

Medicalgorithmics

Strong results improvement expected in 4Q25

In this report, we update our forecasts and valuation of Medicalgorithmics following the annual results release. We decrease our Fair Value to PLN 40.5/share. Since the new FV implies 17% upside potential relative to the current share price, we reiterate our BUY recommendation. The company is implementing a strategy to return to profitability, has moved on to the next stage of implementation with its largest customer in the US, and should see a jump in revenue and break even in 4Q25. On the other hand, the share price seems to already largely discount this scenario, and the upside potential is lower than in our previous report. To unlock more value in MDG shares, the company needs further contracts with large clients and optimization of the integration process with newly acquired clients. Both of these factors are among the reasons for Biofund's greater involvement in the management of the company and the main goals for 2026.

Agreement with a major client as planned. Medicalgorithmics announced that at the end of September, its largest client increased the daily number of tests by 118%, monthly revenues in September exceeded USD 75k, and in 4Q25 monthly revenues will exceed USD 300k, which will mean reaching the level declared by the company (PLN 1.1-1.7m per month in the first year and PLN 1.5-2.1m in the second year). The total takeover of tests from this client should take place in 2026. At the same time, the company is acquiring new clients who are waiting in line for integration, and we see significant room for improvement in this area, which is limited by available financing. Another key issue is acquiring new large clients, which could be facilitated by references and case studies based on the integration with the aforementioned key client in the US. Our valuation of the ECG business is PLN 196m, or PLN 19.7 per share.

VCAST with its first three contracts. The company has signed its first commercial contracts for VCAST with companies from Sweden, Turkey, and Saudi Arabia, and the Management Board declares that the first revenues from VCAST will be generated this year. This is positive, but in our opinion, VCAST will not contribute significantly to the result in 2026, and only entry into the US market will unlock the full potential of this product. We assume entry into the US market in 2028. Our valuation of VCAST is PLN 227m or PLN 22.8 per share.

Break-even is close. MDG is likely to break even in November or December thanks to a sharp increase in revenues, but not yet on a quarterly basis. We do not expect quarterly operating profit until 1Q26. At the same time, thanks to loans from Biofund, the company will not need additional external financing until then.

Figure 1. Medicalgorithmics financial forecasts summary

PLN m	2022	2023	2024	2025E	2026E	2027E
Revenues	62.7	43.1	24.0	31.1	55.9	62.3
EBITDA	21.4	2.8	-12.9	-6.1	13.4	16.6
Adj. EBITDA	16.4	3.0	-12.7	-6.1	13.4	16.6
EBIT	17.2	0.4	-16.5	-9.8	6.9	8.2
Net profit	-11.9	-0.6	-16.1	-9.9	2.3	3.8
EPS (PLN)	-1.59	-0.06	-1.62	-1.00	0.23	0.38
DPS (PLN)	0.00	0.00	0.00	0.00	0.00	0.00
uFCF yield (%)	-8.4%	-5.1%	-5.4%	-3.2%	-2.1%	0.3%
EV/EBITDA (x)	4.9	101.6	n.m.	n.m.	27.7	22.5
P/E (x)	n.m.	n.m.	n.m.	n.m.	152.6	90.5

Source: Company, IPOPEMA Research

Healthcare

Medicalgorithmics

BUY

FV PLN 40.5 from PLN 40.7

17% upside

Price as of 20 October 2025 PLN 34.5

Maintained



Share data

Number of shares (m)	10.0
Market cap (EUR m)	81
12M avg daily volume (k)	29.2
12M avg daily turnover (EUR m)	0.2
12M high/low (PLN)	42.80/15.57
WIG weight (%)	0.03
Reuters	MDG.WA
Bloomberg	MDG.PW

Total performance

1M	-11.8%
3M	8.7%
12M	32.8%

Shareholders (% of equity)

Biofund	34.9%
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MEDICALGORITHMICS

BUY

FV PLN 40.5

Mkt Cap EUR 81m

Upside: +17%

Valuation multiples	2023	2024	2025E	2026E	2027E
P/E (x)	n.m.	n.m.	n.m.	152.6	90.5
EV/EBITDA (x)	101.6	n.m.	n.m.	27.7	22.5
EV/Sales (x)	6.6	7.1	11.5	6.6	6.0
P/BV (x)	3.3	2.2	5.1	4.9	4.7
uFCF yield (%)	-5.1%	-5.4%	-3.2%	-2.1%	0.3%
DY (%)	0.0%	0.0%	0.0%	0.0%	0.0%

Per share	2023	2024	2025E	2026E	2027E
No. of shares (m units)	10.0	10.0	10.0	10.0	10.0
EPS (PLN)	-0.1	-1.6	-1.0	0.2	0.4
BVPS (PLN)	9.3	7.8	6.8	7.0	7.4
uFCFPS (PLN)	-1.6	-0.9	-1.1	-0.7	0.1
DPS (PLN)	0.0	0.0	0.0	0.0	0.0

Change YoY (%)	2023	2024	2025E	2026E	2027E
Revenues	-31.3%	-44.3%	29.7%	79.5%	11.5%
Gross profit	-81.8%	n.m.	n.m.	n.m.	24.0%
EBITDA	-86.9%	n.m.	n.m.	n.m.	24.0%
EBIT	-97.5%	n.m.	-40.8%	n.m.	n.m.
Net profit	-95.1%	2683.9%	-38.4%	n.m.	n.m.

Leverage and return	2023	2024	2025E	2026E	2027E
EBITDA margin (%)	6.5%	-53.8%	-19.6%	23.9%	26.6%
EBIT margin (%)	1.0%	-68.9%	-31.5%	12.3%	13.2%
Net margin (%)	-1.3%	-67.0%	-31.8%	4.0%	6.1%
Net debt / EBITDA (x)	-7.1	-0.2	-2.6	2.0	1.8
Net debt / Equity (x)	-0.2	0.0	0.2	0.4	0.4
Net debt / Assets (x)	-0.2	0.0	0.1	0.2	0.2
ROE (%)	-0.6%	-19.0%	-13.7%	3.3%	5.3%
ROA (%)	-0.5%	-14.1%	-9.0%	1.8%	2.7%

Forecasts (PLNm)	2023	2024	2025E	2026E	2027E
Revenues, o/w:	43.1	24.0	31.1	55.9	62.3
Services	35.3	21.6	28.7	52.6	58.7
Devices	7.8	2.4	2.4	3.3	3.5
Services (USDm), o/w:	8.4	5.9	7.6	14.1	15.5
React	3.7	0.0	0.0	0.0	0.0
New IDTF	0.0	1.0	1.8	2.0	2.1
Out of US	4.6	4.4	4.7	5.1	5.5
Costs, o/w:	-42.1	-42.1	-41.1	-49.0	-54.0
Materials and energy	-7.2	-3.6	-3.3	-2.8	-3.0
Employee costs	-18.1	-18.2	-17.4	-18.5	-19.6
D&A	-2.4	-3.6	-3.7	-6.5	-8.3
Third party services	-13.4	-15.7	-15.9	-20.5	-22.3
Other	-1.1	-1.0	-0.8	-0.8	-0.8

P&L (PLNm)	2022	2023	2024	2025E	2026E	2027E
Revenues	62.7	43.1	24.0	31.1	55.9	62.3
Opex	46.3	42.1	42.1	41.1	49.0	54.0
Other operating income (cost) net	0.8	-0.5	1.6	0.2	0.0	0.0
Adj. EBITDA	16.4	3.0	-12.7	-6.1	13.4	16.6
EBITDA	21.4	2.8	-12.9	-6.1	13.4	16.6
EBIT	17.2	0.4	-16.5	-9.8	6.9	8.2
Financial income (cost) net	8.0	-0.7	0.8	-2.4	-4.1	-3.6
Pre-tax profit	25.3	-0.2	-15.8	-12.2	2.8	4.7
Income tax	0.2	-0.3	-0.3	2.3	-0.5	-0.9
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued	-37.3	0.0	0.0	0.0	0.0	0.0
Net profit	-11.9	-0.6	-16.1	-9.9	2.3	3.8

BALANCE SHEET (PLNm)	2022	2023	2024	2025E	2026E	2027E
Non-current assets	65.9	78.4	83.4	90.0	94.8	99.0
PP&E	0.9	0.8	0.5	0.4	0.4	0.3
Right-of-use assets	1.1	1.5	1.8	2.3	2.7	3.1
Goodwill	19.0	19.0	19.0	19.0	19.0	19.0
Intangibles	44.9	53.7	59.5	65.7	70.2	74.0
Other non-current assets	0.0	3.4	2.6	2.6	2.6	2.6
Current assets	56.1	43.2	22.4	24.1	43.0	43.4
Inventories	8.8	9.3	9.4	9.8	16.8	18.3
Trade receivables	21.1	8.4	7.5	7.8	11.2	12.5
Cash and equivalents	26.2	25.5	5.5	6.4	15.0	12.6
Other current assets	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	122.0	121.6	105.8	114.1	137.8	142.5
Equity	94.7	92.6	77.2	67.3	69.5	73.3
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	17.1	16.8	19.7	34.2	54.2	54.2
Loans and borrowings	4.2	2.5	5.5	20.0	40.0	40.0
Other non-current liabilities	12.8	14.3	14.2	14.2	14.2	14.2
Current liabilities	10.3	12.3	9.0	12.6	14.1	15.0
Trade payables	4.5	4.4	3.4	7.1	8.6	9.4
Loans and borrowings	5.0	3.2	2.2	2.2	2.2	2.2
Other current liabilities	0.8	4.6	3.3	3.3	3.3	3.3
Equity & liabilities	122.0	121.6	105.8	114.1	137.8	142.5
Cash conversion cycle (days)	55.0	85.3	73.8	51.0	21.5	12.0
Gross debt (PLN m)	9.3	5.7	7.7	22.2	42.2	42.2
Net debt (PLN m)	-16.9	-19.8	2.2	15.8	27.3	29.6

CASH FLOW (PLNm)	2022	2023	2024	2025E	2026E	2027E
Operating cash flow	6.3	0.2	-13.1	-0.9	4.0	13.7
Net income	-11.9	-0.6	-16.1	-9.9	2.3	3.8
D&A	4.2	2.4	3.6	3.7	6.5	8.3
Change in WC	-26.5	-3.7	0.1	2.9	-8.9	-1.9
Other	40.5	2.1	-0.7	2.4	4.1	3.6
Investment cash flow	-1.8	2.0	-7.4	-8.7	-9.8	-10.9
Change in PP&E	-12.4	-11.3	-10.0	-8.7	-9.8	-10.9
Other	10.6	13.3	2.6	0.0	0.0	0.0
Financial cash flow	10.0	-2.8	0.4	10.6	14.3	-5.2
Change in equity	13.9	0.0	0.0	0.0	0.0	0.0
Change in debt	-3.0	-3.6	2.0	14.5	20.0	0.0
Dividend	0.0	0.0	0.0	0.0	0.0	0.0
RoU increase	0.0	0.0	-0.4	-1.5	-1.6	-1.6
Interest	0.0	0.0	0.8	-2.4	-4.1	-3.6
Other	-0.9	0.8	-2.0	0.0	0.0	0.0
Change in cash	14.5	-0.7	-20.0	0.9	8.5	-2.4
Cash as of eop	26.2	25.5	5.5	6.4	15.0	12.6

Source: Company data, IPOPEMA Research

Valuation

We value Medicalgorithmics using a sum-of-the-parts valuation. We value the Kardiolytics using the rNPV method (risk-adjusted net present value) probability weighing its subsequent phases. We value the ECG business using a DCF model. Based on our forecasts, we arrive at fair value of PLN 40.5 per share, i.e. 17% above the current market price, which implies a BUY recommendation.

Figure 2. Medicalgorithmics: SOTP valuation (PLNm)

	PLNm	PLN/share
ECG business - DCF valuation (Enterprise value)	195.8	19.7
Kardiolytics - rNPV valuation (Enterprise value)	227.1	22.8
Enterprise value	423.0	42.5
Net cash (3Q25E)	-19.7	-2.0
Fair value	403.3	40.5

Source: Company, IPOPEMA Research

rNPV valuation – Kardiolytics

Figure 3. Kardiolytics: Valuation assumptions

Phase	Year	Probability of success	Cumulative probability of success
Development	2025	100%	100%
Clinical trial	2026	75%	75%
FDA registration	2027	75%	56%
Commercial sale	2028	100%	56%
Average annual sales (USDm)	38.5		
Peak sales (USDm)	56.9		
rNPV (PLNm)	227.1		
rNPV (PLN/share)	22.8		

Source: Company, IPOPEMA Research

Figure 4. Medicalgorithmics: Kardiolytics assumptions

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal
Phase	Develop ment	Clinical trial	Approval	Market	Market	Market	Market	Market	Market	Market	Market
Price (USD)	250	250	250	250	250	250	250	250	250	250	250
No. of trials (m)	10	10	10	10	10	10	10	10	10	10	10
TAM	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Market share	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Peak sales	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5
Sales curve	0%	0%	0%	5%	19%	36%	51%	65%	75%	84%	91%
Revenues (USDm)	0.0	0.0	0.0	3.1	11.9	22.5	31.9	40.6	46.9	52.5	56.9
Costs	-3.4	-3.7	-4.1	-4.5	-4.6	-4.7	-4.8	-4.9	-5.0	-5.1	-5.2
Revenues less COGS and tax (USDm)	0.0	0.0	0.0	2.2	8.2	15.5	21.9	28.0	32.3	36.1	39.2
Success rate	100%	75%	75%	100%	100%	100%	100%	100%	100%	100%	100%
Cumulative probability of success	100%	100%	75%	56%	56%	56%	56%	56%	56%	56%	56%
Risk adj net FCF (USDm)	-3.4	-3.7	-3.1	-1.3	2.0	6.1	9.7	13.0	15.4	17.5	19.1
Discount	98%	87%	77%	68%	60%	53%	47%	42%	37%	33%	29%
USDPLN	3.71	3.72	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79	3.79
Net present CF (PLNm)	-12.3	-12.0	-8.9	-3.4	4.6	12.2	17.2	20.5	21.4	21.6	20.9
rNPV (PLNm)	227.1										

Source: Company, IPOPEMA Research

DCF valuation – ECG business

To value Medicalgorithmics' ECG business, we use a DCF model based on our free cash flows forecasts on consolidated numbers for the 2025E-2034E period. We applied a 5.5% equity risk premium, 5.0% risk free rate and 1.0% debt risk premium to reflect effective average costs of long-term financing. We assume standard unlevered beta at 1.0x and 2.0% growth rate in terminal year.

Figure 5. Medicalgorithmics ECG business DCF 2025E-2034E valuation

PLN m	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal
NOPAT	-7.9	5.6	6.7	8.6	10.1	12.5	15.7	20.4	24.3	29.8	29.8
+ Depreciation	3.7	6.5	8.3	10.4	12.5	15.1	15.7	16.2	16.5	16.8	-
+ Change in operating WC	3.1	-9.2	-2.8	-2.8	-2.2	-3.0	-2.6	-3.6	-2.9	-3.8	-3.8
+ Capital expenditure	-4.0	-4.4	-4.8	-4.3	-4.5	-4.7	-4.9	-5.0	-5.2	-5.4	-
Free cash flow	-5.1	-1.6	7.4	11.9	15.9	19.9	24.0	28.0	32.8	37.4	26.0
WACC	10.5%	10.4%	10.4%	10.4%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
PV FCF 2025E-2034E	80.0										
Terminal growth	2.0%										
PV TV	115.8										
Enterprise Value	195.8										

Source: Company, IPOPEMA Research

Figure 6. Medicalgorithmics ECG business WACC calculation

PLN m	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Risk free rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Equity risk premium	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Unlevered beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Cost of equity	11.1%	11.9%	12.0%	12.2%	11.2%	10.5%	10.7%	10.5%	10.5%	10.5%
Risk free rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Debt risk premium	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Tax rate	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
After tax cost of debt	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
Weight of debt	11.1%	24.2%	25.6%	27.3%	12.9%	0.0%	3.9%	0.0%	0.0%	0.0%
Weight of equity	88.9%	75.8%	74.4%	72.7%	87.1%	100.0%	96.1%	100.0%	100.0%	100.0%
WACC	10.5%	10.4%	10.4%	10.4%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

Source: Company, IPOPEMA Research

Figure 7. Medicalgorithmics ECG business DCF sensitivity (PLNm)

		g (%)				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	11.5%	164.1	168.8	173.9	179.7	186.2
	11.0%	172.8	178.2	184.2	190.9	198.5
	10.5%	182.6	188.8	195.8	203.7	212.7
	10.0%	193.7	201.0	209.2	218.5	229.2
	9.5%	206.4	214.9	224.6	235.7	248.5

Source: Company, IPOPEMA Research

Financial forecasts

Figure 8. Medicalgorithmics 2021-2028E financials

P&L (PLN m)	2021	2022	2023	2024	2025E	2026E	2027E	2028E
Revenues	85.3	62.7	43.1	24.0	31.1	55.9	62.3	70.1
COGS	94.3	46.3	42.1	42.1	41.1	49.0	54.0	59.5
Other operating income, net	-16.1	0.8	-0.5	1.6	0.2	0.0	0.0	0.0
Adj. EBITDA	7.1	16.4	3.0	-12.7	-6.1	13.4	16.6	21.0
EBITDA	-14.7	21.4	2.8	-12.9	-6.1	13.4	16.6	21.0
Operating profit	-25.1	17.2	0.4	-16.5	-9.8	6.9	8.2	10.6
Finance costs	2.8	8.0	-0.7	0.8	-2.4	-4.1	-3.6	-2.3
Pretax profit	-22.3	25.3	-0.2	-15.8	-12.2	2.8	4.7	8.3
Income tax	3.4	0.2	-0.3	-0.3	2.3	-0.5	-0.9	-1.6
Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued	-161.8	-37.3	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	-180.6	-11.9	-0.6	-16.1	-9.9	2.3	3.8	6.7
EPS (PLN)	-38.83	-1.59	-0.06	-1.62	-1.00	0.23	0.38	0.68
EBITDA margin	-17.2%	34.2%	6.5%	-53.8%	-19.6%	23.9%	26.6%	30.0%
EBIT margin	-29.4%	27.4%	1.0%	-68.9%	-31.5%	12.3%	13.2%	15.2%
Net margin	-211.8%	-18.9%	-1.3%	-67.0%	-31.8%	4.0%	6.1%	9.6%
ROE	-141.8%	-16.7%	-0.6%	-19.0%	-13.7%	3.3%	5.3%	8.8%
Balance Sheet (PLN m)	2021	2022	2023	2024	2025E	2026E	2027E	2028E
Current assets	106.7	56.1	43.2	22.4	24.1	43.0	43.4	48.6
Cash and equivalents	2.3	26.2	25.5	5.5	6.4	15.0	12.6	14.4
Trade and other receivables	6.9	21.1	8.4	7.5	7.8	11.2	12.5	14.1
Inventories	7.1	8.8	9.3	9.4	9.8	16.8	18.3	20.2
Other	90.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-current assets	7.7	65.9	78.4	83.4	90.0	94.8	99.0	101.5
PPE	-6.4	0.9	0.8	0.5	0.4	0.4	0.3	0.3
Right-of-use assets	9.5	1.1	1.5	1.8	2.3	2.7	3.1	3.6
Intangibles	3.7	44.9	53.7	59.5	65.7	70.2	74.0	76.0
Goodwill	0.8	19.0	19.0	19.0	19.0	19.0	19.0	19.0
Other	0.1	0.0	3.4	2.6	2.6	2.6	2.6	2.6
Total assets	114.4	122.0	121.6	105.8	114.1	137.8	142.5	150.2
Equity	47.4	94.7	92.6	77.2	67.3	69.5	73.3	80.0
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-term liabilities	14.7	17.1	16.8	19.7	34.2	54.2	54.2	54.2
Long-term debt	7.0	4.2	2.5	5.5	20.0	40.0	40.0	40.0
Other long-term liabilities	7.7	12.8	14.3	14.2	14.2	14.2	14.2	14.2
Short-term liabilities	52.3	10.3	12.3	9.0	12.6	14.1	15.0	15.9
Short-term debt	5.2	5.0	3.2	2.2	2.2	2.2	2.2	2.2
Trade and other payables	4.7	4.5	4.4	3.4	7.1	8.6	9.4	10.4
Other short-term liabilities	42.4	0.8	4.6	3.3	3.3	3.3	3.3	3.3
Total equity & liabilities	114.4	122.0	121.6	105.8	114.1	137.8	142.5	150.2
Net debt	10.0	-16.9	-19.8	2.2	15.8	27.3	29.6	27.9
Net debt/EBITDA (x)	-0.7	-0.8	-7.1	-0.2	-2.6	2.0	1.8	1.3
Cash flow (PLN m)	2021	2022	2023	2024	2025E	2026E	2027E	2028E
CF from operations	-6.5	6.3	0.2	-13.1	-0.9	4.0	13.7	16.9
Net profit	-180.6	-11.9	-0.6	-16.1	-9.9	2.3	3.8	6.7
D&A	10.4	4.2	2.4	3.6	3.7	6.5	8.3	10.4
Chg. In WC	7.8	-26.5	-3.7	0.1	2.9	-8.9	-1.9	-2.5
Other	155.9	40.5	2.1	-0.7	2.4	4.1	3.6	2.3
CF from investment	-15.8	-1.8	2.0	-7.4	-8.7	-9.8	-10.9	-11.1
CF from financing	17.7	10.0	-2.8	0.4	10.6	14.3	-5.2	-4.1
Beginning cash	16.2	11.7	26.2	25.5	5.5	6.4	15.0	12.6
Ending cash	11.7	26.2	25.5	5.5	6.4	15.0	12.6	14.4
DPS (PLN)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Source: Company, IPOPEMA Research

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The definitions of terms used in the document include:

AGM/EGM – annual/extraordinary general meeting of shareholders.

BVPS – book value per share – the book value of the company's shareholders equity divided by the number of shares outstanding without treasury shares at the end of period.

CAGR – compound annual growth rate.

CFO – net cash flow from operations.

Cost/Income – operating expenses divided by total banking revenue.

D&A – depreciation and amortization.

DCF – discounted cash flow model – a valuation method based on the sum of discounted future cashflows with appropriate adjustments (such as net debt, etc., if applicable).

DDM – dividend discount model – a valuation method of based on the sum of discounted future dividends.

DPS – dividend per share – dividend of a given year divided by the number of shares outstanding without treasury shares at the moment of distribution.

DY – dividend yield – total DPS of a given financial year divided by share price.

EBIT – earnings before interests and tax.

EBITDA – earnings before interests, tax, depreciation and amortization.

EPS – earnings per share – the net income (or adjusted net income) divided by the number of shares outstanding without treasury shares at the end of period.

EV – enterprise value – market cap adjusted by treasury shares, plus gross debt, less cash and equivalents, less associates, plus minorities.

EV/EBITDA – EV divided by EBITDA.

EV/S, or EV/revenues – EV divided by revenues (sales).

FCFE – free cash flow to the equity.

FCFF – free cash flow to the firm.

FV – fair value – fair value price of the company calculated based on valuation methods outlined in the document.

LLP – loan loss provisions – an expense set aside as an allowance for bad loans.

ND – net debt – gross debt and leases (depending on accounting standard) less cash and equivalents.

Net F&C – net fee and commission income – fee and commission income minus fee and commission expense.

NII – net interest income – interest income minus interest expense.

NPL – non-performing loan – loans that are in default or close to be in default.

P/BV – price to book value – price divided by the BVPS.

P/E – price to earnings ratio – price divided by earnings per share.

PEG – P/E ratio divided by the annual EPS growth, usually over a certain period of time.

ROA – return on assets – net income (or adjusted net income) divided by the average assets.

ROE – return on equity – net income (or adjusted net income) divided by the average shareholders' equity.

ROIC – return on invested capital – EBIT * (1 – tax rate) divided by average invested capital.

uCF – underlying free cash flow – IPOPEMA's measure reflecting the amount of potential cash flow generation available for distribution before outflow on discretionary purposes (such as shareholders' distribution, unannounced M&A, financial assets, etc.), calculated as follows: net cash from operations less net CAPEX on PP&E, intangibles and subsidiaries (related to announced deals), less net interest paid on debt, leases and granted loans, less lease payment, less dividends paid to minorities, plus received dividends, plus other items if necessary depending on company's specifics/presentation.

uCFp – uCF per share.

WACC – weighted average cost of capital.

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IPOPEMA Research - Distribution by rating category (1 July – 30 September 2025)

	Number	%
Buy	22	65%
Hold	8	24%
Sell	4	12%
Total	34	100%

Rating History – Medicalgorithmics

Date	Recommendation	Fair Value	Price at recommendation	Author
06.09.2023	BUY	PLN 45.2	PLN 36.0	Łukasz Kosiarski
16.11.2023	BUY	PLN 41.2	PLN 27.4	Łukasz Kosiarski
30.06.2024	BUY	PLN 42.6	PLN 28.8	Łukasz Kosiarski
28.11.2024	BUY	PLN 40.1	PLN 19.2	Łukasz Kosiarski
16.05.2025	BUY	PLN 40.7	PLN 27.5	Łukasz Kosiarski
21.10.2025	BUY	PLN 40.5	PLN 34.5	Łukasz Kosiarski