**1,507,845**
Sales / Dispodsals	0	0	0	0	(26,500)	0	(36,355)	**(62,855)**
Other transfers	0	0	0	(74,965)	0	0	0	**(74,965)**
Closing b/ce as at 31 December 2019	**7,552,150**	**27,470,336**	**1,085,165**	**5,243**	**19,685,510**	**60,604**	**10,635,936**	**66,494,945**
Accrued depreciation as at 1 January 2019	**0**	**(4,531,041)**	**(392,511)**	**0**	**(17,453,404)**	**(60,604)**	**(8,514,769)**	**(30,952,330)**
Depreciation	0	(429,682)	(119,571)	0	(312,133)	0	(303,288)	**(1,164,673)**
Depreciation of sold/disposed assets	0	0	0	0	9,275	0	36,355	**45,630**
Closing b/ce as at 31 December 2019	**0**	**(4,960,723)**	**(512,082)**	**0**	**(17,756,262)**	**(60,604)**	**(8,781,701)**	**(32,071,373)**
Net Book Value as at 31 December 2019	**7,552,150**	**22,509,613**	**573,083**	**5,243**	**1,929,248**	**0**	**1,854,234**	**34,423,572**

Right Of Use Assets

	Land	Buildings & facilities	Improvement to third-party properties	Fixed assets under way	Machinery and installations	Transportation means	Furniture and other equipment	Total
Opening b/ce as at 1 January 2019	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions	0	2,626,633	0	0	1,015,389	228,109	367,890	**4,238,021**
Closing b/ce as at 31 December 2019	**0**	**2,626,633**	**0**	**0**	**1,015,389**	**228,109**	**367,890**	**4,238,021**
Accrued depreciation as at 1 January 2019	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Depreciation	0	(450,007)	0	0	(20,576)	(62,959)	(85,443)	**(618,985)**
Accrued depreciation as at 31 December 2019	**0**	**(450,007)**	**0**	**0**	**(20,576)**	**(62,959)**	**(85,443)**	**(618,985)**
Net Book Value as at 31 December 2019	**0**	**2,176,626**	**0**	**0**	**994,813**	**165,150**	**282,447**	**3,619,036**

Total Assets

Net Book Value of Total Assets as at 31 December 2019	**7,552,150**	**22,509,613**	**573,083**	**5,243**	**1,929,248**	**0**	**1,854,234**	**34,423,572**
Net Book Value of Right of Use Assets as at 31 December 2019	**0**	**2,176,626**	**0**	**0**	**994,813**	**165,150**	**282,447**	**3,619,036**
Net Book Value of Total Assets and Right of Use Assets as at 31 December 2019	**7,552,150**	**24,686,239**	**573,083**	**5,243**	**2,924,062**	**165,150**	**2,136,681**	**38,042,608**

Depreciation charges amounting to € 1.79 mil (2018: € 1.16 mil) for the Group and € 1.78 mil (2018: € 1.16 mil) the Company have been registered in the Statement of Comprehensive Income as follows: € 1.22 mil (2018: € 791.75 thousand) in Cost of Sales and € 573.41 thousand (2018: € 372.59 thousand) in Administrative Expenses for the Group and € 1.21 mil (2018: € 789.57 thousand) in Cost of Sales and € 570 thousand (2018: € 371.56 thousand) in Administrative expenses for the Company. On 01/01/2019, the relative amounts of the initial acquisition value and cumulative depreciation of the improvement in buildings were updated equally without the effect of undepreciated value as at 01/01/2019.

If land and buildings were accounted in historical cost, the respective amounts thereof would be as follows:

	Group			
	2019		**2018**	
	Land	**Buildings & facilities**	**Land**	**Buildings & facilities**
Cost	3,446,439	26,019,539	3,446,439	25,297,205
Accumulated depreciation	0	(8,403,004)	0	(7,752,515)
Net Book Value on 31 December	**3,446,439**	**17,616,536**	**3,446,439**	**17,544,690**

	Company			
	2019		**2018**	
	Land	**Buildings & facilities**	**Land**	**Buildings & facilities**
Cost	3,446,439	26,019,539	3,446,439	25,297,205
Accumulated depreciation	0	(8,403,004)	0	(7,752,515)
Net Book Value on 31 December	**3,446,439**	**17,616,536**	**3,446,439**	**17,544,690**

Regarding fixed assets of the Group and the Company there are tangible collateral to the banks amounts to € 35.65 million for buildings and facilities, as well as notional collaterals for the equipment.

5. Intangible assets

Intangible assets of the Group and the Company for 2019 and 2018 are as follows:

	Group		Company	
	Licenses & Trademarks	Total	Licenses & Trademarks	Total
Initial Cost or Valuation as at 1 January 2018	**19,778,827**	**25,942,000**	**19,778,827**	**25,942,000**
Balance 31 December 2018	**19,778,827**	**25,942,000**	**19,778,827**	**25,942,000**
Accumulated amortization on 1 January 2018	**(4,328,509)**	**(10,082,501)**	**(4,328,509)**	**(10,082,501)**
Amortization	(1,082,127)	**(1,491,308)**	(1,082,127)	**(1,491,308)**
Balance on 31 December 2018	**(5,410,636)**	**(11,573,809)**	**(5,410,636)**	**(11,573,809)**
Net Book Value on 31 December 2018	**14,368,191**	**14,368,191**	**14,368,191**	**14,368,191**
Initial Cost or Valuation as at 1 January 2019	**19,778,827**	**25,942,000**	**19,778,827**	**25,942,000**
Balance on 31 December 2019	**19,778,827**	**25,942,000**	**19,778,827**	**25,942,000**
Accumulated amortization on 1 January 2019	**(5,410,636)**	**(11,573,809)**	**(5,410,636)**	**(11,573,809)**
Amortization	(1,082,127)	**(1,082,127)**	(1,082,127)	**(1,082,127)**
Balance on 31 December 2019	**(6,492,763)**	**(12,655,936)**	**(6,492,763)**	**(12,655,936)**
Net Book Value on 31 December 2019	**13,286,064**	**13,286,064**	**13,286,064**	**13,286,064**

Amortization charges amounting to €1.08 million (2018: €1.49 million) have been registered in the Statement of Comprehensive Income as follows: €735.85 thousand (2018: €1.01 million) in Cost of Sales and €346.28 thousand (2018: €477.22 thousand) in Administrative Expenses.

Regarding intangible assets (trade marks) a collateral has been formed.

Test for Impairment

The Group performs tests for impairment for its intangible assets in accordance with IAS 36 “Impairment of Assets” whenever there are indications for impairment.

In order to test for impairment of intangible assets, the Company is considered as a Cash Generating Unit (CGU), using cash flow estimates, before taxes, based on financial calculations approved by the Board of Directors. The Management defines the gross profit margin based on past performance and on expectations about the development of the market. The growth rate in perpetuity reflects the estimates of management. Management assesses the discount interest rates using interest rates reflecting the current market conditions about the current value of money and the specific risks of Greece. The Company assesses that there were no indications of impairment on 31/12/2019.

6. Financial assets and liabilities per segment

The accounting principles for financial assets and obligations apply to the following segments:

(a) Financial Assets per segment

	Group		Company	
	2019	2018	2019	2018
Trade and other receivables	17,094,012	15,972,263	17,389,026	16,066,785
Cash available and cash equivalents	2,657,642	881,490	2,256,743	698,827
Total	**19,751,653**	**16,853,753**	**19,645,769**	**16,765,612**

	Group					
	2019			2018		
Liabilities	**Liabilities in fair value through results**	**Other financial liabilities**	**Total**	**Liabilities in fair value through results**	**Other financial liabilities**	**Total**
Loans (excluding finance leases)	0	30,628,683	30,628,683	0	31,393,129	31,393,129
Finance leases	0	4,823,360	4,823,360	0	1,367,919	1,367,919
Suppliers and other liabilities	0	27,747,074	27,747,074	0	26,304,382	26,304,382
Total	**0**	**63,199,117**	**63,199,117**	**0**	**59,065,430**	**59,065,430**

	Company					
	2019			2018		
Liabilities	**Liabilities in fair value through results**	**Other financial liabilities**	**Total**	**Liabilities in fair value through results**	**Other financial liabilities**	**Total**
Loans (excluding finance leases)	0	30,628,683	30,628,683	0	31,393,129	31,393,129
Finance leases	0	4,823,360	4,823,360	0	1,367,919	1,367,919
Suppliers and other liabilities	0	27,654,072	27,654,072	0	26,197,446	26,197,446
Total	**0**	**63,106,114**	**63,106,114**	**0**	**58,958,494**	**58,958,494**

7. Inventory

	Group		Company	
	2019	**2018**	**2019**	**2018**
Consumables	503,015	489,538	497,750	472,477
Pharmaceuticals	292,243	259,416	290,959	259,057
Total	**795,258**	**748,954**	**788,708**	**731,534**

The cost of inventory registered as an expense in the Cost of Sales amounts to € 13.09 million (2018: € 10.89 million) for the Group and € 12.99 million (2018: € 10.85 million) for the Company. Inventory does not include impaired assets.

8. Trade receivables

	Group		Company	
	2019	**2018**	**2019**	**2018**
Trade receivables	53,235,538	50,167,471	53,031,699	50,055,051
Minus: Rebate & Clawback	(26,552,998)	(23,604,096)	(26,399,199)	(23,558,872)
Minus: Allowances	(12,857,546)	(12,509,309)	(12,857,546)	(12,509,309)
Net receivables from customers	**13,824,993**	**14,054,065**	**13,774,954**	**13,986,870**
Advances	599,574	294,759	598,236	291,280
Current income receivable	63,165	113,493	63,165	113,493
Purchase discounts	19,136	87,618	19,136	87,618
Receivables from various taxes	795,696	631,252	732,053	588,909
Sundry debtors	1,974,155	981,309	2,384,190	1,188,848
	17,276,720	**16,162,496**	**17,571,734**	**16,257,018**
Minus: Long-term receivables - advances	(182,708)	(190,233)	(182,708)	(190,233)
Short-term receivables from customers and trade receivables	**17,094,012**	**15,972,263**	**17,389,026**	**16,066,785**

Long-term receivables that are included in non-current assets refer to guarantees issued to third parties within the context of the Company's activities that do not have a specific expiration date.

The fair value of receivables from customers and other receivables is approximately the same with their book value.

All the above receivables refer to interest-free assets of the Group and the Company.

The Group has calculated the Clawback and Rebate from the initial application of relative legislative acts, through charges on its financial results. Specifically, it has written down the value of receivables from E.O.P.Y.Y. for the period of 01/01/2013 -31/12/2019 by the amount of € 26.55 million, following the application of article 100, par. 5 of Law 4172/2014 and of the later relevant ministerial decisions.

Apart from E.O.P.Y.Y. and the insurance companies, there is no concentration of credit risk with regard to trade receivables, since the Group has a large number of customers mainly in Greece and co – operations with foreign insurance companies.

The maturity of trade receivables in arrears that have not been impaired is listed below:

	Group		Company	
	2019	**2018**	**2019**	**2018**
< 3 months	3,058,328	3,140,905	3,030,490	3,077,111
3 - 6 months	4,408,682	4,477,649	4,407,985	4,475,798
> 6 months	6,357,984	6,435,512	6,336,479	6,433,960
Total	**13,824,993**	**14,054,065**	**13,774,954**	**13,986,870**

On 31/12/2019, trade receivables amounting to € 12.86 million (2018: € 12.51 million) are considered non-recoverable and an equivalent provision for bad debts has been formed.

The amount of such a provision was calculated as follows:

	Group		Company	
	2019	**2018**	**2019**	**2018**
Balance on 1 January	12,509,309	10,751,431	12,509,309	10,751,431
Impact from the application of IFRS 9	0	1,400,000	0	1,400,000
Modified balance as of 1/1/2018	**12,509,309**	**12,151,431**	**12,509,309**	**12,151,431**
Impairment Provision	616,670	436,040	616,670	436,040
Write offs	(268,433)	(78,162)	(268,433)	(78,162)
Total	**12,857,546**	**12,509,309**	**12,857,546**	**12,509,309**

Provisions for impairment are registered in the Statement of Comprehensive Income, in Cost of Sales. Amounts recognised as a provision are usually written off, provided that their collection is considered not probable.

The maximum credit risk for the Company on the reporting date is the book value of customers and sundry receivables, which is approx. the same with the fair value thereof.

On the reporting date, the Company did not own any securities registered against customers.

9. Investments in Subsidiaries and Associate Companies

On 31/12/2019, the Company owned 100% of the share capital of its subsidiary "Euroclinic - Simeio D.Y.O. - Private Clinic Medical Single-Member Private Company". The subsidiary was established on 07/11/2016 with purpose to operate in the field of primary healthcare services. The share capital of the subsidiary amounts to 10,000 (10 shares, with nominal value € 1,000 / share) and was paid in cash by the Company within 2016.

10. Cash and cash equivalents

	Group		Company	
	2019	**2018**	**2019**	**2018**
Cash	8,803	13,850	7,539	11,790
Cash equivalents	2,648,839	867,640	2,249,204	687,037
Total	**2,657,642**	**881,490**	**2,256,743**	**698,827**

The amount of cash and cash equivalents, which is temporarily withheld on 31/12/2019 is € 5.10 thousand (31/12/2018: € 22.6 thousand) and refers primarily to provision from the letters of guaranty issued by cooperating banks of the Company. The average interest rate of demand deposits for 2019 was 0.18% (2018: 0.2%).

11. Share capital and share premium account

	Company			
	Number of shares	**Ordinary shares**	**Share premium**	**Total**
Balance on 31 December 2018	8,673,864	38,165,002	62,225,811	**100,390,812**
Balance on 31 December 2017	8,673,864	38,165,002	62,225,811	**100,390,812**

The total amount of approved ordinary shares is 8,673,864 (2018: 8,673,864 shares) with nominal value € 4.4 for each share (2018: € 4.4 for each share). All issued shares have been fully paid.

The share-holding composition of the Company is as follows:

SHAREHOLDER	No of SHARES
HIPPOKRATES HOLDING B.V.	5,020,455
AKKADIA HOLDINGS LIMITED	3,652,330
OTHER SHAREHOLDERS	1,079
TOTAL	**8,673,864**

“AKKADIA HOLDINGS LIMITED” is 100% owned by “Hippokrates Holdings B.V.”.

Επί του συνόλου αριθμού 8,672,785 μετοχών έχει συσταθεί ενέχυρο.

12. Other reserves

	Group			
	Ordinary reserves	Remeasurement gain/loss of defined benefit plan liability	Revaluation reserve	Total
Balance on 1 January 2018	**23,875**	**95,522**	**6,911,335**	**7,030,732**
Assessment of personnel benefits	0	131,925	0	131,925
Deferred tax (note 15)	0	(38,258)	0	(38,258)
Balance on 31 December 2018	**23,875**	**189,188**	**6,911,335**	**7,124,398**
Balance on 1 January 2019	**23,875**	**189,188**	**6,911,335**	**7,124,398**
Assessment of personnel benefits	0	(92,520)	0	(92,520)
Deferred tax (note 15)	0	22,205	0	22,205
Balance on 31 December 2019	**23,875**	**118,873**	**6,911,335**	**7,054,083**

	Company			
	Ordinary reserves	Remeasurement gain/loss of defined benefit plan liability	Revaluation reserve	Total
Balance 1 January 2018	**23,875**	**95,522**	**6,911,335**	**7,030,732**
Assessment of personnel benefits	0	131,925	0	131,925
Deferred tax (note 15)	0	(38,258)	0	(38,258)
Balance on 31 December 2018	**23,875**	**189,188**	**6,911,335**	**7,124,398**
Balance on 1 January 2019	**23,875**	**189,188**	**6,911,335**	**7,124,398**
Assessment of personnel benefits	0	(92,520)	0	(92,520)
Deferred tax (note 15)	0	22,205	0	22,205
Balance on 31 December 2019	**23,875**	**118,873**	**6,911,335**	**7,054,083**

(a) Ordinary reserve

By virtue of the clauses of L.2190/1920, every entity is obliged to transfer at least 5% of its profits, after taxes, to Ordinary Reserves. This obligation ceases when the Reserve account is equal to 1/3 (33.33%) of the share capital. The Reserve cannot be attributed, but it can be used to absorb losses.

13. Loans

	Group		Company	
	2019	**2018**	**2019**	**2018**
Long-term loans				
Finance leases	3,799,935	1,074,143	3,799,935	1,074,143
Bank loans - Bond loans	28,367,235	29,260,000	28,367,235	29,260,000
Total long -term loans	**32,167,170**	**30,334,143**	**32,167,170**	**30,334,143**
Short - term loans				
Finance leases	1,023,425	293,776	1,023,425	293,776
Bond loans	750,000	300,000	750,000	300,000
Bank loans	1,511,448	1,833,129	1,511,448	1,833,129
Total sort-term loans	**3,284,873**	**2,426,905**	**3,284,873**	**2,426,905**
Total loans	**35,452,043**	**32,761,048**	**35,452,043**	**32,761,048**

The Group and the Company do not have loans valued in fair value, however the accounting value of short term loan obligations is approaching their fair value. The average actual interest rate of the bond loan for 2019 was 4.00% (2018: 3.91%).

On 24/12/2019, the Company was granted the approval of bondholders for the restructuring of the Bond Loan agreement signed on 07/03/2018. This restructuring included the reduction of the interest rate margin, the modification of existing financial covenants and the extension of the repayment plan up to 2025. This restructuring is dependent upon specific conditions, which include a Share Capital increase up to € 4.00 million to be completed by 30/06/2020.

As at 31/12/2019 the Company was in compliance with the existing financial covenants.

14. Employee Benefits

	Group		Company	
	2019	**2018**	**2019**	**2018**
Liabilities in the Statement of Financial Position for:				
Pension benefits	1,022,484	910,959	1,022,484	910,959
Charges to the Statement of Comprehensive Income				
Pension benefits	162,368	106,959	162,368	106,959

	Group		Company	
	2019	**2018**	**2019**	**2018**
Current value of non-financed payables	1,022,484	910,959	1,022,484	910,959
Liability in the balance sheet	**1,022,484**	**910,959**	**1,022,484**	**910,959**

	Group		Company	
	2019	**2018**	**2019**	**2018**
Current service cost	31,983	76,840	31,983	76,840
Net interest on the net defined liability	14,575	16,455	14,575	16,455
Losses / (profits) from curtailments/settlements/terminations	134,814	88,577	134,814	88,577
Net (profits) / losses	**181,372**	**181,873**	**181,372**	**181,873**

	Group		Company	
	2019	**2018**	**2019**	**2018**
Carrying value of liability at the beginning of period	**910,959**	**967,970**	**910,959**	**967,970**
Current service cost	31,983	76,840	31,983	76,840
Financial cost	14,575	16,455	14,575	16,455
Cost of cuts / settlements / terminations	134,814	88,577	134,814	88,577
Actuarial losses / (profits)	92,520	(131,925)	92,520	(131,925)
Benefits paid	(162,368)	(106,959)	(162,368)	(106,959)
Carrying value of liability at the end of period	**1,022,484**	**910,959**	**1,022,484**	**910,959**

The main actuarial assumptions employed are the following:

	Group		Company	
	2019	**2018**	**2019**	**2018**
Discount rate	1.2%	1.6%	1.2%	1.6%
Future raises in wages	2.0%	2.0%	2.0%	2.0%
Inflation	1.5%	2.0%	1.5%	2.0%

Mortality and morbidity rates

With regards to the assumptions concerning the mortality and morbidity rates, mortality table EVK 2000 has been used for men and women.

Analysis of result sensitivity

The sensitivity of the present value of the actuarial obligation in a possible change of the basic assumptions that were used, is presented below:

	2019	**2018**
Increase of Interest payable by 0,5%	935,557	841,584
Decrease of Interest payable by 0,5%	1,119,534	1,001,573
Increase of expected wage growth by 0,5%	1,111,506	1,000,516
Decrease of expected wage growth by 0,5%	940,755	841,544

15. Deferred Tax

Deferred income tax is accounted on the temporary differences, after the use of taxation factors that are expected to be in use at the date of recovery or the date of settlement. The amounts that are available in the income statement is estimated that will be recovery or settled after the 31/12/2019. According to article 22 of law 44646/2019, taxation factors on the profits from operations are 24% for the fiscal year 2019 and after.

Changes on the deferred tax assets and liabilities during the fiscal year are as follows:

Deferred taxation	Group								
	Liabilities for personnel benefits	Impairment of receivables	Unrecognised intangible assets	Provisions	Fair value gains	Depreciation of tangible assets	Licenses & Trademarks	Customer relations	Total
Balance on 1 January 2018	**(268,172)**	**(2,983,075)**	**(10,330)**	**(474,020)**	**1,307,412**	**3,862,734**	**4,480,592**	**118,663**	**6,033,804**
Charge / (credit) in the statement of comprehensive income	**(56,594)**	**349,829**	**5,126**	**127,936**	**(174,733)**	**69,204**	**(823,617)**	**(118,663)**	(621,511)
Charge / (credit) in other comprehensive income	**38,258**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	38,258
Balance on 31 December 2018	**(286,508)**	**(2,633,246)**	**(5,204)**	**(346,084)**	**1,132,679**	**3,931,937**	**3,656,975**	**0**	**5,450,551**
Balance on 1 January 2019	**(286,508)**	**(2,633,246)**	**(5,204)**	**(346,084)**	**1,132,679**	**3,931,937**	**3,656,975**	**0**	**5,450,551**
Charge / (credit) in the statement of comprehensive income	**44,206**	**1,195,419**	**4,243**	**80,287**	**(84,283)**	**(467,628)**	**(468,320)**	**0**	270,644
Charge / (credit) in other comprehensive income	**(22,205)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	(22,205)
Balance on 31 December 2019	**(264,507)**	**(1,437,827)**	**(962)**	**(265,797)**	**1,048,396**	**3,464,310**	**3,188,655**	**0**	**5,698,990**

Deferred taxation	Company								
	Liabilities for personnel benefits	Impairment of receivables	Unrecognised intangible assets	Provisions	Fair value gains	Depreciation of tangible assets	Licenses & Trademarks	Customer relations	Total
Balance on 1 January 2018	**(268,172)**	**(2,982,490)**	**(10,330)**	**(473,708)**	**1,307,412**	**3,862,734**	**4,480,592**	**118,663**	**6,034,701**
Charge / (credit) in the statement of comprehensive income	(56,594)	361,806	5,126	130,021	(174,733)	69,204	(823,617)	(118,663)	(607,449)
Charge / (credit) in other comprehensive income	38,258	0	0	0	0	0	0	0	38,258
Balance on 31 December 2018	**(286,508)**	**(2,620,683)**	**(5,204)**	**(343,687)**	**1,132,679**	**3,931,937**	**3,656,975**	**0**	**5,465,510**
Balance on 1 January 2019	**(286,508)**	**(2,620,683)**	**(5,204)**	**(343,687)**	**1,132,679**	**3,931,937**	**3,656,975**	**0**	**5,465,510**
Charge / (credit) in the statement of comprehensive income	44,206	1,217,563	4,243	78,368	(84,283)	(467,628)	(468,320)	0	290,870
Charge / (credit) in other comprehensive income	(22,205)	0	0	0	0	0	0	0	(22,205)
Balance on 31 December 2019	**(264,507)**	**(1,403,120)**	**(962)**	**(265,319)**	**1,048,396**	**3,464,310**	**3,188,655**	**0**	**5,734,175**

16. Other provisions

	Group		Company	
	Pending Litigation	**Total**	**Pending Litigation**	**Total**
Balance on 1 January 2018	**647,604**	**647,604**	**647,604**	**647,604**
Additional provisions for period	**0**	0	0	0
Balance on 31 December 2018	**647,604**	**647,604**	**647,604**	**647,604**
Balance on 1 January 2019	**647,604**	**647,604**	**647,604**	**647,604**
Reversal of provisions	**(76,000)**	(76,000)	(76,000)	(76,000)
Balance on 31 December 2019	**571,604**	**571,604**	**571,604**	**571,604**

(a) Pending litigation

The Group and the Company are involved in litigations as part of normal operation, between them and the cases of medical liability. For these litigations the Group and the Company are covered by insurance contracts. The group forms provisions additional of the pending litigations, in cases where is considered possible to demand outflow for the settlement of the liability and the amount that can be evaluated reasonably taking into consideration the assumptions of law advisor and of the law department of the group.

Management and its legal team believe that pending litigations, the current provisions for litigations, are expected to settle without significant negative effects on the consolidated financial position of the group or in the financial statements.

(b) Tax liabilities

The Group proceeds to the annual estimation of contingent liabilities that arise from the audit of previous fiscal years and forms the relevant provisions when considered necessary. The Management considers that any taxes that may be payable will not have a significant impact on equity, on the Profit and Loss, or on the Cash Flows of the Company.

The unaudited periods of the Company are analytically presented in Note 24.

17. Trade and Other Payables

	Group		Company	
	2019	**2018**	**2019**	**2018**
Suppliers	15,783,057	16,349,954	15,762,184	16,323,818
Salaries Payable	170,334	104,439	170,334	104,439
Doctors Payable	4,930,741	4,053,134	4,910,426	4,026,968
Saundry Payable	3,986,542	3,228,829	3,984,189	3,209,262
Liabilities from third party	1,824,468	1,475,233	1,780,977	1,449,543
Public insurance Funds	712,195	668,288	706,225	658,910
Accrued Expenses	339,737	424,506	339,737	424,506
Total of Suppliers and Other liabilities	**27,747,074**	**26,304,382**	**27,654,072**	**26,197,446**

The balances above represent interest free short term liabilities.

18. Sales

	Group		Company	
	2019	**2018**	**2019**	**2018**
Provision of services to:				
Private patients	15,196,309	13,137,810	14,529,705	12,729,463
Insurance companies	22,007,774	20,697,087	21,994,136	20,695,381
Public funds	10,839,372	9,302,986	10,479,480	9,106,187
Private companies	688,577	678,511	688,569	678,511
Rebate & Clawback	(2,793,053)	(2,725,611)	(2,700,784)	(2,682,833)
Total services provided	**45,938,978**	**41,090,783**	**44,991,105**	**40,526,708**

19. Other profits/losses

	Group		Company	
	2019	**2018**	**2019**	**2018**
Losses from the sale of assets	(17,225)	(5,836)	(17,225)	(5,836)
Gains from the sale of assets	0	58,400	0	58,400
Total	**(17,225)**	**52,564**	**(17,225)**	**52,564**

20. Other Income

	Group		Company	
	2019	**2018**	**2019**	**2018**
Rent	193,801	66,401	216,252	89,817
Revenue from sundry operations	2,655,347	1,279,680	2,983,031	1,435,351
Grants	1,844	30,335	1,844	30,335
Other income	948,523	364,817	948,309	368,184
Total other income	**3,799,516**	**1,741,233**	**4,149,436**	**1,923,687**

21. Employee Benefits

On 31/12/2019 the total number of employees on the Group and the Company was 573 and 568 respectively, while for 2019 was 537 and 529 respectively.

	Group		Company	
	2019	**2018**	**2019**	**2018**
Salaries and wages	10,695,402	9,742,369	10,601,893	9,657,795
Employer contributions	2,733,970	2,497,607	2,710,464	2,476,454
Expenses for defined benefits plans	4,429	58,458	4,429	58,458
Personnel compensation	162,368	106,959	162,368	106,959
Other provisions	95,705	61,045	95,705	61,045
Total Personnel Fees and Expenses	**13,691,874**	**12,466,438**	**13,574,859**	**12,360,711**

22. Expenses per category

	2019			2018		
Group	**Cost of Sales**	**Administrative expenses**	**Total**	**Cost of Sales**	**Administrative expenses**	**Total**
Consumables	13,086,161	0	13,086,161	10,894,535	0	10,894,535
Personnel expenses	10,986,858	2,705,015	13,691,874	10,006,234	2,460,204	12,466,438
Third-party fees	7,711,382	321,308	8,032,689	6,102,855	254,286	6,357,140
Third party benefits	3,547,734	191,008	3,738,742	3,649,594	192,194	3,841,788
Taxes / Fees	0	793,621	793,621	0	621,892	621,892
Miscellaneous expenses	1,789,650	1,391,931	3,181,581	1,788,767	1,117,191	2,905,958
Depreciation/Amortization	1,954,345	919,692	2,874,036	1,805,839	849,807	2,655,646
Impairment of receivables	616,670	0	616,670	436,040	0	436,040
Total cost	**39,692,800**	**6,322,575**	**46,015,375**	**34,683,863**	**5,495,574**	**40,179,437**

Company	2019			2018		
	Cost of Sales	Administrative expenses	Total	Cost of Sales	Administrative expenses	Total
Consumables	12,986,334	0	12,986,334	10,849,760	0	10,849,760
Personnel expenses	10,893,247	2,681,612	13,574,859	9,921,653	2,439,059	12,360,711
Third-party fees	7,464,972	311,041	7,776,013	5,975,468	248,978	6,224,446
Third party benefits	3,615,154	190,271	3,805,425	3,633,287	191,226	3,824,513
Taxes / Fees	0	740,720	740,720	0	586,187	586,187
Miscellaneous expenses	1,775,457	1,377,066	3,152,522	1,779,962	1,109,190	2,889,152
Depreciation/Amortization	1,948,734	917,051	2,865,786	1,803,663	848,783	2,652,445
Impairment of receivables	616,670	0	616,670	436,040	0	436,040
Total cost	**39,300,568**	**6,217,761**	**45,518,329**	**34,399,832**	**5,423,421**	**39,823,253**

23. Net Finance Income/Expenses

	Group		Company	
	2019	2018	2019	2018
Loan interest	(1,193,486)	(1,147,152)	(1,193,486)	(1,147,152)
Interest of financial leases	(233,369)	(55,047)	(233,369)	(55,047)
Retirement programme interest	(14,575)	(16,455)	(14,575)	(16,455)
Various bank expenses	(544,525)	(586,552)	(540,397)	(583,488)
Total financial expenses	**(1,985,955)**	**(1,805,206)**	**(1,981,828)**	**(1,802,142)**
Interests on deposits	2,435	1,484	2,435	1,484
Other interest revenue	1,477	1,092	1,477	1,092
Total financial income	**3,912**	**2,577**	**3,912**	**2,577**
Financial incomes / (expenses) (net)	**(1,982,043)**	**(1,802,630)**	**(1,977,916)**	**(1,799,566)**

24. Taxation

Tax charged to Profits Before Taxes of the Company is different from the theoretical amount that would come up using the weighted average tax rate, calculated on the results of the Company. The difference is as follows:

	Group		Company	
	2019	**2018**	**2019**	**2018**
Profits before taxes	1,723,851	902,514	1,627,071	880,140
Tax calculated using the applicable tax rates for the Company (2019: 24%, 2018: 29%)	413,724	261,729	390,497	255,241
Tax losses for the period for which no deferred tax asset has been recognised	(240,789)	(206,069)	(240,789)	(206,069)
Effect of the change in tax rates	0	(763,534)	0	(763,534)
Expenses that are not exempted from income tax	141,913	106,914	141,162	106,914
Other	(5,242)	428	0	0
Total	**309,607**	**(600,533)**	**290,870**	**(607,449)**

The tax rate that was applied for 2018 was 29%. According to provisions of article 22 of Law 4646/2019, the rate on profits from operating activity of entities is set to 24% for the fiscal year 2019 and after.

The Company has been audited by tax authorities until the year of 2010. Regarding the periods between 2011 and 2017, the Company was subject to a special tax audit conducted by Certified Auditors - Accountants under paragraph 5, article 82 of Law 2238/1994 and article 65A of Law 4174/2013 and received an unqualified Tax Compliance Report. It is noted that under circular POL. 1006/2016, companies that have been subjected to the above specific tax audit are not exempted from the conduct of standard tax audit by the competent tax authorities. The Management of the Company estimates that in possible future re-audits by the tax authorities, if these take place, no additional tax differences will come up that could have a material impact on the financial statements.

For 2019, the special audit to obtain the Tax Compliance Report is underway and the relevant tax certification is going to be granted after Financial Statements' publication. In case the tax audit decides that there are added tax liabilities, these tax liabilities are not expected to have vital effect to the financial statements. According to relevant, recent law the control and the issue of Tax Compliance Report is valid for 2016 and after in complimentary basis.

25. Cash flows from operating activities

	Group		Company	
	2019	**2018**	**2019**	**2018**
Losses before taxes	1,723,851	902,514	1,627,071	880,140
Adjustments for:				
Depreciation of tangible assets	1,791,909	1,164,338	1,783,659	1,161,137
Amortization of intangible assets	1,082,127	1,491,308	1,082,127	1,491,308
(Profits) / losses after the sale of tangible assets (as shown below)	17,225	7,680	17,225	7,680
Interest income	(3,912)	(2,577)	(3,912)	(2,577)
Interest expense	1,971,380	1,788,751	1,967,253	1,785,687
Impairment of receivables	616,670	436,040	616,670	436,040
Employee benefits	46,558	93,296	46,558	93,296
Other provisions (income from unused provisions)	(76,000)	0	(76,000)	0
	7,169,808	**5,881,350**	**7,060,651**	**5,852,712**
Changes in working capital				
Decrease / (increase) of inventory	(46,304)	12,993	(57,174)	21,797
Decrease / (increase) of receivables	(1,935,046)	(2,919,560)	(1,931,386)	(3,074,512)
Increase / (decrease) of liabilities (excluding banks)	1,608,061	(518,002)	1,456,626	(544,331)
Increase / (reduction) of liability for personnel benefits	(27,554)	(18,381)	(27,554)	(18,381)
	(400,842)	**(3,442,951)**	**(559,489)**	**(3,615,427)**
Cash flows from operating activities	**6,768,966**	**2,438,400**	**6,501,162**	**2,237,286**
Profits from the disposal of tangible fixed assets include:				
Profits / (losses) from disposal of tangible fixed assets	(17,225)	52,564	(17,225)	52,564
Income from disposal of tangible assets	**(17,225)**	**52,564**	**(17,225)**	**52,564**

26. Contingent liabilities

(a) Guarantees

The Company has granted guarantees to third parties, within the context of its standard operations, amounting to € 314. 20 thousand (2018: € 83.16 thousand) in order to secure liabilities and good implementation.

(b) Tangible liens

Fixed charges registered in favour of banks for the tangible and intangible assets of the Company are stated in Notes 4 and 5.

(c) Tax liabilities

The unaudited periods of the Company are stated in Note 24.

27. Commitments

(a) Capital liabilities

There are not significant capital expenses that have been taken, but have not been executed on the reporting date.

(b) Liabilities from operating leases

The Company leases vehicles and buildings through operating leases. All operating leases valid as at 01/01/2019 have been recognised as financial leases in accordance with IFRS 16.

The minimum future payable rents in accordance with existing operating leases are as follows:

	Group		Company	
	2019	**2018**	**2019**	**2018**
Fom 0 to 1 year	130,255	528,380	106,646	504,771
From 2 to 5 years	94,436	1,727,589	0	1,633,154
Up to 5 years	23,609	652,335	0	628,726
Total	**248,300**	**2,908,304**	**106,646**	**2,766,650**

28. *Related party transactions*

The Company shares are held by 57.89% by “Hippokrates Holdings B.V.”, registered in Holland, which is a 100% subsidiary of “Gulert Enterprises Limited”, registered in Cyprus, which in turn is a 100% subsidiary of "South Eastern Europe Fund (SEEF)", registered in Jersey Island. Shares amounting to 42.10% are owned by “AKKADIA HOLDINGS LIMITED”, registered in Cyprus, which is a 100% subsidiary of “Hippokrates Holdings B.V.”. The remaining 0.01% of the shares is owned by physicians.

The remaining transactions with related parties refer to transactions with members of the Board and with key management personnel of the Company, as well as transactions with its subsidiary; these are formulated as follows:

(a) Transactions with members of the Board and key management personnel

	Group		Company	
	2019	**2018**	**2019**	**2018**
Remuneration of BoD members	223,600	213,600	223,600	213,600
Remuneration of Management personnel	1,015,399	912,044	1,015,399	912,044
Total	**1,238,999**	**1,125,644**	**1,238,999**	**1,125,644**

(b) Transactions with subsidiary

Subsidiary Euroclinic - Simeio D.Y.O. - Private Clinic Medical Single-Member Private Company was established on 07/11/2016 with the purpose of engaging in the field of primary healthcare services. The share capital of the subsidiary Company amounts to 10,000 (10 shares, with nominal value € 1,000 / share) and was paid on cash by the Company within 2016.

The remaining transactions with the subsidiary refer to rent for the use of the affiliate buildings and are listed below:

	2019		2018	
	Income	**Receivables**	**Income**	**Receivables**
EUROCLINIC - SIMEIO D.Y.O. - PRIVATE CLINIC MEDICAL SINGLE-MEMBER PRIVATE COMPANY	351,293	414,481	183,388	210,329
Total	**351,293**	**414,481**	**183,388**	**210,329**

29. Risks and uncertainties

The Group and the Company are exposed to financial risk, like market risk (price risk, cash flow risk from interest rate changes), credit risk and liquidity risk. The general schedule of risk management set; is focusing on the random market hypothesis of the financial markets and is targeting to minimize its potential negative effects on financial performance.

Risk Management is performed by the financial division, which operates under certain rules, approved by the Board of Directors. Financial Division defines the financial risk in collaboration with services facing these risks. The management board supplies written instructions and guidance for the generic risk management, as well as special instructions for the management of certain risks as interest rate risk, credit risk, use of derivatives and non-derivatives financial instruments and instruction on how to invest cash reserves.

(a) Market risk

Market risk results from fluctuations in future cash flows of a financial instrument due to fluctuations in market prices. The market risk for the Company mainly results from changes in the prices for medical procedures, as well as of those DRGs and from possible delays in reimbursement from E.O.P.Y.Y. The Company does not own any financial instruments in foreign currency or any investments in bonds or shares apart from checking accounts.

Price risk
The Company is exposed to price risk concerning the change of value in land and buildings recognised at fair value.

Risk of cash flows and risk of changes in fair value due to changes in interest rates

Interest rate risk mainly comes from loans. Loans with variable interest rate expose the Company to a cash flow risk due to changes in the interest rates. All Company loans are in Euro with variable interest.

(b) Credit risk

The Group's Finance Division manages credit risk. Credit risk results from credit offered to customers (customer credit risk). Regarding the cash reserves and cash equivalents, the Group is trading only with credit certified financial institutions.

The clientele of the Group consists of insurance funds and organizations, insurance companies and other private parties. Sales to insurance funds and insurance companies usually involve a small amount of risk regarding bad debt. Additionally, insurance funds are delaying payments. Credit risk is mainly focused on private patients - customers without coverage by any insurance, or whose insurance policies do not cover the entire cost of their hospitalization. The Company has set specific procedures for the proper and quick collection of its receivables.

The Group is applying a simplified approach of IFRS 9 to calculate the expected credit losses. Regarding receivables from costumers', provision credit losses are equal to the expected credit losses throughout the total lifetime regarding receivables from costumer.

Group's exposure in credit risk is constrained to its financial assets, which are analyzed below at the date of financial statements.

	Group		Company	
	2019	**2018**	**2019**	**2018**
Trade and other receivables	17,094,012	15,972,263	17,389,026	16,066,785
Cash available and cash equivalents	2,657,642	881,490	2,256,743	698,827
Total	**19,751,653**	**16,853,753**	**19,645,769**	**16,765,612**

The aging of financial receivables for the group and the company at 31/12/2019 and 31/12/2018 is depicted below:

	Group		Company	
	2019	**2018**	**2019**	**2018**
< 3 months	3,058,328	3,140,905	3,030,490	3,077,111
3 - 6 months	4,408,682	4,477,649	4,407,985	4,475,798
> 6 months	6,357,984	6,435,512	6,336,479	6,433,960
Total	**13,824,993**	**14,054,065**	**13,774,954**	**13,986,870**

(c) Liquidity risk

The monitoring of liquidity risk is focused on the ability of the Group and the Company to maintain certain liquidity levels in order to ensure the payment of trading activities, which is accomplished by managing the timing of cash inflows and outflows, as well as the sufficiency of cash and cash equivalents.

Management is analysing data and uses credit lines that have been agreed with the banks and the rest of financial institutions, when deemed necessary. More specifically, considering the low credit supply, the Group and the Company are trying to reduce the demand for working capital in any possible way.

The Group during its effort to reduce its exposure to EOPYY by developing further collaborations with private insurance companies that can contribute in liquidity demands.

The table below is analysing the non-discounted cash flows of liabilities, sorted by expiry date, accounted according to the time remaining from the balance sheet date until the conventional expiry date.

Liabilities with expiry date less than one year, are presented according to the net book value because the discount effect is immaterial.

31 December 2019		**Group**	
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,261,448	28,367,235	0
Finance leases	1,023,425	3,799,935	0
Suppliers and other liabilities	27,747,074	0	0
	31,031,947	**32,167,170**	**0**

31 December 2018			
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,133,129	29,260,000	0
Finance leases	293,776	1,074,143	0
Suppliers and other liabilities	26,304,382	0	0
	28,731,287	**30,334,143**	**0**

31 December 2019		**Company**	
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,261,448	28,367,235	0
Finance leases	1,023,425	3,799,935	0
Suppliers and other liabilities	27,654,072	0	0
	30,938,944	**32,167,170**	**0**

31 December 2018			
	< 1 year	**1 - 5 years**	**> 5 years**
Loans (excluding finance leases)	2,133,129	29,260,000	0
Finance leases	293,776	1,074,143	0
Suppliers and other liabilities	26,197,446	0	0
	28,624,351	**30,334,143**	**0**

(d) Capital risk

The objective of the Group with regards to the management of capital is the preservation of its ability to continue its operation, in order to achieve profits for its shareholders and benefits for all stakeholders, while maintaining the optimum capital structure in order to reduce its capital cost.

To preserve or change its capital structure, the Group may alter the dividend paid to shareholders, return capitals to shareholders, issue new shares or sell assets with the purpose of reducing loans.

In line with the standard industry practice, the Group is monitoring its capital structure using the gearing ratio. The gearing ratios on 31/12/2019 and 2018 are presented below.

	Group		Company	
	2019	**2018**	**2019**	**2018**
Total debt	35,452,043	32,761,048	35,452,043	32,761,048
Minus: Cash and cash equivalents	(2,657,642)	(881,490)	(2,256,743)	(698,827)
Net debt	**32,794,401**	**31,879,558**	**33,195,300**	**32,062,221**
Equity	1,659,460	315,532	1,521,483	255,597
Total capital employed	**34,453,861**	**32,195,089**	**34,716,783**	**32,317,818**
Gearing ratio	**95.18%**	**99.02%**	**95.62%**	**99.21%**

The leverage ratio has slightly decreased in 2019 to 95.18%, due to the increase of equity.

30. Events after the reporting period

Effect of COVID-19

2020 is characterized by the uncertainty due to the pandemic of the new coronavirus SARS-CoV-2, which causes the disease COVID-19. On March 2020, the WHO categorized COVID-19 as a pandemic. Measures adopted in order to preserve public health have a negative effect in economic activity worldwide, while the level of uncertainty regarding the course of the pandemic and its consequences is high.

According to IAS 10, the effects of the pandemic of COVID-19 constitue a non-adjusting event after the reporting period.

Throughout this period, the Group and the Company adopted all necessary measures in order to secure the health and safety of its staff and patients, while maintaining the high level of services.

The Group offered 10 ICU beds to the public sector, one inpatient ward with 20 patient beds for cases not related to COVID-19, as well as its emergency department for all non-contagious cases, contributing to the public health care system throughout the period of the crisis.

Since the beginning of the year, the Group has shown growth in both top line figures and profitability. According to monthly management accounts for the first two months of 2020, net sales increased by 10.7% and EBITDA by 20.7% compared to 2019. The same developing course continued the first half of March, even though the consequences of the pandemic were apparent.

Following the decision 237/20-03-2020 of the Ministry of Health, all surgeries in private clinics and public hospitals were suspended, in an effort to contain the spread of the coronavirus. Additionally, the Company suspended the operation of its outpatients department and its subsidiary (Euroclinic SIMEIO D.Y.O.) as a means to preserve the health of its patients and personnel. Consequently, for Q1 2020, patient discharges decreased by 3.7% and outpatients by 5.9% compared to 2019. The following lock down further affected patient visits and the Clinic only provided services for emergency cases. In terms of profitability, EBITDA in Q1 2020 decreased by 31.4% compared to 2019, since our Clinics were staffed with personnel numbers required to provide services to patient levels as those in the first two months of 2020. Apart from the decrease in turnover, the Company incurred additional expenses for the procurement of consumables and protective means against the disease, increased number of decontaminations, rents for special boxes to host possible COVID cases and protective glasses in all contact points with patients. More information regarding the consequences of the COVID-19 pandemic on the financial position and liquidity of the Group, as well as factors of uncertainty that exist are presented in Note 30 of the financial statements.

Due to the estimated adverse effect of the pandemic on the economy and by association on the economic efficiency of the Group and the Company, there is a possibility that the Group's assets, both tangible and intangible may be impaired in the future and any impairment will affect the Group's profits and financial position.

The Group and the Company have adopted the adequate policies and procedures for the minimization of credit risk, monitoring every counterparty's credit ability. However, the outbreak of COVID-19 creates uncertainty and the collection of receivables may be delayed.

With regards to the bond loan, it is contingent to the attainment of specific covenants. The Management is monitoring performance in order to request a waiver should this be deemed necessary.

Making specific predictions about the economic consequences of the pandemic involves high risk since the phenomenon is still ongoing. The Group's management designed and implemented a series of measures and action plans in order to safeguard liquidity and the Group's performance

On 24/12/2019, the Company was granted the approval of bondholders for the restructuring of the Bond Loan agreement signed on 07/03/2018. This restructuring included the reduction of the interest rate margin, the modification of existing financial covenants and the extension of the repayment plan up to 2025. This restructuring is dependent upon specific conditions, which include a Share Capital increase up to € 4.00 million to be completed by 30/06/2020. This share capital increase will be in cash, in order to reinforce the Company's liquidity and is expected to be approved by the Company's General Assembly on 30/06/2020.

The proposal of the BoD on 04/06/2020 regarding the increase of Equity, so that article 119 par. 4 of Law 4548/2018 is no longer in place, is as follows:

1. Nominal reduction of the Company's Ordinary Share Capital by thirty two million ninety three thousand two hundred ninety six euros and eighty two cents (€ 32.09 million), through reduction of the nominal value of each share carrying one voting right from € 4.40 per share to € 0.70 per share for the creation of a special reserve, according to article 31 of L. 4548/2018.
2. Share Capital increase up to € 3.81 million in cash, through a rights issue of 1.326.136 new common shares carrying one voting right per share in favor of existing shareholders. Shares will have nominal value of € 0.70 per share and issue price at € 2.87 per share. Difference between nominal and issue price will be credit to the "Share Premium" account.

Upon completion of the above and following the approval of the Company's General Assembly on 30/06/2020 the latest, the Group's and Company's Share Capital will be € 7 million (10 million shares at par value of € 0.70 per share).

On May 2020, Management submitted a request to its lending banks for a new credit line of € 7 million, to cover its working capital needs. Management estimates that negotiations will be completed within the next months.

Following a new ministerial decision from 04/05/2020 surgeries and outpatients departments began their gradual operation, based upon certain conditions targeting safety and public health. The most important condition refers to the numbers of surgeries, which cannot exceed 50% of the average number of monthly surgeries of 2019.

Management estimates that its revenue stream will be normalized gradually by September 2020, while at the same time it has adopted se3veral measures to reinforce profitability:

- Operational changes according to patient flow, and reduction of ancillary costs (eg cleaning services, electricity etc)
- Renegotiation of lease contracts
- Renegotiation with vendors in order to delay liability repayment

- Redesign of initial CAPEX budget for 2020, in order to contain initial cash outflows.

Change in share holding composition

On 14/04/2020, the share holding composition of the company has changed. Total number of common shares is 8.673.864 with nominal value of € 4.40 per share. Shareholding of the company is:

SHAREHOLDER	No of SHARES
AKKADIA HOLDINGS LIMITED	8,672,785
OTHER SHAREHOLDERS	1,079
TOTAL	**8,673,864**

Athens, June 04, 2020

CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
SPIROS KAPRALOS ID card no: AI 597179	**ANTONIOS VOUKLARIS** ID card no: AN 581680	**MARINA MAZARAKI** ID card no: X 547493	**GEORGIOS X. KIRKOS** ID card no: X 614651