

# 2021 Annual Financial Report

**Cracow, 29 April 2022**



## **This report includes:**

- 
- **Selected financial data**
  - **Major achievements affecting the annual results**
- 
- **Major achievements in research & development**
  - **Good Practices Notice**
-

Cracow, 29 April 2022

Dear All,  
the year 2021 was a period of significant growth for MedApp, both in terms of financial performance, as well as expanding the portfolio of innovative medical technology solutions and geographical expansion.

At the beginning of 2021, we signed our first overseas distribution agreements, concerning France, Luxembourg and the United Kingdom, we strengthened our position in the Polish market, and in Q4 – we announced the beginning of cooperation with a distributor and representative of our Company in Brazil. We established operations in Germany this year and we are increasingly boldly looking at the US market. Our flagship solutions: CarnaLife Holo – a holographic visualisation of medical imaging data and CarnaLife System – a platform for remote diagnosis and patient monitoring are appreciated by practitioners and chosen by more and more medical institutions.

We are pleased to see that CarnaLife Holo is being used more and more often in the planning and performing of complex medical procedures that save patients' lives and health. We are increasing the economic efficiency of medical facilities and the work of professionals using our technology. Thanks to the work done in 2021, in February of this year we signed an EU co-financing agreement for an innovative solution that allows doctors to actively navigate during biopsies, which we believe will increase the precision of procedures and patients' safety. As a result, the MedApp CarnaLife Holo MedNav product, one that is globally unique, will be developed. We rate its commercial potential very highly.

In January of this year, we began cooperation with the diagnostic imaging network Helimed Diagnostic Imaging. The goal of this cooperation is to develop software that is a management system for radiology departments – “Radiology Information System” (RIS). The system will be used to store and manage medical imaging data and will eventually be integrated into our CarnaLife System digital medicine platform.

As an innovative technology company in the medtech market, it is only natural that we welcome the fact that a growing number of independent experts appreciate and recognize our technologies. This also demonstrates the growing strength of the MedApp team. Details of the awards and projects that improve the global recognition of MedApp, along with other topics mentioned earlier, are discussed further in this Report, which I encourage you to read.

We are developing our technology with global markets in mind, while thinking about positive outcomes and building healthy

financial foundations. As a result, 2021 showed revenues of **PLN 12,708,000 (+111% y/y)**, **EBITDA of PLN 6,277,000 (+139 % y/y)** and **net profit of PLN 3,812,000**. Such financial results allow us to continue our business expansion. This can be accelerated by attracting new investors – a process for which we have chosen a global partner: Haitong Bank.

On behalf of the entire MedApp team, I would like to thank our Clients, Partners, and Shareholders for their unwavering trust. Our goal continues to be building the value of the company in line with the strategy of global development we follow, which assumes the presence of original MedApp solutions in the largest possible number of medical institutions in the world. I would also like to thank our technology partners, in particular Microsoft, Google, GE Healthcare, Johnson&Johnson and OVHCloud.

The Company's success, however, would not be possible without the people behind it. I would like to express my appreciation for the contribution of every person involved in our growth and I would like to thank the entire MedApp team for the 2021 result, which is the best in the Company's history.

***Empowering people for better health***

***#MedApp***



With regards,

**Krzysztof Mędrala**  
President of the  
Management Board  
of MedApp S.A.



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## Legal disclaimer

This document is a summary of the 2021 Annual Report. Its full text can be found at <https://medapp.pl/raporty-biezace/>

This report or any part of it does not constitute any information that would recommend or suggest an investment strategy, investment recommendation, investment advice, legal advice or tax advice relating to investing in the Company. This report is not an offer within the meaning of generally applicable regulations, including the Civil Code. On the date this report is published, MedApp is not holding any share issue; this report is not an advertisement of a prospectus.

## 1. Basic information about the Company.

### MANAGEMENT BOARD

Management Board during the reporting period:

#### **Krzysztof Mędrala**

President of the Management Board

### SUPERVISORY BOARD

Members of the Supervisory Board during the reporting period:

**Błażej Wasielewski** – Chair of the Supervisory Board

**Wiktoria Guzik** – Supervisory Board Member

**Ewelina Rytter** – Supervisory Board Member

**Grzegorz Wrona** – Supervisory Board Member

**Włodzimierz Kubiak** – Supervisory Board Member

**Bogusław Bodzioch** – Supervisory Board Member

(appointed to be the Supervisory Board Member on 29 June 2021, as a representative of minority Shareholders)

## MedApp Spółka Akcyjna

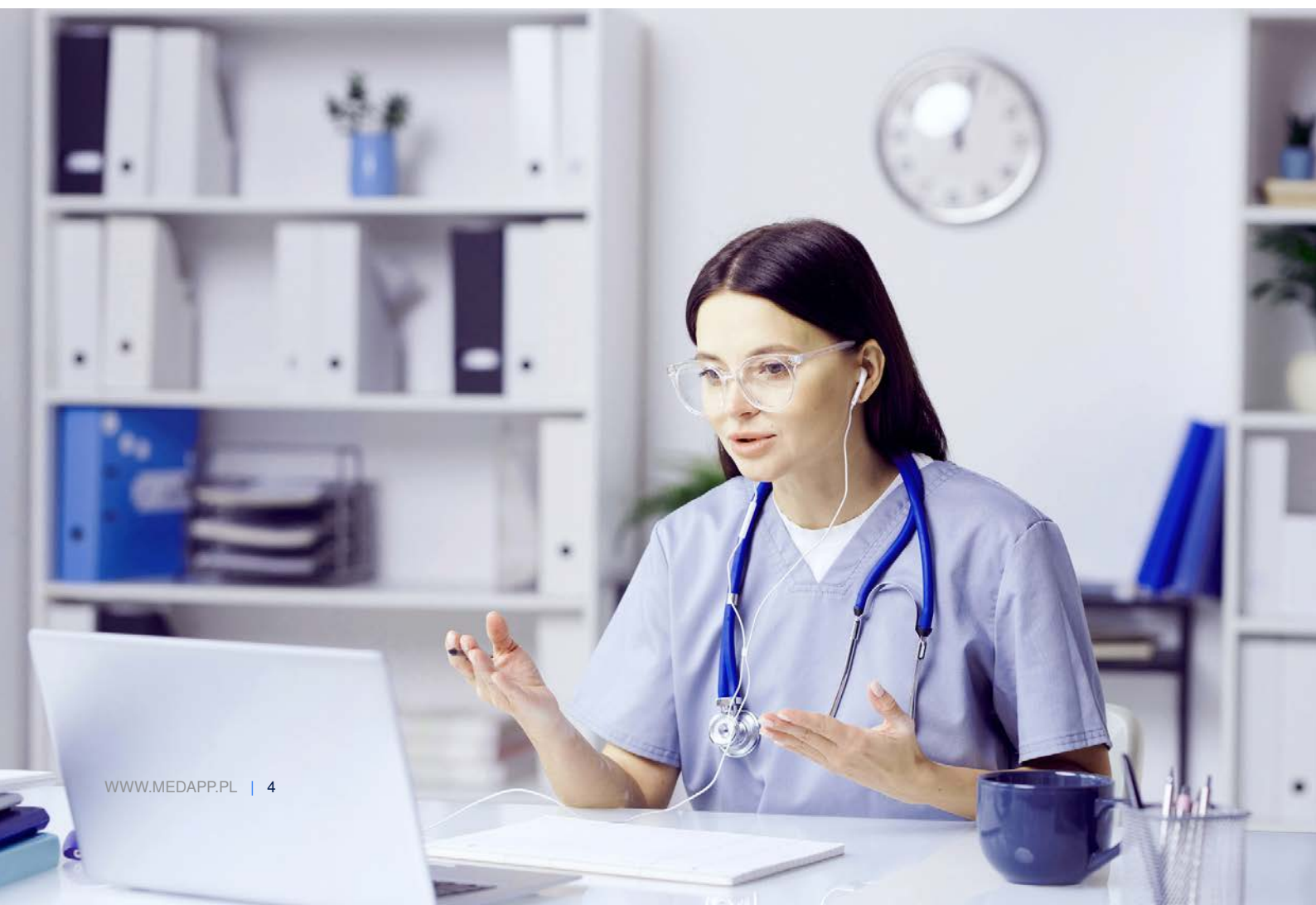
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## 2. Selected financial data.

Selected financial data		year 2021	year 2020	year 2021	year 2020
		in PLN		in EUR	
I.	Net proceeds from sales	12 708 032,15	6 024 961,96	2 762 976,07	1 346 600,95
II.	Costs of products, goods and materials sold	1 847 735,87	3 558 609,97	401 734,11	795 362,29
III.	• Amortisation and depreciation	1 942 522,25	818 329,73	422 342,53	182 899,68
<b>IV.</b>	<b>Profit/loss from sales</b>	<b>5 365 393,55</b>	<b>2 466 351,99</b>	<b>1 166 542,06</b>	<b>551 238,65</b>
V.	Other operating income	231 727,21	0,06	50 382,05	0,01
VI.	Other operating expenses	952 831,44	350 670,46	207 164,29	78 376,13
<b>VII.</b>	<b>Profit/loss from operating activity</b>	<b>4 644 289,32</b>	<b>2 115 681,59</b>	<b>1 009 759,82</b>	<b>472 862,54</b>
VIII.	Financial income	12 152,86	0,00	2 642,27	0,00
IX.	Financial expenses	544 728,19	242 098,24	118 434,62	54 109,84
<b>X.</b>	<b>Gross profit/loss</b>	<b>411 713,99</b>	<b>1 873 583,35</b>	<b>89 514,72</b>	<b>418 752,70</b>
<b>XI.</b>	<b>Net profit/loss</b>	<b>3 812 559,95</b>	<b>1 915 162,90</b>	<b>828 925,50</b>	<b>428 045,89</b>
XII.	Net cash from operating activities	-437 378,03	-2 075 151,64	-95 094,58	-463 803,95
XIII.	Net cash from investing activities	-240 142,14	-148 22,67	-52 211,62	-25 663,29
XIV.	Net cash from financing activities	29 619,52	2 900 350,96	6 439,87	648 239,01
<b>XV.</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>131 494,65</b>	<b>779 395,30</b>	<b>28 589,52</b>	<b>174 197,69</b>
<b>XVI.</b>	<b>Fixed assets, including:</b>	<b>10 798 825,54</b>	<b>12 396 163,49</b>	<b>2 359 109,89</b>	<b>2 770 587,70</b>
XVII.	• Tangible assets	23 090,55	35 638,58	5 044,36	7 965,35
<b>XVIII.</b>	<b>Current assets, including:</b>	<b>18 727 920,39</b>	<b>10 820 858,70</b>	<b>4 091 298,83</b>	<b>2 418 501,34</b>
XIX.	• Inventories	36 430,92	92 777,00	7 958,69	20 736,00
XX.	• Short-term amounts receivable	10 652 460,31	5 301 965,89	2 327 134,97	1 185 008,69
<b>XXI.</b>	<b>Total assets</b>	<b>29 526 745,93</b>	<b>23 217 022,19</b>	<b>6 450 408,72</b>	<b>5 189 089,04</b>
<b>XXII.</b>	<b>Shareholders' equity</b>	<b>24 399 365,45</b>	<b>20 556 780,50</b>	<b>5 330 281,91</b>	<b>4 594 515,33</b>
XXIII.	Share capital	25 003 220,40	24 716 094,00	5 462 199,98	5 524 137,05
XXIV.	Supplementary capital	13 52 630,61	1 179 417,59	295 495,49	263 604,13
<b>XXV.</b>	<b>Liabilities and provisions for liabilities</b>	<b>5 127 380,48</b>	<b>2 660 241,69</b>	<b>1 120 126,81</b>	<b>594 573,71</b>
XXVI.	Long-term liabilities	0,00	0,00	0,00	0,00

XXVII.	Short-term liabilities	2 298 967,28	2 232 796,27	502 232,07	499 038,10
<b>XXVIII.</b>	<b>Total liabilities and equity</b>	<b>29 526 745,93</b>	<b>23 217 022,19</b>	<b>6 450 408,72</b>	<b>5 189 089,04</b>

XXIX.	Number of shares (pcs.)	250 132 454	250 032 204	250 132 454	250 032 204
XXX.	Net profit/loss per share (PLN/EUR)	0,015	0,008	0,003	0,003
XXXI.	Book value per share (PLN/EUR)	0,10	0,08	0,003	0,003
XXXII.	Dividend per share, declared or paid	0,00	0,00	0,00	0,00

year 2021		year 2020	
month	FX rate	month	FX rate
January	4,5385	January	4,3010
February	4,5175	February	4,3350
March	4,6603	March	4,5523
April	4,5654	April	4,5424
May	4,4805	May	4,4503
June	4,5208	June	4,4660
July	4,5731	July	4,4072
August	4,5374	August	4,3969
September	4,6329	September	4,5268
October	4,6208	October	4,6188
November	4,6834	November	4,4779
December	4,5994	December	4,6148
average FX rate	4,5775	average FX rate	4,4742

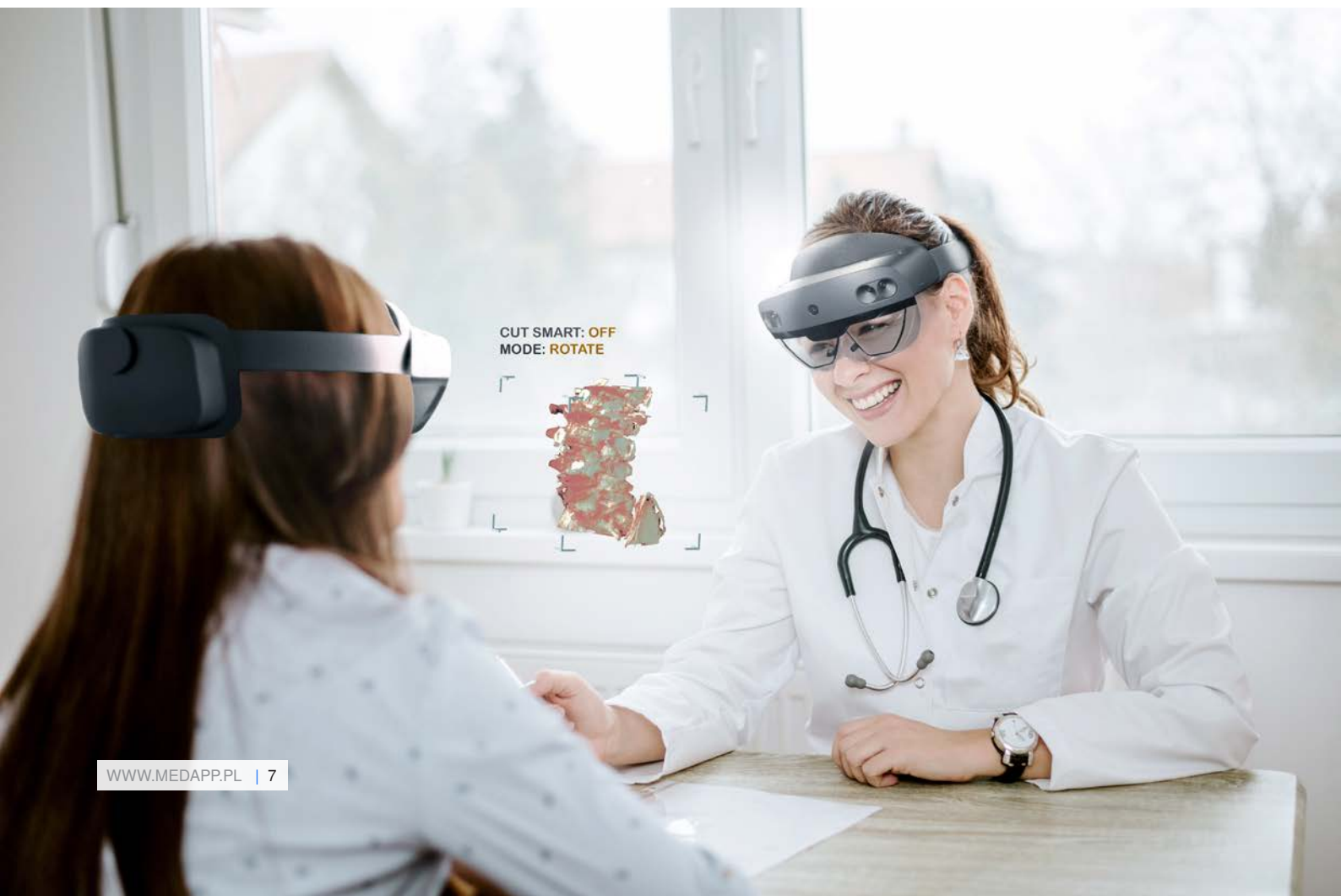


### 3. Events affecting the entity's operations in a significant way, which took place in the financial year at hand and after it ended, until the day the financial statements were approved.

The Company's operations, financial standing and results achieved in the reporting period were most strongly affected by the increase in sales of innovative solutions offered by the Company. This was the effect of sales-support activities, including entering into distribution agreements to expand markets and sales channels, holding presentations, training sessions and demonstrations, as well as initiating a number of trade talks. Despite the investment costs incurred in the area of product and market development, MedApp has shown a very high growth in generated profits, which is also the result of a rational cost policy. In the reporting period, the Company's business activities were focused on two main products dedicated to the medical (medtech) market – CarnaLife Holo and CarnaLife System.

#### CarnaLifeHolo

CarnaLife Holo is a certified innovative technology to support planning and performing complex medical procedures. With the help of Microsoft's HoloLens 2 goggles, the doctor sees a 3D hologram in real space, showing the anatomical area being imaged. The doctor can interact freely with the displayed hologram. CarnaLife Holo is currently used in dozens of medical facilities in Poland and around the world, and the number of medical procedures performed with its help has already exceeded 250.



### CarnaLifeSystem

The CarnaLife System solution is an advanced telemedicine platform that allows the doctor to assess and monitor the health of patients and conduct consultations anytime, anywhere. The system is supported by more than 20 remote measuring devices. The results are analysed 24/7 using artificial intelligence (AI) algorithms and Big Data analytics. The system has been implemented in dozens of medical facilities. On the basis of this solution, the Digital Clinic was developed, as a product for patients and individual users.

Highlights of the 2021 period include:

- Starting activities promoting sales in new foreign markets, UK, France, Luxembourg and Brazil, based on agreements with distributors. A local sales representative was also recruited in Brazil to coordinate operations due to the country's high market potential and size (the fifth country in the world with a population of over 216 million, around 6,000 hospitals, with four of them in the Top 200 of the world's best facilities, and currently relatively with a high levels of sales of innovative medical solutions). After the balance sheet date, the Issuer established a subsidiary in Germany. MedApp Germany GmbH will be responsible for business development in the so-called DACH countries (Germany, Austria, Switzerland). These markets are, in the opinion of the Management Board, important due to their sales potential related to the level of medical care and spending in this sector, and in Germany itself, it is worth noting the possibility of reimbursement for medical applications as well. The Issuer's geographical expansion is enabled by the global insurance agreement with Chubb European Group SE, which was extended to include the US and Canadian markets in 2022.
- Continued works aimed at enabling the commencement of sales in the USA, the largest and most developed medical market, which in the opinion of the Issuer's Management Board also has the greatest sales potential for the Issuer's products. The company took advantage of Parexel's know-how in order to achieve the next milestones in the process of obtaining FDA certification as efficiently as possible. The company anticipates that the application to the FDA will be ready in Q2 2022, which could result in certification in late 2022 or early 2023.
- Expansion of the current key partners to include Google and, after the balance sheet date, Helimed Diagnostic Imaging and OVHCloud.
- Undertaking cooperation with companies operating in the medical services market: Medicover Polska, Medical Idea and Telemed24.





Events materially affecting the entity's operations that occurred after the balance sheet date and up to the date on which the financial statements were approved include:

25 January 2022



HELIMED

The Issuer has concluded an Agreement for the implementation of the "Radiology Information System" with Helimed Diagnostic Imaging. On the commission of Helimed Diagnostic Imaging, MedApp will create a radiological information system (RIS), as well as will develop its integration with other systems used by Helimed, completing the implementation within 12 months. The consideration of just under PLN 1.8 million net includes a five-year licence fee for the system, after which the licence agreement will automatically extend to an indefinite term, with a five-year notice period. MedApp will also provide RIS maintenance services for at least 36 months, which implies a minimum remuneration of more than PLN 1.2 million net. All copyrights to RIS will be held by MedApp, while Helimed will become a reference customer of the RIS solution offered by MedApp for a period of three years. In addition, MedApp will implement the CarnaLife System software within the Helimed network. The agreement was concluded for a period in line with the duration of the RIS licence, but after the lapse of 60 months, the agreement will automatically extend to an indefinite period, with a 12-month notice period. The total value of the licence agreement over the assumed licence term will amount to PLN 708 thousand. As the licence fee is dependent on the number of Helimed medical facilities using the CarnaLife System, covering more than 13 facilities with the licence agreement will result in more revenue for MedApp.

1 March 2022



The issuer has established MedApp Germany GmbH with its registered office in Düsseldorf. All shares in that Company were acquired by the Issuer, and therefore the Company is a 100% subsidiary of the Issuer.

17 March 2022



The Issuer has applied to the Polish Financial Supervision Authority for suspension of the prospectus proceedings.

31 March 2022



The Issuer has concluded a consultancy agreement with HAITONG BANK, S.A. based in Lisbon. Haitong Bank has become the exclusive advisor and transaction agent for the purposes of acquiring external financing transactions, including transactions in the form of share issue.

27 April 2022



The Issuer has received information that on April 25, 2022 Agência Nacional de Vigilância Sanitária (Anvisa), that is the Brazilian Health Regulatory Agency, has registered the receipt of a request from the Company's agent, i.e. CUSTOMIZE PRODUCAO DE DISPOSITIVOS MEDICOS LTDA, to confirm the compliance of the product CarnaLife Holo with the regulatory requirements of the Federative Republic of Brazil.

## 4. Expectations concerning the Company's development.

The Issuer does not publish forecasts. Nevertheless, the Issuer intends to continue its growth based on geographical expansion and product expansion in the global medical technology market, based on new technologies (medtech). The dynamic development of digital medicine in global markets allows the Company to hold talks with new partners and distributors regarding the sale of the technologies offered by the Company. In order to meet the expectations of doctors and patients, the Issuer is developing the functionality of the currently offered CarnaLife Holo and CarnaLife System applications, while working on new products that will broaden the target group of recipients to include other medical specialties.

## 5. Major achievements in research & development.

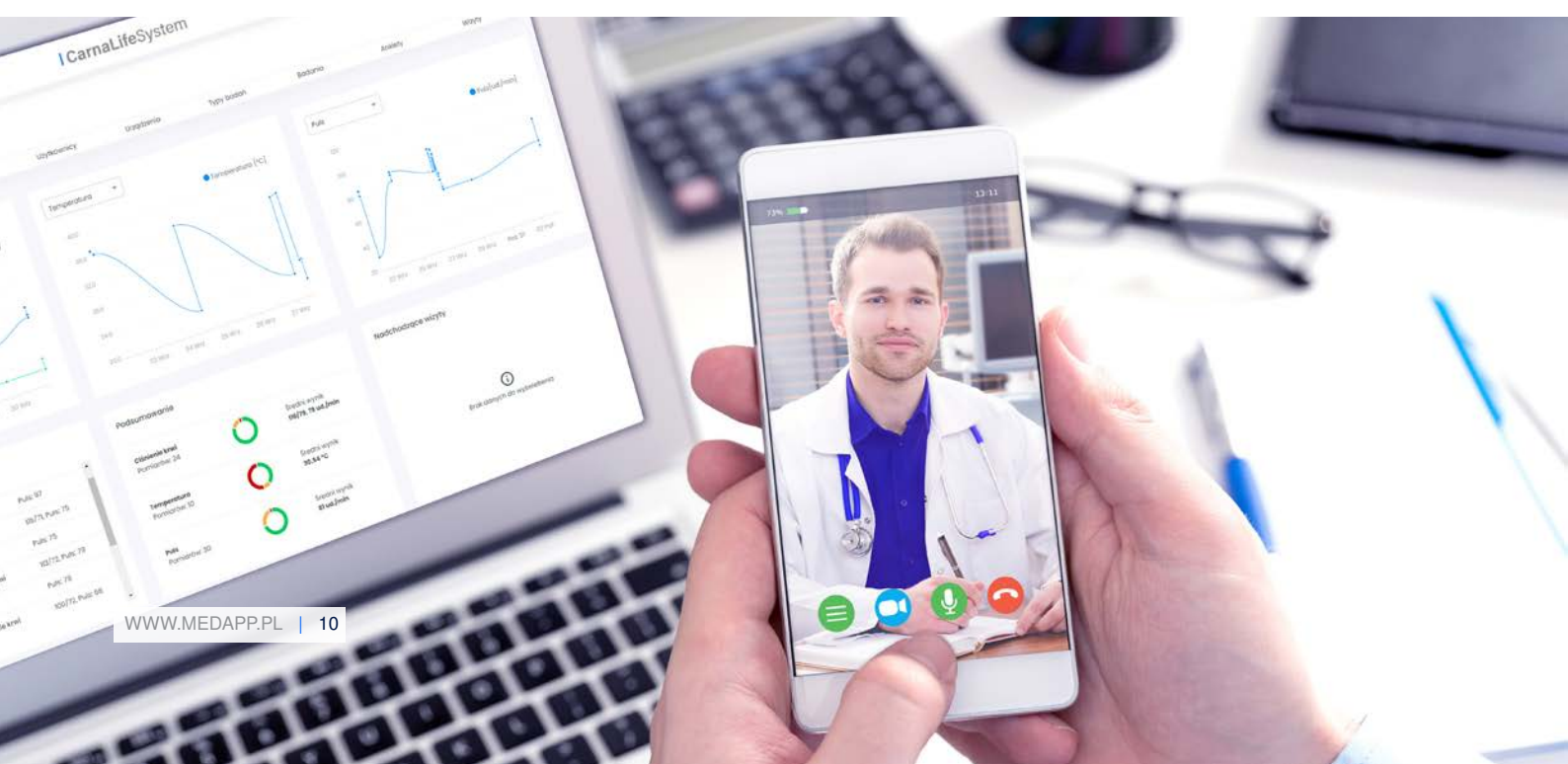
The Company is constantly working both on new products and on enhancing the functionality of current technologies. Key achievements include the following:

### CarnaLifeSystem

MedApp, in partnership with Microsoft, has extended the functionality of the CarnaLife System platform, providing patients and medical staff with the ability to use the Microsoft Teams application, which has been integrated with CarnaLife System. The Company also works on expanding the possibilities of using further measuring devices and diagnostics associated with proprietary algorithms.

The CarnaLife System platform is finding use in an increasing number of medical facilities. It is worth noting that the Company entered into a cooperation agreement in Q4 2021 for the use of the CarnaLife System application, enabling remote monitoring of patients of the TeleMed24 Operations and Assistance Centre.

After the balance sheet date, the Company entered into an agreement under which – based on its cooperation with Helimed Diagnostic Imaging – MedApp will develop the “Radiology Information System” software (the so-called RIS), which will be used to store and manage medical imaging data and will ultimately be integrated into MedApp’s telemedicine platform, CarnaLife System.



### CarnaLifeHolo

The development of mixed reality 3D modelling and visualisation applications has resulted in the introduction of modules for use in: cardiology, interventional cardiology, interventional radiology, oncology surgery, ENT, urology or orthopaedics.

As a result, as at the date of this Report, the CarnaLife Holo solution enables 3D visualisation to support the work of doctors already in the aforementioned seven medical specialties.

The use of CarnaLife Holo in dozens of medical facilities in Poland and abroad confirms the innovative character, effectiveness and efficiency of the solution. The CarnaLife Holo application has been used in over 250 medical procedures to date. Notable medical procedures using MedApp's proprietary solution include the following:

- A remote surgery in Sofia (Bulgaria), which was a result of cooperation between the Independent Public University Hospital No. 1 in Lublin and the local facility in Bulgaria. The procedure took place in the operating theatre of a hospital in Sofia, and the patient was a 61-year-old man with an abdominal aortic aneurysm (5.5 cm in diameter) that had already required other surgical interventions in the past. Professor Tomasz Zubilewicz, head of the Department of Vascular Surgery and Angiology at the IPUH1 Lublin, said that specialists from Lublin were the first in Poland and among the first in the world to participate in an international operation remotely, thanks to advanced visualisation techniques using a hologram. In the Issuer's opinion, performing the procedure in question, which demonstrates the capabilities of the solution, significantly increases the value of CarnaLife Holo on the global market.
- The first BASILICA procedure (transcatheter aortic valve replacement to prevent coronary artery obstruction) was performed using the CarnaLife Holo mixed reality solution at AKH Wien – one of the largest hospitals in Europe.
- A complex hybrid surgical intervention of complex aortic dissection performed by an international team of cardiologists and surgeons at the Ukrainian-Polish Heart Centre in Lviv.
- The multidisciplinary assessment of the patient's organs and decision-making in this complex medical procedure was supported by CarnaLife Holo, and the system played a key role in determining the final strategy (surgical branching and reimplantation of the supra-aortic vessels proved necessary, followed by transcatheter TEVAR - Thoracic Endovascular Aortic Repair - with aortic stent graft implantation). In the Issuer's opinion, performing such a complex procedure significantly increases the value of CarnaLife Holo on the global market.
- The team led by dr hab. n. med. Jerzy Sacha, a cardiologist at the University Clinical Hospital (USK) in Opole and professor at the Opole University of Technology, performed an innovative mixed reality procedure using CarnaLife Holo technology. Holographic images of the inside of the heart were created and then used to perform mitral valve repair in a minimally invasive manner using the MitraClip system, all without opening the patient's chest. The uniqueness of this operation was that a 3D holographic image of the heart's internal structures was used in real time, i.e. during the mitral valve repair surgery. So far, holography has mainly been used in the preparation stage for surgeries. The operating doctor was able to visualise the internal structures of the patient's heart in great detail, with the option to rotate, zoom in and cut through the virtual working heart using his own hands and head movements. This creates incredible prospects for performing procedures in a new reality that provides visualisations previously unavailable using standard methods.

Major events relating to the development of the CarnaLife Holo technology occurring after the balance sheet date include the signing of an agreement for EU funding for an innovative solution enabling doctors to actively navigate during biopsies, which will increase the precision of procedures and patient safety. The agreement with the National Centre for Research and Development (NCBiR) concerns the

project “Intraoperative navigation system, based on mixed reality technology, supporting precision, comfort and safety of medical procedures”. The funds granted under the Intelligent Development Operational Programme (POIR.01.01.01-00-1115/21-00) are to cover nearly 74% of the costs envisaged for the creation of the CarnaLife Holo MedNav system, which were estimated at PLN 4.9 million. The eligibility period for costs is September 2021 – December 2023. CarnaLife Holo MedNav will be a unique tool to actively assist doctors in performing various types of needle biopsies. The system will be based on mixed reality (MR) and spatial holographic visualisation technology, leveraging the Issuer’s existing know-how and experience gained in the development, commercialisation and international scaling of the CarnaLife Holo solution, which supports medical staff in planning and performing surgeries using 3D holographic visualisation of patient’s imaging data. The Issuer’s Management Board indicates that, as envisaged, CarnaLife Holo MedNav will be a highly technologically advanced product, with high potential to generate recurring revenues by offering unique medical benefits.

The Company points to the number of awards and distinctions as well as invitations to present its innovative solutions that it has received, which means that MedApp S.A.’s technologies are appreciated by independent experts. The Issuer points in particular to the following events in this area:

- distinction awarded to the Issuer in the Google for Startups programme, as one of the top fifteen medtech startups in Europe, and the Issuer’s inclusion in Google’s accelerator programme;



- distinction awarded to MedApp as one of the TOP 10 Telehealth businesses in Europe by HealthcareTech magazine;



- naming MedApp as one of three finalists for the Start-up Challenge 2021 in the Health and Biotechnology category at the European Economic Congress in Katowice;



- distinction awarded by the Polish Agency for Enterprise Development – Polish Innovation Award 2020/2021 in the category of medical technologies and improvement of treatment quality;



- MedApp was the only Polish company invited to the finals of Start. up! Germany Tour in Dusseldorf by the Trade and Investment Agency of the North Rhine-Westphalia (NRW) federal state, where the Company’s technology and achievements were presented;



- AKH Hospital in Vienna received an award for developing the “Best Case Study in Interventional Cardiology 2021” at the PCR London Valves 2021 conference; the award-winning case study used CarnaLifeHolo technology in combination with streaming real-time 3D echocardiography data from GE. which relate to the Company’s solutions;



- MedApp won the top prize in the OVHcloud competition at the Data Sovereignty international conference on medical data processing and the use of technology in medicine;



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The Company also refers to scientific and industry (medical) publications that relate to the Company’s solutions.

In this area, the paper of dr Ryszard Wierzbicki and his co-authors needs to be mentioned. They indicated that the use of minimally invasive surgical techniques (Nano-Knife, IRA, microwave ablation) together with CarnaLife Holo resulted in a reduction of the time required for the procedure by one third compared to the time that would have been required for a similar procedure in the case of advanced liver and/or pancreatic cancer without the use of CarnaLife Holo. The conclusion of the authors of the paper is consistent with the feedback received by the Company from users of the CarnaLife Holo system and confirms the medical value of the original solution of MedApp S.A. In the opinion of the Issuer’s Management Board, this paper confirms the medical value as well as the economic value of the Issuer’s product for medical facilities.

Case studies are available at <https://medapp.pl/case-studies/>



## 6. Analysis of the current and predicted financial standing.

The Company is developing its technologies with global markets in mind, while aiming for achieving positive and recurring financial results.

**In 2021, the Company recorded a revenue of PLN 12,708 thousand (+111% y/y), as well as EBIDTA of PLN 5,497 thousand and net profit of PLN 3,812.**

The company thus maintained its high rate of growth as regards financial results. The Company's current financial standing is stable.

Medapp S.A. is in the intensive development stage. The Company's future financial standing will primarily depend on the pace at which sales revenues will be achieved in the domestic and foreign markets and on the availability of capital required for further growth and geographical expansion.

The Company plans to further increase the scale of its operations and to improve financial performance while expanding its product distribution in Europe and South America in preparation for FDA certification in the United States.

## 7. Employment.

The number of persons involved in the Company's operations as at 31.12.2021 was as follows:

- 27 persons hired under an employment contract,
- 4 persons hired under a contract of mandate,
- 10 persons hired under a civil-law contract (B2B).

41 persons in total.



## 8. Information on the ownership structure of shareholder's equity and the number and nominal value of the shares.

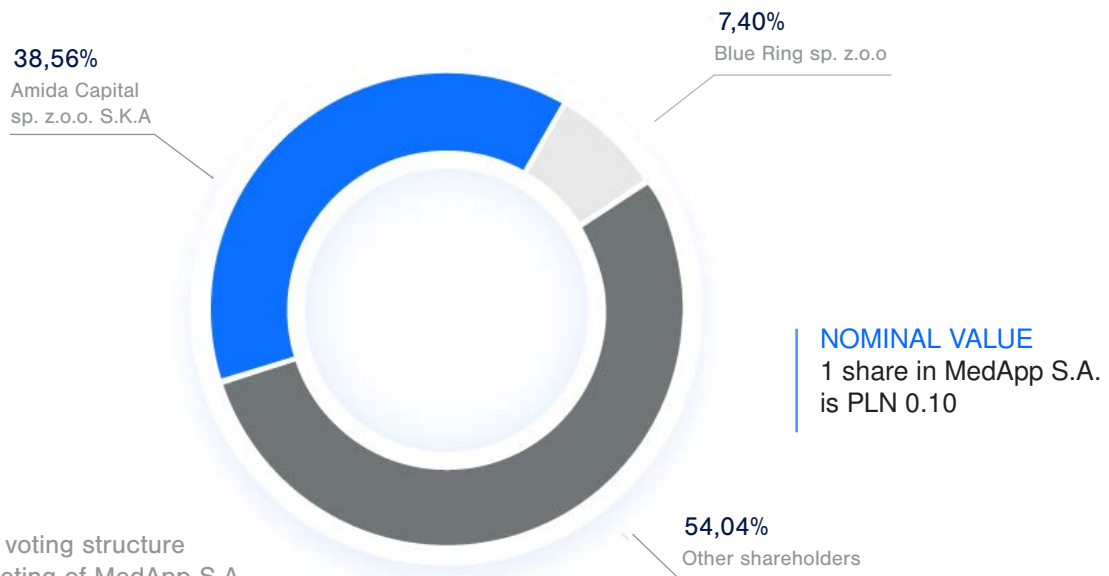


Table 1  
Shareholding and voting structure  
at the General Meeting of MedApp S.A.  
(as at 29.04.2022)

Shareholder	Number of shares held	Nominal value	Value of	Share in the total number of votes
<b>Amida Capital limited liability company S.K.A.</b>	96 456 349	0,10	9 645 634,9	38,56%
<b>Blue Ring Sp. z o.o.</b>	18 500 000	0,10	1 850 000,0	7,40%
<b>Other shareholders</b>	135 176 105	0,10	135 176 10,5	54,04%
<b>TOTAL</b>	<b>250 132 454</b>		<b>25 013 245,4</b>	<b>100%</b>

**Shares admitted to trading**  
– A series, B series, C series  
**in total:** 41 000 000 shares

**Shares not admitted to trading**  
– D series, E series, F series, G  
**in total:** 209 132 454 shares

## 9. Good Practices Notice.

A detailed description of the extent and form of the Company's application of each principle is set out below.

Principle	The Company's position on the application of the principle in 2021.
<p>1. The Company should pursue a transparent and effective information policy, both using traditional means of communication as well as using modern technologies, ensuring quickness, safety, and extensive access to information. Using these methods, the Company should, to the highest extent possible, ensure adequate communications with investors and analysts, using state-of-the-art online communication methods to this end, enable transmitting the sessions of the general meeting through the Internet, record the course of the sessions and make it public on the website.</p>	<p>This principle is applied with the exception of broadcasting the General Meeting sessions online. At present, the Company does not plan to broadcast the General Meeting sessions online. In the opinion of the Management Board, the Company fulfils all information obligations related to the organisation of general meetings, which is a sufficient source of information for all stakeholders. Should circumstances arise in the future that justify the use of online transmissions, the Company is prepared to take such actions.</p>
<p>2. The company should ensure effective access to information necessary to assess the situation and prospects of the company and the way it operates.</p>	<p>Principle is applied. Information on the Company's operations is published in the form of current and periodic reports on the Company's corporate website (in the Investor Relations section) and sent to the media in the form of press releases, thus ensuring that the public has efficient access to the information.</p>
<p>3. The Company operates a corporate website and publishes the following information on it:</p>	<p>Principle is applied, subject to comments included below.</p>
<p>3.1. Primary information about the Company and its operations (landing page);</p>	<p>Principle is applied. Primary information about the Company and its operations is available on the Company's corporate website at <a href="http://www.medapp.pl">www.medapp.pl</a>.</p>
<p>3.2. Description of the issuer's operations, indicating the objects from which the Issuer derives most revenue.</p>	<p>Principle is applied. Description of the Company's operations, together with an indication of the flagship products which are the source of most revenue, has been published on the Company's corporate website; it is also shared through periodic reports posted on the website.</p>
<p>3.3. Description of the market on which the issuer operates, including the issuer's position on that market.</p>	<p>Principle is applied to a limited extent. The Company does not determine its position on the market, due to the fact that it is impossible to obtain reliable data in this respect, as well as due to the cost of preparing such analysis by third entities.</p>
<p>3.4. CVs of the members of the Company's bodies.</p>	<p>Principle is applied. CVs of the members of the Company's bodies are published in the current reports.</p>
<p>3.5. Information obtained by the Management Board on the basis of a statement made by a member of the Supervisory Board on any relationship of a member of the Supervisory Board with a shareholder who holds shares representing not less than 5% of the total number of votes at the Company's General Meeting.</p>	<p>Principle is applied. If the relevant statements are received from the members of the Supervisory Board, such information will be posted on the corporate website.</p>



3.6. Company's corporate documents.	Principle is applied. Corporate documents are available on the corporate website.
3.7. Outline of the Company's strategic plans.	Principle is applied.
3.8. Published forecasts of financial results for the current financial year, together with assumptions for those forecasts (if the issuer publishes such forecasts).	Principle is applied. The Company has not published forecasts of results, but if the Management Board decides to publish forecasts, they will be published on the Company's website.
3.9. The issuer's shareholding structure, indicating the main shareholders and shares in free float.	Principle is applied partially. Shareholding structure of the Company, with the main shareholders indicated, along with the number of shares held by them, shareholding structure by shares and by number of votes. The Company anticipates that the remaining information will be available on the corporate website once the works to update the Company's website has been completed.
3.10. Data and contact information to the person within the Company who is responsible for investor relations and contacts with the media.	Principle is applied.
3.12. Published current and periodic reports.	Principle is applied. The Company's current and periodic reports are published on the corporate website in the Investor Relations section.
3.13. Calendar of planned dates of publication of financial periodic reports, dates of general meetings, as well as meetings with investors and analysts and press conferences.	Principle is applied. Calendar of scheduled publications of financial interim reports is published on the corporate website in the Investor Relations section.
3.14. Information on corporate events, such as the payment of dividends, and other events resulting in the acquisition or limitation of rights on the part of the shareholder, taking into account the time limits and rules of conducting such operations. Such information should be provided in time to allow the investors to make investment decisions.	Principle is applied.
3.16. Shareholders' questions concerning matters on the agenda, asked before and during the general meeting, together with answers to the questions asked.	Principle is applied.
3.17. Information on the reasons for cancelling the general meeting, changing the date or agenda, together with a justification.	Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.
3.18. Information about the adjournment of the General Meeting and reasons for announcing the adjournment.	Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.
3.19. Information on the entity with which the company has signed an agreement for the provision of Authorised Adviser's services, indicating the name, website address, telephone numbers and e-mail address of the Adviser.	Principle is applied.
3.20. Information on the entity that acts as the issuer's share maker.	Principle was not applied. The Company anticipates that the information will be available on the corporate website once the works to update the Company's website has been completed.

<p>3.21. Information document (prospectus) of the Company, published in the last 12 months.</p>	<p>Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.</p>
<p>Information contained on the website should be placed in a manner that allows easy access to that information. The issuer should update the information posted on the corporate website. If new, relevant information appears or if there is a significant change in the information posted on the corporate website, the update should be carried out immediately.</p>	<p>Principle is applied. The Company keeps the information posted on the corporate website up to date on a regular basis.</p>
<p>4. The Company operates a corporate website, at the issuer's choice, in Polish or English. Current and periodic reports should be posted on the corporate website at least in the same language as that in which they are published in accordance with the regulations applicable to the issuer.</p>	<p>Principle is applied. The Company's corporate website is in the Polish language. Current and periodic reports published on the website are prepared in the Polish language.</p>
<p>5. The company must pursue an information policy with particular regard to the needs of individual investors. For this purpose, in addition to its corporate website, the Company is bound to use the Company-specific investor relations section on the website <a href="http://www.GPWInfoStrefa.pl">www.GPWInfoStrefa.pl</a></p>	<p>Principle was not applied. In the opinion of the Management Board, the information policy pursued through the Company's corporate website ensures effective access to information necessary to assess the Company's situation and growth prospects.</p>
<p>6. The issuer should maintain regular contacts with the representatives of the Authorised Adviser to enable it to properly perform its duties towards the issuer. The company should appoint a person responsible for contacts with the Authorised Adviser.</p>	<p>Principle is applied.</p>
<p>7. If an event occurs at the Company which in the issuer's opinion is material to the performance of the Authorised Adviser's duties, the issuer is bound to immediately notify the Authorised Adviser of that fact.</p>	<p>Principle is applied.</p>
<p>8. The issuer should ensure that the Authorised Adviser has access to all documents and information necessary to perform the duties of an Authorised Adviser.</p>	<p>Principle is applied. No such events have occurred in the Company. The Company is not required to have an agreement with an Authorised Adviser. If they occur, the Company will apply this principle.</p>
<p>9. The issuer reports the following in the annual report: 9.1. Information on the total remuneration of all members of the Management Board and the Supervisory Board. 9.2. Information about the Authorised Adviser's remuneration received from the issuer for the provision of services to the issuer in every respect.</p>	<p>Principle is applied.</p>
<p>10. Members of the Management Board and the Supervisory Board should participate in the general meeting in such a composition as to provide substantive answers to questions asked during the general meeting.</p>	<p>Principle is applied.</p>

<p><b>11.</b> At least twice a year the issuer, in cooperation with the Authorised Adviser, should organise a publicly available meeting with investors, analysts and the media</p>	<p>Principle is applied. The Company responds promptly and on an ongoing basis to emerging enquiries from investors, analysts and the media. Should information important for the Company emerge, the Company's Management Board enables direct contact with the stakeholders. The Company holds a publicly available meeting with investors, analysts and the media, but without the participation of an Authorised Adviser, as the Company is not required to have an agreement with an Authorised Adviser. The Company also responds in writing to questions from individual investors. To organise meetings, the Company uses, among other things, its cooperation with the Association of Individual Investors.</p>
<p><b>12.</b> A resolution of the general meeting on the issue of shares with pre-emptive rights should specify the issue price or the mechanism for its determination or oblige the authorised body to do so before the date of determination of the pre-emptive right, within a time limit that makes it possible to take an investment decision.</p>	<p>Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.</p>
<p><b>13.</b> Resolutions of the general meeting should ensure that the necessary time interval is maintained between decisions causing specific corporate events and the dates on which the rights of shareholders resulting from those corporate events are determined.</p>	<p>Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.</p>
<p><b>13a.</b> If the Management Board receives notice from a shareholder holding at least half of the share capital or at least half of the total number of votes in the company that the shareholder has convened an Extraordinary General Meeting in accordance with the procedure set out in Article 399 § 3 of the Polish Code of Commercial Companies and Partnerships, the Management Board will immediately perform the actions it is obliged to perform in connection with the organisation and holding of the General Meeting. This rule applies also in the case of authorisation by the registration court of shareholders to convene an Extraordinary General Meeting under Article 400 § 3 of the Polish Code of Commercial Companies and Partnerships.</p>	<p>Principle is applied.</p>
<p><b>14.</b> The date of establishment of dividend rights and the date of payment of dividends should be fixed so that the time between them is as short as possible and in any case not longer than 15 working days. Setting a longer period between these dates requires detailed justification.</p>	<p>Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.</p>
<p><b>15.</b> UA resolution of the general meeting of shareholders on the payment of a conditional dividend may only contain such conditions, which may be fulfilled before the date of determination of the right to dividend.</p>	<p>Principle is applied. No such events have occurred in the Company. If they occur, the Company will apply this principle.</p>

<p><b>16.</b> The issuer publishes monthly reports within 14 days of the end of the month. A monthly report should include at least the following: information about the tendencies, trends and events in the issuer's market environment which, in the issuer's opinion, may have a significant impact on the issuer's financial standing and performance in the future, a summary of all information published by the issuer in the form of a current report in the period covered by the report, information about achieving the issue objectives, if such achievement, even in part, took place during the reporting period, investor's calendar including events that are to take place in the coming month which concern the issuer and are important from the point of view of investors' interests, in particular the date of publication of periodic reports, planned general meetings, opening of subscriptions, meetings with investors or analysts, and the expected date of publication of an analytical report.</p>	<p>Principle was not applied. Due to limited staff capacity, the Company does not publish monthly reports.</p>
<p><b>16a.</b> If the issuer violates its information obligation specified in Annex 3 to the Alternative Trading System Rules ("Current and periodic information provided in the alternative trading system in the NewConnect market"), the issuer is to promptly publish information explaining the situation, following the procedure relevant for such current reports in the NewConnect market.</p>	<p>Principle is applied.</p>



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2021

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