

**Report of the Council of Joint-stock company "Latvijas Jūras medicīnas centrs" for
the year 2023**

In 2023, the Council of Joint-stock company "Latvijas Jūras Medicīnas centrs" (hereinafter referred to as the Company) fulfilled its duties in accordance with the Commercial Law, the Articles of Association of the Joint-stock company, resolutions of the shareholders' meeting, and applicable regulatory enactments.

The Council worked in the following composition: Uldis Osis, Ineta Gadzjus, Jevgēņijs Kalējs, Viesturs Šiliņš, and Mārtiņš Birks. The Chairman of the Council was Mārtiņš Birks, and the Deputy Chairman of the Council was Viesturs Šiliņš.

In 2023, as in previous years, the Council performed most of its work between board meetings. All Council members actively participated in fulfilling the Council's duties and promoting the development of the Company, popularizing the services provided, developing legal documents and strategies, and performing other duties assigned to them according to their professionalism and competence in their respective fields.

The Council ensured constant control over the activities of the Management Board and monitored the order in which the affairs of the Joint-stock company were managed.

The Council monitored the careful evaluation of the possibilities of using the company's assets to promote the effectiveness of their use.

As a result of the successful cooperation between the Council and the Management Board, the availability of medical services, the high level of service, and the overall recognition have been promoted.

The Management Board regularly submitted written reports to the Council on the work done and the financial position of the Joint-stock company. All Management Board members attended all Council meetings and provided additional explanations about the Management Board's activities. The Council meetings reviewed the financial results of the company for each quarter, as well as evaluated possible solutions to improve the financial position, optimize the operations of the Joint-stock company, and future development opportunities.

Overall, the Company's budget for 2023 was fulfilled at 109.45% of revenue and 95.52% of the expenditure part.

Assessing the dynamics of paid services, it can be concluded that the increase in revenue from paid services is considered favorable and appropriate to the current situation, which is also influenced by the society's increasing awareness of the importance of health as a priority in life. As a result, people have started to prioritize health care more, allocating more resources from their family budget to it. Despite the improvement in public awareness of health care each year, the Council recommends intensifying efforts to educate and inform the public about the importance of health, emphasizing that the Joint-stock company can provide quality and modern services.

The Company's activities in 2023, as in previous years, were aimed at development. Serious investments have been made in recent years in new medical technologies, the introduction of new medical services, construction, space renovation and reconstruction, raising staff qualifications, and improving working conditions. Thus, the opportunity to provide quality medical services was ensured by adapting to the specific economic situation, also considering sustainable development. In this way, the Joint-stock company implements an intensive investment policy aimed at increasing its competitiveness and profitability in the future. The Council appreciates the efforts of the Management Board in this regard and recommends working hard to ensure efficient equipment utilization and specialist involvement in service provision.

The Council positively evaluates the work of the Management Board in 2023 and recommends the following for the Company's future activities:

- Continue to monitor trends in the provision of medical services in the country and other medical institutions to offer competitive services;
- Continue to monitor economic and political processes in the country and adapt to the current economic and political situation;
- Continue to monitor trends in medicine development in Europe and worldwide;
- Continue to improve and expand the provision of paid services;
- Continue to work on the recognition and inform the public about the quality and variety of medical services offered by the Company;
- Continue risk awareness and assessment and, if necessary, implement the developed risk policy;
- Promote the provision of medical services not only in Latvia but also continue to attract foreigners and develop medical tourism services;
- Educate employers about the benefits of health insurance policies for their employees to receive health care services and return to work as soon as possible.

The Council's budget was fulfilled in accordance with the resolutions of the shareholders' meeting. The Council's budget for 2023 has been fully utilized.

Having reviewed the report for 2023 and the auditor's reports, the Council recommends that the shareholders approve the Company's financial statements for 2023.

The Council has reviewed the draft budget for 2024 submitted by the Management Board and the development plan and believes that they are aimed at further development of the Company, ensuring the quality of services provided, improving operations, and increasing efficiency. The Council recommends that the shareholders approve the budget and development plan for 2024.

Chairman of the Council:

Mārtiņš Birks