

Directors' Report

on the operations of Diagnostyka S.A.
and the Diagnostyka Group in 2024

22 April 2025





2024 summary



over 25 million
of patients served¹



over 4,000
test types available



over 161 million
tests sold in 2024



over 1,150
own specimen collection points



154 medical diagnostic laboratories
7 histopathology laboratories
4 genetics laboratories²
19 diagnostic imaging centres

¹Number of patients is defined by the Group as the total number of patients served annually.

²The Group operates two genetics laboratories through subsidiaries (Diagnostyka Genesis and Diagnostyka Oncogene) and two through related entities (genXone and Genomed).

³The Group defines EBITDA as net profit (loss) before income tax, share of profit or loss of associates and jointly controlled entities, impairment losses on investments in associates and jointly controlled entities for the period, finance costs, finance income, depreciation and amortisation. Recurring EBITDA is defined as EBITDA additionally adjusted for IPO costs, share-based payment plan costs and other one-off adjustments (e.g. costs of advisory fees related to transaction advisory services).

1.97 billion

Diagnostyka Group's
revenue (PLN)



**508.7
million**

Recurring EBITDA³ (PLN)



**223.3
million**

Net profit attributable to
owners of the Parent (PLN)

Letter from the President of the Management Board

Ladies and Gentlemen,
Dear Shareholders and Investors,

I am pleased to present the Directors' Report on the operations of Diagnostyka S.A. and the Diagnostyka Group, which also includes our Sustainability Report. Our debut on the Warsaw Stock Exchange on 7 February 2025, preceded by a successful initial public offering valued at nearly PLN 1.7 billion, was a landmark event in our history. The strong interest attracted by our IPO from investors and analysts reaffirms our confidence in the strength and potential of our business model.

2024 was another strong year for us, as reflected in a 23.6% increase in revenue and an attractive recurring EBITDA margin of 26.1% (up from 24.1% in 2023). This performance stems from our consistent execution of a strategy focused on organic growth, targeted acquisitions, and disciplined financial management.

We also made significant investments in 2024, which further solidified our leadership in laboratory diagnostics and will support expansion into new areas. The launch of modern diagnostic imaging centres in Warsaw and Bielsko-Biała, along with a new cytology laboratory in Warsaw, has greatly enhanced our capacity to deliver key medical services. A major milestone was the completion of our new headquarters in Łódź, which house both our central testing laboratory and the largest anatomical pathology laboratory in Poland, capable of performing up to 3 million tests per month.

2024 marked an important phase of preparation for the launch of Poland's first comprehensive diagnostics clinic, which opened in Warsaw in the first quarter of 2025.

The Longevity+ programme supports the Group's long-term strategy and our mission to promote preventive healthcare and deliver top quality services that contribute to better health and longevity. We believe this innovative offering, a full-spectrum health assessment combining laboratory, genetic, imaging, and other diagnostics, will become a new pillar of our business development and an effective response to patients' evolving needs.

We are optimistic about the future and confident that 2025 will bring continued growth for the Diagnostyka Group, with new opportunities arising both in terms of organic expansion and acquisitions.

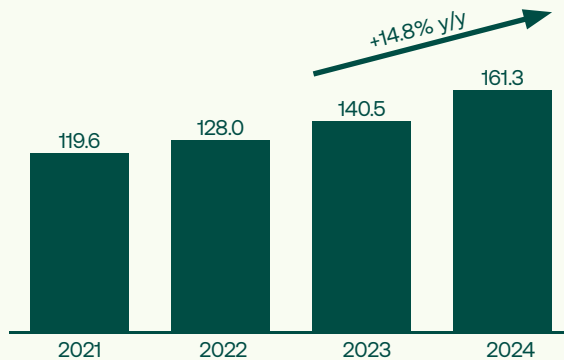
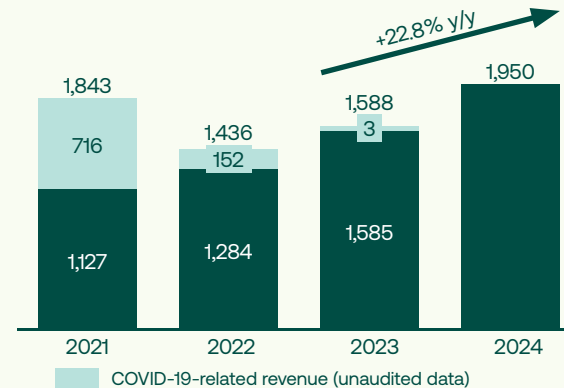
I would like to thank our new shareholders for their trust and recognition of our business potential, and the entire Diagnostyka Team for their dedication, which drives the successful delivery of our ambitious goals.



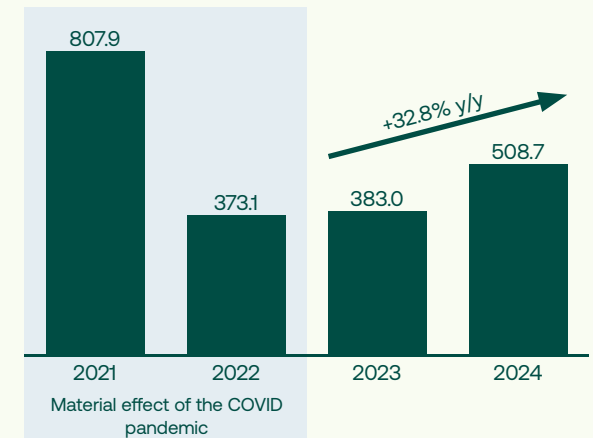
Jakub Swadźba,

CEO, President of the Diagnostyka Management Board

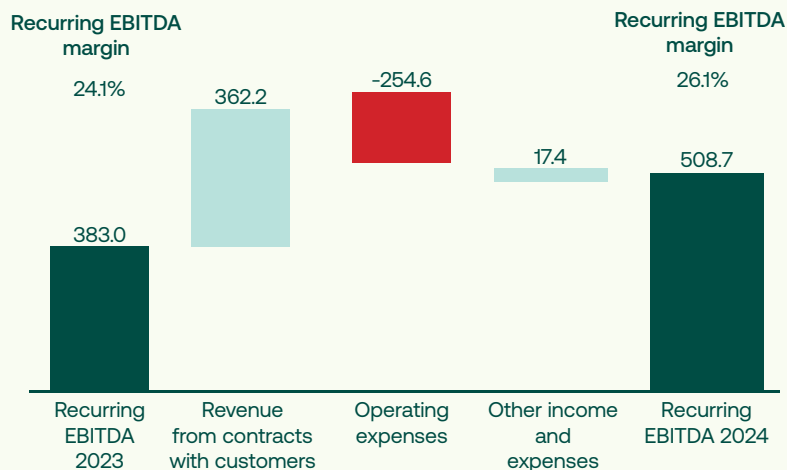
Diagnostic tests volume (million)

161.3 million in 2024Revenue from contracts with customers
(PLN million)**PLN 1,950 million** in 2024

Recurring EBITDA (PLN million)

PLN 508,7 million in 2024

Evolution of recurring EBITDA (PLN million)



Summary:

- + The volume of tests has continued to grow year on year, reaching 161.3 million in 2024, up 14.8% relative to 2023.
- + The Group's revenue from contracts with customers rose to PLN 1,950 million in 2024, maintaining a strong upward trend with a 22.8% year-on-year increase. This improvement was driven primarily by organic growth (20.7%), including higher test volumes (14.8%) and an increase in the average price of tests sold (7.3%).
- + Recurring EBITDA went up 32.8% year on year, to PLN 508.7 million in 2024, mainly thanks to sustained revenue growth. Combined with tight cost control, this led to a 2.0pp increase in the recurring EBITDA margin¹, to 26.1%.

¹ Recurring EBITDA margin is calculated as the ratio of recurring EBITDA to revenue from contracts with customers.

We continue to deliver consistently strong financial performance, demonstrating the effectiveness of our growth strategy. In 2024, the Group's revenue increased by 23.6%, to PLN 1.97 billion, with revenue from contracts with customers rising by 22.8%, to PLN 1.95 billion. This improvement was due mainly to organic growth (20.7%), fuelled by a combination of a 14.8% higher test volume and a 7.3% rise in the average price of tests sold. The Group's revenue trajectory underscores our ability to grow the business and build long-term customer relationships.

Revenue grew faster than operating costs, which rose by 20.1%, to PLN 1.64 billion. Strong sales coupled with disciplined cost management brought a 32.8% year-on-year increase in recurring EBITDA, to PLN 508.7 million. The recurring EBITDA margin improved by 2.0pp, reaching 26.1% in 2024.

Net profit rose by 78.4%, to PLN 232.0 million, and net profit attributable to owners of the Parent was up 80.9%, to PLN 223.3 million. A high free cash flow to EBITDA conversion ratio of 85.3% and robust cash generation provide us with the financial flexibility to continue our organic growth and pursue strategic acquisitions. We follow a conservative approach to debt management, keeping the net debt to EBITDA ratio at a secure level of 1.9x.

On 7 February 2025, Diagnostyka shares were floated on the Warsaw Stock Exchange. Ahead of the IPO, we outlined our dividend policy in the prospectus, and as a publicly traded company we remain fully committed to it. The Management Board's intention is to recommend dividend distributions at a level of 50% of net profit attributable to owners of the Parent, with the option to increase the payout in years of exceptionally strong financial performance. The final decision on dividend distributions and amounts will be made by the General Meeting, taking into account the Group's financial condition, legal and credit obligations, and strategic growth plans. We aim to position Diagnostyka as a dividend-paying growth stock, combining dynamic value creation with regular dividend distributions to shareholders.

Stock exchange listing also contributes to the Group's stronger market position, enhanced brand recognition, and higher standards of governance and transparency. We are committed to maintaining best-in-class investor communication and view our presence on the capital market as a long-term component of our growth strategy.

Paweł Chyła

CFO, Vice President of the Diagnostyka Management Board

Consolidated financial highlights of the Diagnostyka Group

	2021	2022	2023	2024
Revenue	1,847,954	1,444,243	1,597,029	1,974,688
of which revenue from contracts with customers	1,842,776	1,435,584	1,587,979	1,950,147
Increase/(decrease) in revenue from contracts with customers (%)	62.0%	-22.1%	10.6%	22.8%
Organic growth/(decline) (%)	34.8%	12.1%	20.9%	20.7%
Increase/(decrease) in total diagnostic tests volume (%)	42.1%	10.4%	11.2%	14.8%
Increase/(decrease) in average price of tests sold (%)	-0.1%	4.4%	11.0%	7.3%
Operating expenses	1,160,117	1,201,302	1,362,769	1,636,677
EBITDA	801,675	368,804	381,505	499,536
Recurring EBITDA	807,892	373,122	383,025	508,662
Recurring EBITDA margin	43.8%	26.0%	24.1%	26.1%
Net profit	562,434	171,660	129,988	231,959
Net profit attributable to owners of the Parent	557,791	167,415	123,430	223,326
Dividend per share (DPS) ¹	6.59	14.58	3.32	3.13
EPS ²	16.52	4.96	3.66	6.62
FCF ³	733,740	281,942	337,677	426,312
FCF/EBITDA	91.5%	76.4%	88.5%	85.3%
Net debt	386,227	629,521	755,625	928,905
Net debt ⁴ /EBITDA	0.5x	1.7x	2.0x	1.9x



¹ Dividend paid for the previous financial year.

² EPS (earnings per share) is calculated by dividing net profit attributable to owners of the Parent by the total number of outstanding shares (33,756,500 shares).

³ FCF (free cash flow) is defined as EBITDA less (i) income tax paid; and (ii) adjustments resulting from changes in working capital disclosed in the consolidated statement of cash flows.

⁴ Net debt is calculated by the Group as the sum of short-term and long-term borrowings and short-term and long-term lease liabilities less cash and cash equivalents as disclosed in the consolidated statement of financial position.



Table of contents

Business profile ⁺

Overview of the Group's operations	8
Mission and vision	13
Customer segments	14
Key business areas	15
History	21
Logistics	22
Quality control of laboratory tests	23
Regulatory environment	24
Awards, distinctions and certificates	25
Workforce	26
Future ESG focus areas	28

Corporate governance ⁺

Structure of the Group	53
Shareholding structure	55
Diagnostyka on the Warsaw Stock Ex- change	57
Dividend	58
Incentive plan	59
Management Board	62
Supervisory Board	64
Committees of the Supervisory Board	66
Auditor	67
Remuneration	68
General Meeting	70
Diversity policy	71
Statement of compliance with corporate governance standards	72

Other information ⁺

Other information	87
Glossary of terms	89

Sustainability reporting ⁺

General information	94
Environmental disclosures	122
Social disclosures	140
Governance disclosures	158

Growth strategy and prospects ⁺

Growth strategy	30
The Group's markets	35
Material agreements	39
Key drivers of the Group's performance over the next quarters	40
Risks	41
IT Infrastructure	48
R&D	50

Financial results ⁺

Consolidated financial results of the Diagnostyka Group	76
Separate financial results of Diagnostyka S.A.	81



Business profile



Overview of the Group's operations

We are a major provider of diagnostic services, operating the largest network of medical diagnostic laboratories and specimen collection points in Poland.

Since its establishment in 1998, Diagnostyka has consistently built its leading position in terms of the number of laboratories and specimen collection points it operates, the volume of tests performed, the size of its specialist workforce, and the scale of its proprietary courier network.

The Group serves both the B2C segment (individual customers) and the B2B segment (public and private entities), offering comprehensive, professional services, from the collection and transport of biological specimens to testing and delivering results of high-quality medical laboratory analyses in the shortest possible time.

Diagnostyka has developed one of the most recognised healthcare brands in Poland.

We maintain close proximity to patients through a nationwide network of over 1,150 specimen collection points across approximately 500 locations.

Our network includes 154 medical diagnostic laboratories, 7 histopathology laboratories, 4 genetics laboratories (of which two are run by Diagnostyka's subsidiaries and two by associates), and 19 diagnostic imaging centres. We offer more than 4,000 types of laboratory tests and perform over 161 million tests annually.

The Diagnostyka Group performs the following types of medical diagnostic tests:

Diagnostyka+ laboratoryjna

- Basic screening tests
- Specialist tests in the following areas:
 - + Microbiology
 - + Autoimmunity
 - + Toxicology
 - + Molecular biology

Diagnostyka+ genetyczna

- Human genome testing
- Consultations and counselling by clinical geneticists

Diagnostyka+ histopatologiczna

- Histopathological examinations
- Immunohistochemical tests
- Cytology tests
- Cytogenetics tests
- Consultations with pathologists

Diagnostyka+ obrazowa

- X-ray examinations
- Computed tomography (CT)
- Ultrasound scans (USG)
- Magnetic resonance imaging (MRI)
- Image interpretation by radiologists

Diagnostyka+ kompleksowa

Longevity+

The Diagnostyka Group is the leading provider of medical diagnostics in Poland, serving over 25 million patients (understood as the total number of patients served annually) and performing more than 161 million tests annually. Our portfolio includes over 4,000 types of laboratory tests, and we are committed to delivering the highest quality of service. We offer a comprehensive range of diagnostic services, including laboratory diagnostics, genetic testing, anatomical pathology, and imaging scans. Over the past 27 years, we have consistently expanded our network and service offering, securing a strong market position and achieving the highest level of brand recognition in the industry.

Jakub Swadźba,

co-founder, CEO and President of the Diagnostyka Management Board



Laboratory process

In 2024, the Group performed more than

161 million tests



anatomical
pathology tests
ca. 4 million



diagnostic
imaging scans
ca. 58,000



laboratory tests
ca. 157 million



genetic tests
ca. 77,000



over 1,150
specimen
collection points

collection
of specimen



over 600
couriers

transport
(600 in-house couriers)



154
medical
diagnostic laboratories

testing
(the Group's network
of 154 labs)



ca. 7,000
FTEs

delivery of test results
(medical analysis performed
by a team of approx.
7,000¹)

¹ Headcount at the Group as at 31 December 2024, including individuals employed under employment contracts (full-time equivalents) and civil law contracts, totalled 6,967.

We handle the entire laboratory process, from collecting biological specimens and transporting them via a network of over 600 in-house couriers, to performing tests at our own facilities and delivering results of medical laboratory analyses performed by a team of specialised medical professionals.

Customers can access information on their test results online through our website or mobile app. The information includes both individual test results and an archive, along with tools to visualise historical trends.



Network of laboratories and specimen collection points

We have a nationwide network of over 1,150 specimen collection points, operated by the Group companies or subcontractors, in around 500 locations, covering all towns with over 20,000 residents. Based on our estimates, around 80% of Poland's population lives within 10 km of one of our collection points. In 2024, we served over 25 million patients (understood as the total number of patients served annually).

Our laboratory network follows a hub-and-spoke model. We focus on fast-growing areas like genetic testing, histopathological diagnostics and AI-driven solutions. Diagnostics's associates also provide genetic testing services through partner laboratories in cities like Warsaw, Kraków, Wrocław, and Poznań.



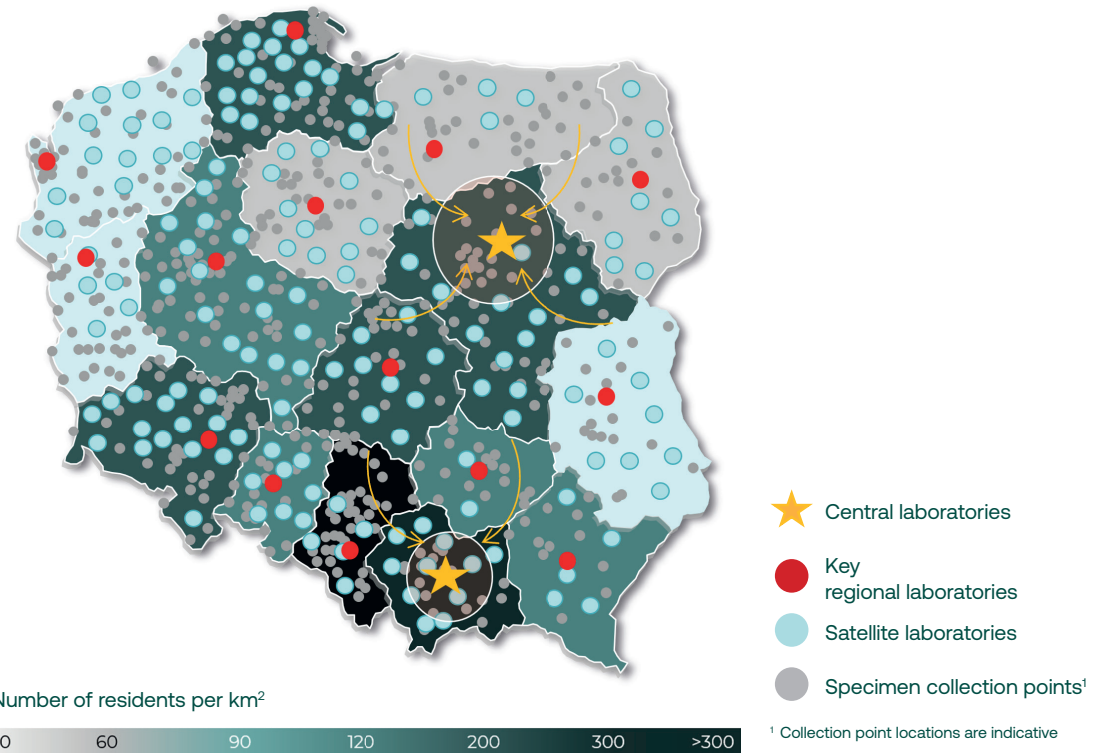
over 1,150
specimen collection points



154
laboratories, including:

- + 2 central laboratories
- + 14 regional laboratories
- + 138 local laboratories

Map of **laboratories** and specimen collection points



An extensive hub-and-spoke network means:

Easy access

Better quality control

Advanced, specialised
services

Scalability

Operational efficiency

Data integration

Key drivers of the Group's successful growth

The Diagnostyka Group is the provider of choice for laboratory testing services and the most recognisable brand in the market in Poland. Its success is driven by:



Wide range of tests offered and performed in the Group's laboratories



Advanced IT infrastructure enabling integration with institutional customers



Short turnaround time from specimen collection to test results



High quality of testing, confirmed by relevant certifications



Widest collection point network among Poland's laboratory diagnostic service providers



Ability to meet diverse needs of a broad customer base¹



High-quality customer service at collection points, supported by easy access to the Group's offer via e-commerce platforms

¹Institutional customers are served by dedicated medical representatives and a specialised key account support team.



Regional structure of operations

Diagnostyka operates across Poland. Its broad organisational structure designed for operational excellence is based on a division into ten operational regions: West Pomerania, Northern Poland, Central-Western Poland, Bydgoszcz and Toruń Province, Central-Eastern Poland, South-Western Poland, Opole, Silesia, Southern Poland, and South-Eastern Poland. This division facilitates effective management and smooth delivery of diagnostic services in different parts of the country.



10 Regions:

- | | |
|--------------------------|--------------------------------|
| ○ Central-Eastern Poland | ○ Northern Poland |
| ○ Central-Western Poland | ○ West Pomerania |
| ○ Southern Poland | ○ Silesia |
| ○ South-Eastern Poland | ○ Bydgoszcz and Toruń Province |
| ○ South-Western Poland | ○ Opole |



Mission and vision



Mission⁺

We support good
health and longevity
through high-quality
diagnostics



Vision⁺

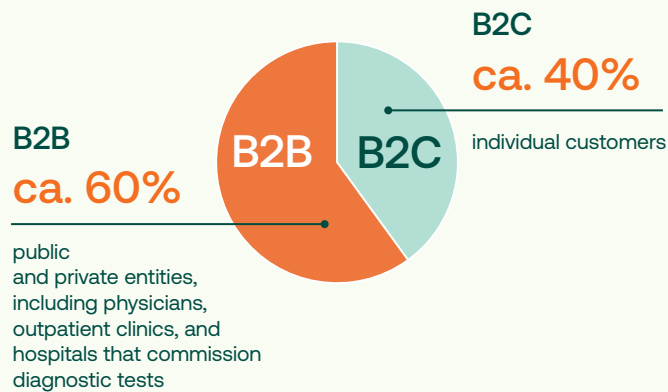
We aim to set global
standards in diagnostic
and preventive
care



Customer segments

As part of its core business, the Diagnostics Group provides laboratory testing services to two customer segments: individual and institutional customers.

Share of the Group's revenue in 2024



(B2C) Individual customers

Our individual customers are private individuals who access our services:

- + by purchasing tests directly at specimen collection points; or
- + through our e-commerce platforms integrated with the Group's website.

In 2024, services for individual customers accounted for around 40% of the Group's total revenue, which helps reduce exposure to price competition in the institutional segment.



(B2B) Institutional customers

Our institutional customers include both public and private entities, such as:

- + healthcare providers, from small medical practices and outpatient clinics to small and medium-sized hospitals and nationwide medical networks, which commission diagnostic tests either through contracts with the National Health Fund (NFZ) or on a commercial basis;
- + other organisations (including companies operating in medicine-related sectors), such as universities, research and development centres, scientific and clinical research institutions, and dietitians.

In 2024, institutional customers generated approximately 60% of the Group's total revenue.



Strategic value and benefits from operating in both channels:

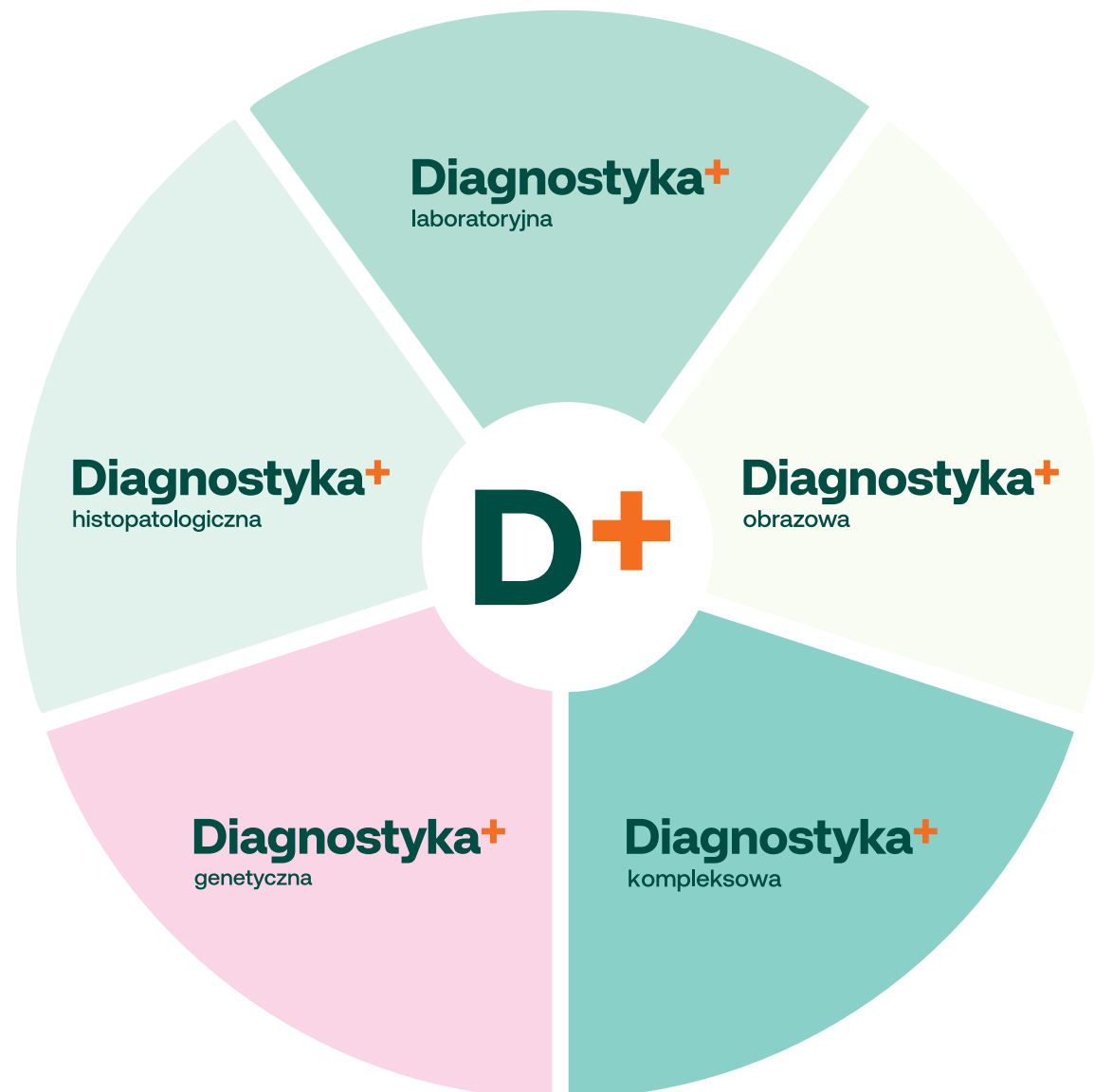
- Diversified base of customers and payers
- Channel-specific growth strategies
- Transfer of best practices across segments
- Better understanding of customer needs
- Limited exposure to public outsourcing
- Majority of revenue linked to prices that can be adjusted, for example, in response to inflation
- Easier entry into new market segments

Key business areas

As part of our core business, we provide end-to-end medical diagnostic services in the following areas:

- Laboratory diagnostics
- Histopathological diagnostics
- Medical diagnostic imaging
- Genetic diagnostics
- Comprehensive diagnostics

End-to-end diagnostic services: one-stop-shop





Diagnostyka+

laboratoryjna

The Diagnostyka Group operates over 1,150 specimen collection points and 154 medical diagnostic laboratories. Our laboratory diagnostics portfolio comprises over 4,000 different types of tests, including:

- + Basic screening tests, such as:
 - complete blood count (CBC)
 - biochemical blood tests
 - immunochemical tests
- + Specialist tests, such as:
 - immunological diagnostic tests (e.g., autoimmune disease testing, flow cytometry, anti-skin antibody (ASA) tests, platelet large cell ratio (PLC-R) tests)
 - cytology tests, including conventional gynaecological cytology and liquid-based cytology (LBC),
 - histopathological examinations of all types of tissues and organs, particularly for cancer diagnostics
 - microbiological testing using both conventional methods and molecular biology methods to detect and identify infectious agents

The Diagnostyka Group operates under a hub-and-spoke laboratory model, where central laboratories are supported by regional and satellite labs. This structure enables centralised management, performance tracking, and operational optimisation across the network.

The central laboratories are designed to handle high volumes of specialist tests under the supervision of experienced professionals. This model ensures rigorous quality control for advanced procedures and facilitates knowledge transfer between facilities.

Regional centres collect specimens from across their areas. Specialist tests are routed from regional centres to central laboratories via the Group's specialised courier network.

We partner with leading technology providers, including Roche, Abbott, Sysmex, and Euroimmun, to develop and implement cutting-edge diagnostic systems.

High levels of automation enhance process flexibility and support continuous optimisation, translating into higher efficiency and better resource utilisation across the Group.

Laboratory diagnostics is a cornerstone of our operations, generating approximately 90% of the Group's total revenue. We reinvest a significant portion of our profits in state-of-the-art technologies, allowing us to uphold the highest quality standards. Through partnerships with leading global suppliers, we provide patients with access to accurate and reliable diagnostics across a portfolio of over 4,000 types of tests.

Our innovative solutions benefit not only patients, but also strengthen the overall healthcare system in Poland.

Sławomir Gadowski,
Managing Director
– Regional Management
Division (Head of
Laboratory Diagnostics)

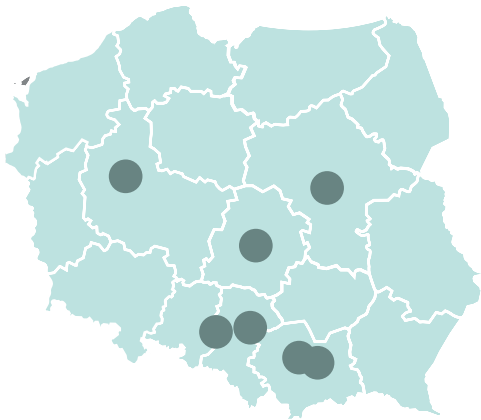




Diagnostyka+

histopatologiczna

Histopathological diagnostics is a branch of anatomical pathology focused on the macroscopic and microscopic examination of tissue samples collected from patients. It is a critical field in medicine, especially in oncology, where it plays a key role in detecting and classifying cancers and directly influences treatment decisions.



● Histopathology laboratories

In the diagnostic process, tissue samples are prepared for microscopic evaluation by a clinical pathologist through a series of steps including dehydration, fixation, embedding in paraffin blocks, sectioning, and staining. During the microscopic assessment, the pathologist identifies cell types and any abnormalities. These observations help determine the type, stage, and aggressiveness of a disease, i.e. information that is essential for guiding the patient's treatment plan.

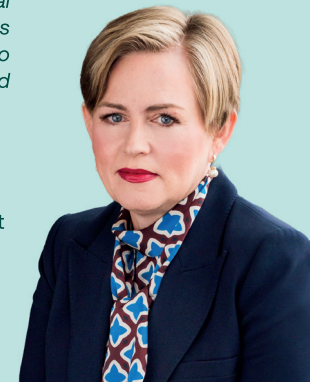
The Diagnostyka Group operates the largest private network of anatomical pathology laboratories in Poland, with seven labs providing services nationwide to both public and private healthcare providers (including hospitals, clinics, and private practices), and performing histopathological testing for all companies within the Group.

We employ the largest team of histopathology professionals in Poland, including clinical pathologists, medical cytologists, cytotechnologists and technicians. Our histopathology centres are also the largest and most advanced in the country, equipped with cutting-edge diagnostic equipment.

Histopathological diagnostics is essential for identifying and classifying diseases, particularly cancers, and plays a key role in supporting precise treatment planning. With Poland's largest network of histopathology laboratories and a highly skilled team of specialists, we deliver accurate, comprehensive analysis of tissues and cells. The state-of-the-art technology and advanced methods, such as immunohistochemical staining and genetic testing, ensure the highest standards in diagnostic quality.

Our services provide critical support for medical facilities nationwide, contributing to more effective treatment and better outcomes for patients.

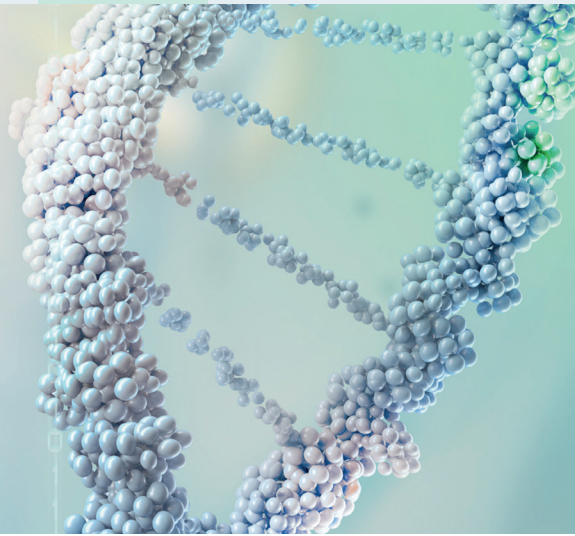
Hanna Makowska,
President of the Management
Board of Diagnostyka
Consilio Sp. z o.o.





Diagnostyka+

genetyczna



We operate two genetic testing laboratories through our subsidiaries, Diagnostyka Genesis and Diagnostyka Oncogene, and maintain close partnerships with two genetics-focused laboratories owned by associates, Genomed and genXone. In addition, Diagnostyka has three in-house units dedicated to molecular and genetic diagnostics.

- **Diagnostyka Genesis** specialises in rare disease diagnostics and reproductive genetics, including prenatal testing. It employs advanced technologies such as microarrays (aCGH) and quantitative PCR (qPCR). The company also runs genetic counselling clinics that offer integrated diagnostic and advisory services for patients.
- **Diagnostyka Oncogene** focuses on oncogenetic testing, performing molecular profiling of cancer tissues to support the selection of personalised therapies, and conducting analyses related to cancer prevention.



- Specialist genetic laboratories
- Genetics laboratories of Diagnostyka S.A.

Key areas of focus in our genetic diagnostics operations:

- comprehensive testing for inherited diseases and congenital disorders, along with genetic analyses that support a wide range of medical fields, including oncology, gynaecology, cardiology, neurology, paediatrics, and preventive medicine
- genetic counselling, which provides patients with end-to-end support from clinical geneticists, both through outpatient clinics and telemedicine channels
- application of next-generation sequencing technologies, including whole exome sequencing (WES) and whole genome sequencing (WGS), to enable personalised approaches to prevention and treatment

Strategic development priorities:

1. expanding our test portfolio by adopting new technologies that support multiple areas of medical diagnostics
2. developing testing methods, including liquid biopsy, for molecular cancer profiling to support targeted therapies and ongoing disease monitoring
3. expanding the scope of our genetic counselling services
4. developing genetic testing panels to support preventive care

Genetic diagnostics is a key pillar of modern medicine, enabling early detection of diseases, personalised treatment strategies, and precise preventive care. Thanks to advanced technologies like next-generation sequencing (NGS), we can effectively support genetic diagnostics across multiple medical fields, offering a broad range of services to both individual patients and healthcare institutions.

Our network of genetic laboratories and counselling centres, supported by a team of dedicated experts, ensures the highest quality of tests, contributing to more effective treatment and improved public health outcomes.

We are committed to continuous innovation, driving the development of genomic and molecular diagnostics to deliver state-of-the-art medical solutions for patients.

Anna Piotrowska-Mietelska,

Director for Genetics
Strategy and Development



Diagnostyka+

obrazowa

Medical diagnostic imaging is a technique used to visualise internal structures of the body, allowing physicians to assess a patient's health without invasive procedures.

It encompasses a range of methods, including:

- X-ray
- computed tomography (CT)
- magnetic resonance imaging (MRI)
- ultrasound
- scintigraphy
- positron emission tomography (PET)

Medical diagnostic imaging is used in:

- evaluating injuries such as bone fractures and muscle damage,
- detecting and diagnosing of tumours, cysts, and inflammatory diseases,
- planning for surgeries and medical procedures and interventions.

These examinations require specialised equipment, including:

- X-ray machines, CT scanners,
- MRI scanners, and ultrasound devices,
- highly trained professionals such as radiologists, radiologic technologists, and imaging specialists,
- appropriate medical infrastructure, including dedicated spaces and systems for image processing and storage.

The Diagnostyka Group operates 19 diagnostic imaging laboratories: 14 within hospitals and 5 in outpatient centres. We also pursue investments in new diagnostic imaging centres through greenfield projects.

Developing the medical diagnostic imaging segment is one of our strategic priorities.

In 2023, we entered the diagnostic imaging market by acquiring shares in Zakład Rentgena i USG WYROBEK, a step followed by acquisitions of Diagnostyka-Teleradiologia24 and Livmed.

With a combination of further acquisitions and organic growth, we aim to become one of Poland's leading diagnostic imaging providers in the coming years.

The development of the medical diagnostic imaging segment is one of our core strategic goals, and we continue to invest in this area with purpose and consistency. In 2024, we advanced our expansion through acquisitions and the opening of new facilities, significantly reinforcing our position in the market. In this way we improve access to state-of-the-art diagnostic imaging services and develop advanced technologies, including teleradiology and AI-driven applications in radiology. Our ambition is to continue expanding and to build a strong, leading presence in diagnostic imaging across Poland.

Łukasz Wyrobek,
President of
the Management
Board

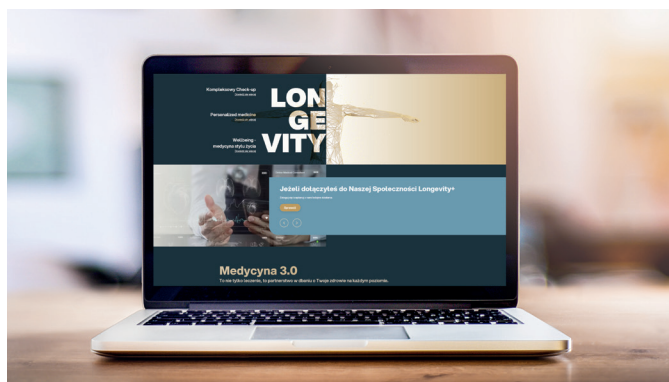
of Diagnostyka
Wyrobek Sp. z o.o.



Longevity+

Given the growing public awareness of lifestyle diseases and broader trends emphasising the importance of living longer, healthier lives, we have introduced Longevity+, a new subscription-based service platform offering a broad range of comprehensive healthcare solutions.

Tailored to the needs of an aging population, Longevity+ addresses the rising demand for preventive care



fee-for-service diagnostic model.

Subscribers gain access to a comprehensive health check-up, i.e. a complete, holistic health assessment, which may include a wide spectrum of tests, ranging from laboratory and imaging diagnostics to microbiome and genome analysis, as well as MRI scans.

The outcome is a personalised 12-month health plan, designed to support long-term wellbeing. Customers also have the option to use additional healthcare services along with their plan.

The first Longevity+ comprehensive diagnostic centre opened in the first quarter of 2025 at Diagnostics's central laboratory located at ul. Jutrzenki 100 in Warsaw.

The Longevity+ programme includes medical imaging diagnostics, laboratory diagnostics, ultrasound examinations, endoscopic examinations, and selected additional services, including dental and ophthalmic care.

In response to increasing awareness of lifestyle diseases and the growing focus on long life and wellbeing, we introduced Longevity+, a platform that brings together the latest trends in comprehensive healthcare. It offers a comprehensive assessment of an individual's health status and the development of a personalised health plan that includes medical imaging and laboratory diagnostics, as well as other services supporting a healthy lifestyle.

By integrating modern technologies and partnering with providers of wearable devices, Longevity+ goes beyond diagnostics to enable ongoing health monitoring and long-term care. This forward-thinking approach to prevention is built on holistic, personalised healthcare, tailored to meet each patient's unique needs.

Jakub Swadźba

co-founder,
CEO and President of the
Diagnostics Management Board





History

1998–2010

1998

Establishment of Diagnostyka s.c. in Kraków and opening of the first diagnostic laboratory

2000

Establishment of Diagnostyka Gorzów Wielkopolski and acquisition of Medica Zielona Góra

2001

Establishment of Diagnostyka Warszawa and its merger with Diagnostyka Kraków

2004

Implementation of a management system and achievement of ISO 9001 certification

2006

Opening of a branch in Wrocław and launch of Diagnostyka's own molecular biology laboratory in Kraków

2008

Dynamic growth of the Group's business driven by the establishment and acquisition of new entities, including: ODM Kielce, Diagnostyka Częstochowa, Loma Opole, and Top-Lab Lublin

2010

Achievement of ISO IEC 17025 accreditation, validating the competence and quality standards of the Group's testing laboratories

2011–2019

2011

Acquisition of the business and laboratory network of Dr n. med. Teresa Fryda Laboratorium Medyczne

Securing financial investor Mid Europa Partners, and merger with the company owned by Marcin Fryda, who becomes a partner in Diagnostyka

2012

Acquisition of Medis and Alpha Medical, marking establishment of Diagnostyka's presence in every province in Poland

2013

Acquisition of Olympus Consilio (currently Diagnostyka Consilio) of Łódź – the Group's entry into the histopathology services market

2014

Opening of Diagnostyka's new headquarters in Kraków and the Central Network Laboratory (the largest diagnostic laboratory in Poland and one of the most advanced in the world)

2016

Implementation of an information security system and achievement of ISO/IEC 27001 certification

Acquisition of a majority interest in Oncogene Diagnostics Sp. z o.o.

2017

Launch of the Group's e-commerce platform

Implementation of an environmental management system and achievement of ISO 14001 certification

2018

Acquisition of Centra Genetyki Medycznej Genesis and Vitalabo Laboratoria Medyczne

Establishment of Diagnostyka Consilio, operating in the histopathology services market

2019

Acquisition of Histamed, a histopathological diagnostics laboratory in Gliwice (currently Histamed DC Sp. z o.o.)

2020–2025

2020

The Group's active contribution to the fight against the COVID-19 pandemic – providing free SARS-CoV-2 testing for healthcare professionals and teachers, and performing 10% of all COVID-19 tests carried out in Poland

2021

Acquisition of ZdroweGeny.pl, one of Poland's largest e-commerce platforms dedicated to diagnostic testing

Investment in a start-up company Badania.pl, operating a platform for ordering diagnostic tests by physicians

Active participation of the Group in the National Vaccination Programme

Opening of a central laboratory in Warsaw, equipped with some of the most advanced laboratory technologies in Europe

2022

Provision of material and financial aid to victims of the war in Ukraine, and offering free diagnostic testing for refugees

2023

Acquisition of NZOZ Diagno-Med. Sp. z o.o., strengthening the Group's market position in the Province of Katowice

Start of the Group's diagnostic imaging operations by acquiring shares in Zakład Rentgena i USG Wyróbk

2024

Continued expansion in the diagnostic imaging market through the acquisition of shares in Diagnostyka-Teleradiologia24 and Livmed

2025

Listing of Diagnostyka S.A. shares on the main market of the Warsaw Stock Exchange



Logistics

With a broad network of specimen collection points and laboratories located across Poland, we ensure efficient and timely delivery of high-quality services. This process is supported by a dedicated courier network comprising around 540 vehicles and over 600 trained drivers. Together, they travel approximately 1.8 million kilometres each month, ensuring reliable and effective transport operations. In most cases, we use our own courier network, supplemented by external providers on selected routes.

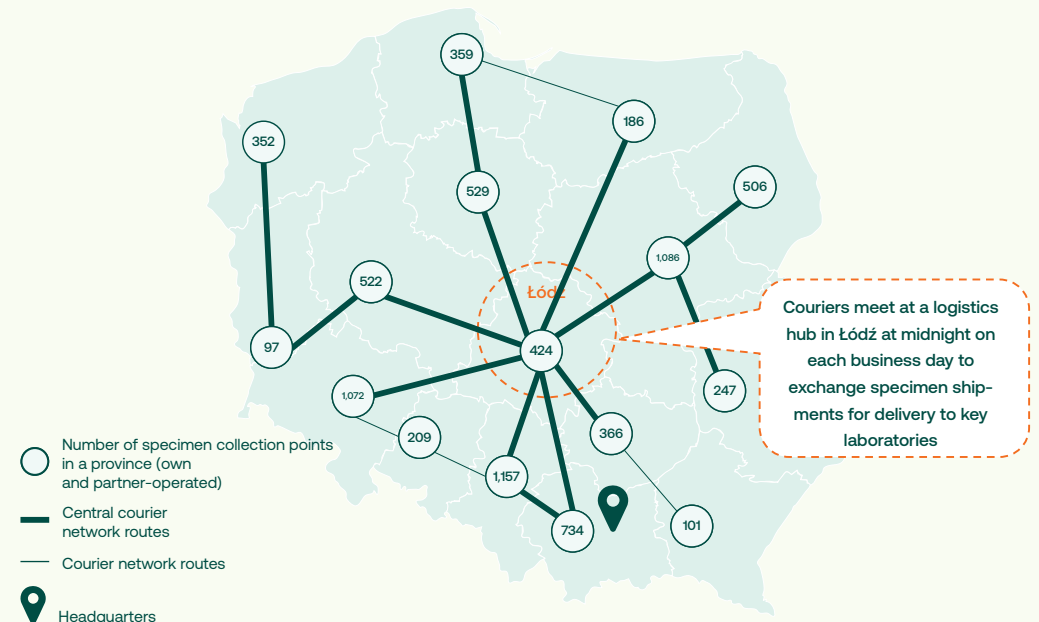
Biological samples are transported from specimen collection points to our laboratories, with delivery times ranging from 10 minutes to 4 hours. Couriers operate both short routes (1–2 hours), covering single regions or adjacent areas, and longer routes

(2–3 hours) that connect major regional laboratories and are used to transport biological material to specialised labs.

Shipments prepared by central laboratories for other regions are handled by an inter-regional courier network, passing through a logistics hub in Łódź every night at midnight. The operations have been streamlined by a number of process optimisation measures, including centralised warehouse management, AI-powered route planning, and improvements in operational efficiency.

The courier network, aligned with the hub-and-spoke model, allows the Group to centralise testing operations, reduce costs, and shorten turnaround times for test results.

Map of Diagnostyka Group's specimen collection points and courier routes



Quality control of laboratory tests

All our laboratories ensure the reliability of their test results by following internal control procedures, undergoing regular external audits, and comparing their results with those of other laboratories.

Each facility performs ongoing quality assessments through:



internal quality control

It involves routine daily checks (or more frequently, depending on the schedule) to confirm that test results meet defined quality standards.



external quality control

External control involves participation in national and international proficiency testing programmes and interlaboratory comparison schemes appropriate to the types of tests performed and the interpretation of the test results. The outcomes of interlaboratory comparisons are closely monitored. In addition, our laboratories independently arrange participation in quality control programmes not offered by official Quality Assessment Centres.

The quality of work in each Group laboratory is confirmed by incorporating control samples into routine testing batches and performing statistical evaluations of control material results. Approximately 1 million quality control checks are performed monthly across the Group, generating nearly 250,000 laboratory quality reports per month. To ensure diagnostic accuracy and reliability, maintain high-quality standards, and drive continuous improvement of testing procedures, the laboratories also participate in external quality programmes such as RIQAS, Labquality, COBJ, and Polmikro.

Our medical diagnostic laboratories have implemented a comprehensive quality management system, compliant with standards including PN-EN ISO 15189, PN-EN ISO 17025, PN-EN ISO 9001, PN-EN ISO 14001, and PN-EN ISO 27001, as confirmed through accreditations from the Polish Centre for Accreditation (for ISO 15189 and ISO 17025) and relevant certifications. In addition, the laboratories participate in both mandatory and voluntary proficiency testing programmes and interlaboratory comparison schemes organised by Polish (COBJwDL, COBJwDM) and international institutions.

Pathology laboratories follow the guidelines issued by the Polish Society of Pathologists, ensuring that laboratory processes are in line with the standards set by the scientific community.



Regulatory environment

The Diagnostyka Group operates in a highly regulated environment, with our diagnostic services governed by a wide range of national and EU legal frameworks. These regulations set out the standards for test quality, patient data protection, and medical procedures, ensuring compliance with current requirements. Strict adherence to these rules is essential to maintaining the high quality of services and safeguarding the safety of patients and healthcare providers relying on diagnostic testing. We operate in accordance with Polish healthcare regulations and laboratory diagnostics laws, maintaining full compliance with both national and international standards.



3. Regulations governing waste management

- Waste Act

4. Regulations governing transport of dangerous goods

5. Regulations governing personal data and database protection

- GDPR
- Personal Data Protection Act
- Database Protection Act

6. Cybersecurity regulations

7. Competition and consumer protection regulations

- Competition and Consumer Protection Act

Awards, distinctions and certificates

2021

- Safety Management Certificate
- Accreditation Certificate of Testing Laboratory
- Responsible Business. Good practices



2022

- Forbes Diamonds
- Jakub Swadźba, Diagnostyka's CEO, named Manager of the Year 2022 in the private healthcare facilities category of the Success of the Year in Healthcare competition
- Commvault Customer Innovation Award
- Responsible Business. Good practices
- Responsible Business Forum
- Vaccine Forum

2023

- Forbes Diamonds, with Diagnostyka ranking in 3rd position
- 2nd place in the Business Leaders Ranking for Jakub Swadźba, Diagnostyka's CEO
- Global Health Content Campaign of the Year and Well-Perceived Company



2024

- Performance Marketing Diamonds EU 2024 – Grand Prix and Most Effective SEO Campaign
- 26th place for Diagnostyka in Forbes Polska magazine's 2024 Ranking of 100 Largest Polish Private Companies

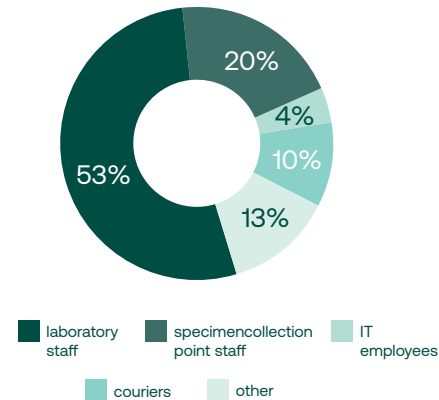
Workforce

Headcount at the Group as at 31 December 2024, including individuals employed under employment contracts (full-time equivalents) and civil law contracts, totalled 6,967.

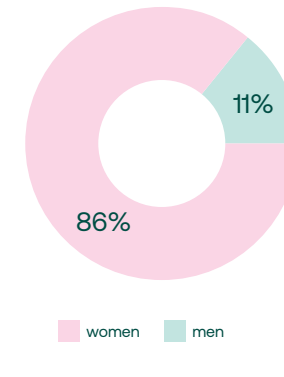
The largest professional groups at Diagnostyka are:

- + medical personnel (including laboratory diagnosticians, nurses and midwives, physicians, medical laboratory technicians, paramedics, and radiology technicians),
- + couriers,
- + IT staff.

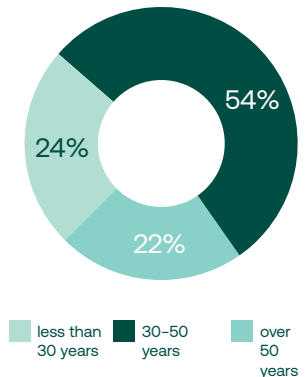
By type of job



By gender



By age



Given the nature of our operations, many employees, particularly nurses and midwives, choose to work part-time under civil law contracts. This is largely because the most common laboratory tests require fasting blood samples, which must be collected in the morning. As a result, shifts at specimen collection points typically last 3 to 4 hours. For most of these professionals, Diagnostyka is not their sole place of employment.

The Group also employs a substantial IT team. It is our long-standing strategy to develop and maintain proprietary software for managing the laboratory network, as well as applications that integrate our internal IT systems with external platforms. These solutions are created within our IT Division, which also ensures 24/7 system availability across the organisation.



Employees are the backbone of Diagnostyka's success, with their professionalism and dedication forming the foundation of the high-quality services we deliver. We understand the importance of a stable and supportive work environment, which is why we are committed to creating the right conditions for our staff to grow professionally and apply their skills in ways that benefit both themselves and the organisation as a whole.

Marta Rogalska-Kupiec,
Vice President of the Diagnostyka Management Board, Chief Operating Officer



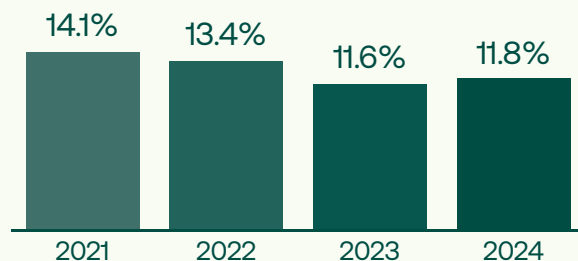


Workforce

The Diagnostics Group saw a year-on-year rise in employee turnover.

Employee turnover ratio¹

11.8%



¹ Defined as the percentage of employees leaving the organisation in a year.



1,798
laboratory
diagnosticians,
including 268
diagnosticians with
a specialist title



2,149
nurses
and midwives



308
physicians



693
medical
laboratory
technicians



80
radiology
technicians



188
paramedical
practitioners



642
couriers



200
IT employees



Future ESG focus areas

Advancing patient health

- + We contribute to the health and well-being of the Polish population by:
 - increasing the volumes of diagnostic tests performed
 - expanding our portfolio with new types of tests
 - improving access to diagnostic services
- + We deliver top-quality laboratory testing and ensure customer safety through:
 - strict oversight of the pre-analytical phase
 - providing a supportive and patient-friendly service experience
 - actively addressing customer feedback
- + We promote informed preventive care by:
 - developing modern comprehensive healthcare services (Longevity+)
 - developing preventive and educational campaigns



Technology for health

- Our laboratories apply cutting-edge technologies to deliver world-class diagnostic standards and meet the growing demand for medical diagnostic services
- We are digitising our laboratory and business processes to improve organisational efficiency and streamline collaboration with partners and patients



Competent to care

- We foster professional growth, recognising that skilled and knowledgeable employees are essential to our company's success
- We actively contribute to the education of future medical professionals, and we are committed to creating a healthy work environment, ensuring safe, comfortable conditions and promoting a culture of diversity and respect



Healthy organisation

- We consistently monitor compliance with applicable laws, ethical standards, and internal regulations
- We maintain a secure and ethically managed supply chain
- We ensure the security of personal and medical data
- We apply the highest standards of medical data security throughout the organisation
- We continuously enhance the security of our IT systems and physical infrastructure



Healthy planet

- We work to reduce our carbon footprint and combat climate change by operating a low-emission vehicle fleet and supplying our laboratories and specimen collection points with renewable energy
- We ensure the safe management of medical waste by following clear procedures
- We optimise our use of resources



At the Diagnostyka Group, ESG is more than a standard, it is a daily commitment to our patients, employees, and the environment.

We invest in sustainable growth, expand access to modern diagnostics, and continually raise the bar for ethical and environmental standards, because we believe health means more than just test results.

Barbara Kopeć,
Head of the Research
and Sustainability Department

The full Sustainability Report
begins on page 91.

[Go to Report +](#)



Our initiatives contribute to 7 out of the 17 Sustainable Development Goals (SDGs) set by the United Nations for the years 2015–2030 (Goals 3, 4, 5, 8, 9, 12, and 13).

Growth strategy and prospects





Growth strategy

The growth of the Diagnostyka Group is driven by a combination of organic expansion (in terms of both volume and pricing), strategic acquisitions, and disciplined financial management.

The main strategic priorities include:

- increasing the Group's share of the diagnostic imaging market,
- developing and optimising the laboratory network,
- exploring new sales channels, including Longevity+, an innovative subscription-based programme that offers a broad range of comprehensive healthcare services.



Multi-dimensional growth strategy with limited risk

Organic growth

Fuelled by market growth and involving rising volumes and prices

Optimisation of the laboratory and specimen collection point network

Economies of scale and greater cost efficiency from the rationalisation of the specimen collection point network and centralisation of laboratories and courier networks

Reinforcement of central functions

Development of central functions, administrative support, and advanced IT and AI solutions

Continued expansion in the diagnostic imaging market

Selective M&A activity alongside organic growth

Longevity+

Expansion into the preventive healthcare market segment by building on the existing customer base and infrastructure



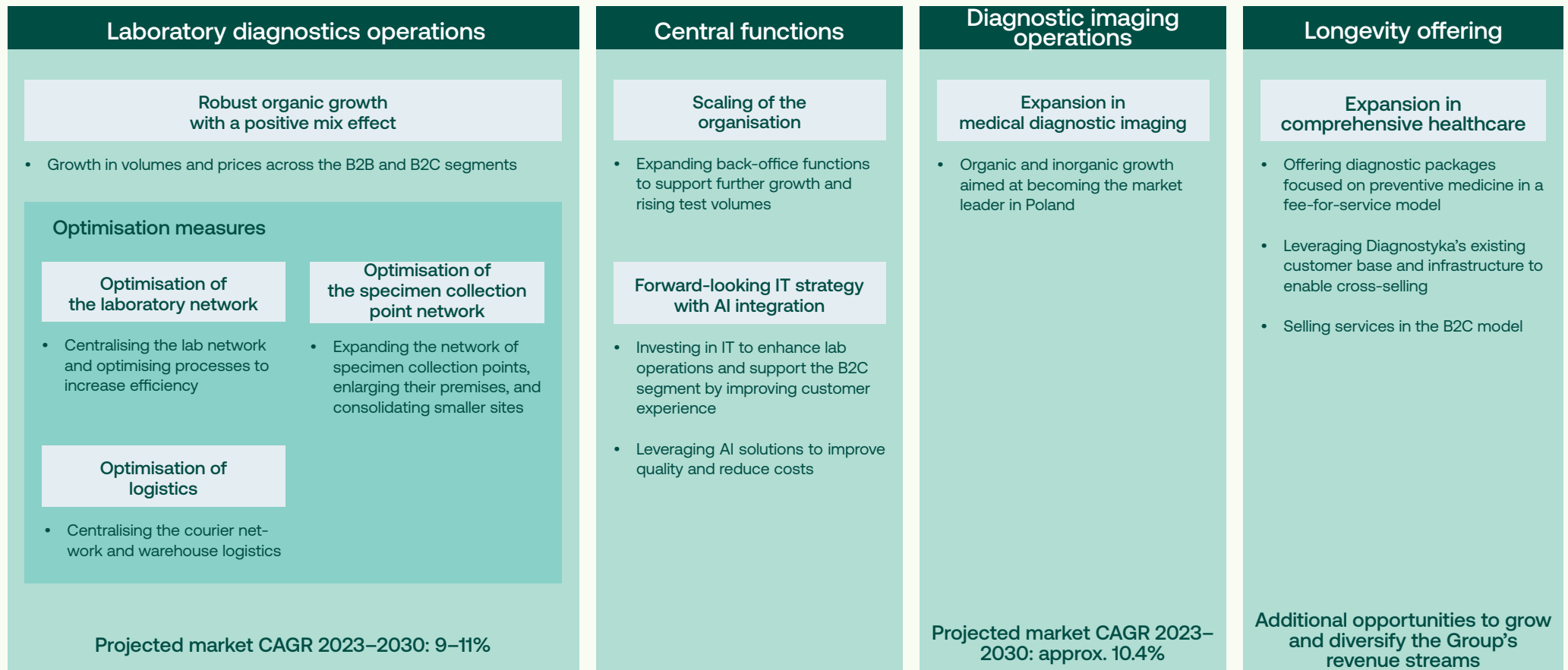
A consistent acquisition strategy, combined with effective integration of the acquired companies, has positioned the Diagnostyka Group as a leading consolidator in the Polish diagnostics market. Acquisitions are not only about expanding our business; they are also key to delivering better and more accessible services to patients.

Our expansion into medical diagnostic imaging and teleradiology is a natural progression in developing a complete portfolio of modern diagnostic services.

Dariusz Zowczak,
Vice President of the Diagnostyka Management Board,
Chief Sales Officer



Multi-path diversified growth framework underpinned by years of experience



Source: Company, Bain & Company.

Key competitive strengths



1. Market leader
in laboratory diagnostics, leveraging economies of scale



2. Unique financial profile
in terms of growth, profitability, cash conversion, and return on invested capital



3. Comprehensive, easy-to-access service offering
tailored to meet the needs of both customers and partners



4. Diversified revenue streams
from a multi-channel business model with a broad mix of payers



5. Modern and well-developed infrastructure
including diagnostic facilities and in-house logistics



6. Experienced and effective management team
with proven ability to attract and retain top talent



7. Innovation leader
in diagnostics thanks to unique and highly specialised IT solutions



8. Strong brand
enjoying high brand awareness, well ahead of competitors



9. Market consolidation leader
with 137 M&A transactions completed between 2011 and 2024



10. Full ESG transparency
in environmental protection, social responsibility, and corporate governance

Strategic competitive advantages

We aim to sustain profitable growth by building on the following competitive strengths:



1. Market leader in laboratory diagnostics, leveraging economies of scale

We hold a leading position in the Polish laboratory diagnostics market in terms of test volumes, number of laboratories and specimen collection points, number of specialised staff, and size of our own courier network. Based on the Bain & Company report, the Diagnostyka Group has an approximately 49% share of the private laboratory testing market and around 22% of the total laboratory testing market in Poland.



2. Unique financial profile in terms of growth, profitability, cash conversion, and return on invested capital

The Group has delivered steady improvement in revenue levels, with a CAGR of 24% between 2011 and 2024, driven primarily by organic growth, complemented by strategic acquisitions and sound financial management. Our proactive pricing strategies, coupled with a comprehensive portfolio of over 4,000 diagnostic tests, positions us to meet growing demand and steadily expand both our market share and revenue base.



3. Comprehensive, easy-to-access service offering tailored to meet the needs of both customers and partners

The Diagnostyka Group provides a broad range of diagnostic services through a nationwide network of state-of-the-art laboratories and specimen collection points, supported by advanced logistics and a user-friendly e-commerce platform. We stay close to patients, ensuring convenient access to our services through over 1,150 collection points located in around 500 towns and cities across Poland. Our network includes 154 diagnostic laboratories, 7 histopathology laboratories, 4 genetics laboratories (including two operated through subsidiaries, Diagnostyka Genesis and Diagnostyka Oncogene, and two through related entities, genXone and Genomed), and 19 diagnostic imaging centres. We offer more than 4,000 types of laboratory tests and perform over 161 million tests annually.



4. Diversified revenue streams from a multi-channel business model with a broad mix of payers

Our distinctive omnichannel model, with approximately 60% of revenue from B2B and 40% from B2C, ensures a well-balanced revenue structure and limited exposure to the public healthcare sector. The majority of revenue is generated from services sold at market-driven (unregulated) prices. Our comprehensive offering spans both basic screenings and specialised diagnostics, and includes customised test packages based on gender, age, body systems, or specific life stages, addressing the needs of every individual in Poland. This customer-focused approach, supported by extensive experience in public tenders and limited exposure to regulated prices, provides us with stability and reinforces our leadership in the market.





5. Modern and well-developed infrastructure including diagnostic facilities and in-house logistics

We operate an extensive asset base, having invested approximately PLN 435 million between 2021 and 2024 in operational infrastructure, logistics and technology, laying the groundwork for continued business growth and scalability. One of our key achievements was the opening of a central laboratory in Warsaw in 2021, which has the capacity to process 16.8 million tests annually. In 2023, we completed a major upgrade of our central laboratory in Kraków, where the deployment of the Abbott Automation System (AAS) increased the capacity to 11 million tests per year.

The target capacity of the Warsaw lab is 50 million tests annually, with a maximum daily capacity of 250,000. For the Kraków lab, the target annual capacity is 20 million tests, with a daily maximum of 80,000.



7. Innovation leader in diagnostics thanks to unique and highly specialised IT solutions

We are at the forefront of diagnostic innovation, investing in advanced diagnostics, DNA testing, and artificial intelligence. At the core of our innovation strategy is a digital diagnostic platform that integrates AI to support the diagnosis process and recommend additional tests, as well as the development of teleradiology services. We offer the most comprehensive genetic testing portfolio in Poland, including whole exome sequencing (WES) and whole genome sequencing (WGS), delivered in partnership with associates, such as Genomed and GenXone. In histopathological diagnostics, we stand out for our AI-powered digital tools that accelerate test processing and support early detection of prostate cancer. The work of our experts is regularly featured in prestigious scientific journals.



9. Market consolidation leader with 137 M&A transactions completed be- tween 2011 and 2024

With a carefully structured acquisition strategy, the Diagnostyka Group has firmly established itself as Poland's leading consolidator in the diagnostics services sector. Between 2011 and 2024, we completed 137 transactions. Our proven integration model enables the seamless incorporation of independent laboratories into the Group's operations, driving efficiency and economies of scale, which further reinforce our market position. In 2023, we expanded into medical diagnostic imaging by acquiring an equity interest in regional leader, Zakład Rentgena i USG Wyrobek Sp. z o.o. (now Diagnostyka Wyrobek), with a view to further growth in this fragmented market. We also strengthened our presence in teleradiology through acquisitions of Livmed and Diagnostyka-Teleradiologia24.



6. Experienced and effective manage- ment team with proven ability to attract and retain top talent

Our success is driven by a strong leadership team, supported by centralised functions and a well-structured organisational model. Under the direction of our highly experienced Management Board (with most members having over 18 years of tenure at the Group) and Diagnostyka's founder, we achieved more than a 16-fold increase in revenue between 2011 and 2024 through a combination of organic growth and successful execution of 137 acquisitions. The Management Board is supported by seasoned business unit leaders and industry experts. Key central functions such as procurement, logistics, and compliance are led by professionals who align operations with the Group's strategic goals. Regional directors play a vital role in upholding high standards and ensuring effective strategy implementation.



8. Strong brand enjoying high brand awareness, well ahead of competitors

The Diagnostyka Group enjoys exceptional brand strength and the highest brand recognition in Poland's laboratory diagnostics sector. It is the provider of choice for laboratory testing services and the most recognisable brand in the market. This strong position is due to a combination of factors: a broad range of tests, short turnaround times, excellent access through a wide network of specimen collection points, and consistently high-quality customer service.



10. Full ESG transparency in environmental protection, social responsibility, and corporate governance

We maintain a high level of transparency in our environmental, social and governance practices. Our efforts focus on enhancing public health, broadening access to diagnostic services, and promoting health education. We foster a workplace culture that values diversity and professional growth. Women represent 86% of our workforce and hold 53% of managerial roles. The age profile of our team is well balanced, with 24% of employees under 30, and 22% over 50.

The Group's markets

Healthcare market in Poland

Poland's healthcare system is based on collaboration between public and private providers, offering a wide range of services. Key service providers include public hospitals, primary and specialist care centres, and private institutions, including hospitals and outpatient clinics. Diagnostyka plays a central role in the system, supporting medical decision-making in hospitals, enabling early disease detection, and helping to personalise treatment in outpatient care. This contribution enhances overall system efficiency by reducing costs and improving care quality.

Public funding is the main source of healthcare financing in Poland, with the National Health Fund (NFZ) covering the majority of costs, and annual public healthcare spending amounting to EUR 40 billion. Private healthcare expenditure, totalling EUR 14 billion, helps ensure faster access to services and a higher standard of care. While public funding is largely channelled toward hospitals, the private sector plays a key role in diagnostics and ambulatory care.

Public healthcare spending reached EUR 40 billion in 2023, having grown at a CAGR of 13% from 2018, driven by:

- + an ageing population,
- + a rising incidence of chronic diseases,
- + increasing expectations for high-quality healthcare services.

The government has committed to raising public healthcare spending to 8.0% of GDP by 2027, up from 7.1% in 2023. This increase is aimed at bringing Poland's healthcare system in line with Western European standards, where spending typically ranges from 9% to 11% of GDP.

Healthcare spending in Poland

40
billion euros
public funding from the Na-
tional Health Fund in 2023

14
billion euros
private financing
in 2023



13%
average annual increase
in public healthcare
spending in 2018–2023



8.0% of PKB
planned increase in public
healthcare spending
to 2027 (vs 7.1% in 2023)

Source: Bain & Company.



Poland's diagnostics market is highly attractive. It is experiencing rapid growth, supported by a number of favourable trends, including rising disposable incomes, relatively low test prices compared to other European countries, and increasing public awareness around health and preventive care. Another key growth driver is the need to address the challenges of an ageing population. Against this backdrop, we see strong potential for Diagnostyka's continued expansion and our active role in the ongoing consolidation of the market

Jakub Swadźba,

co-founder, CEO and President of the Diagnostyka
Management Board

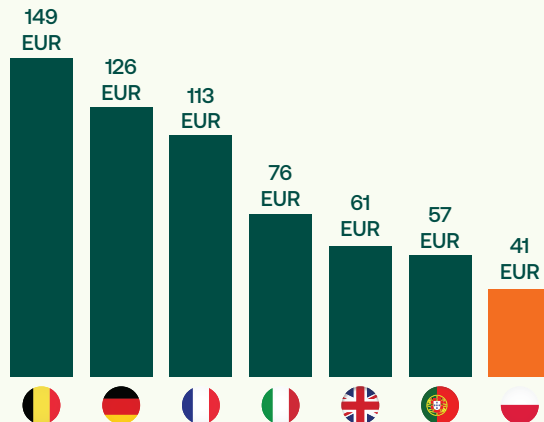
Laboratory diagnostics market

Laboratory diagnostics is a cornerstone of patient care, supporting prevention, diagnosis, and treatment. Routine laboratory testing is critical for early disease detection, while advanced diagnostics such as genetic testing help identify individuals at elevated risk for specific conditions, enabling more proactive care. Lab tests are essential in uncovering the root cause of symptoms, equipping physicians with the insights needed to develop more targeted and effective treatment plans.

Poland's diagnostics market is shared between public and private laboratories:

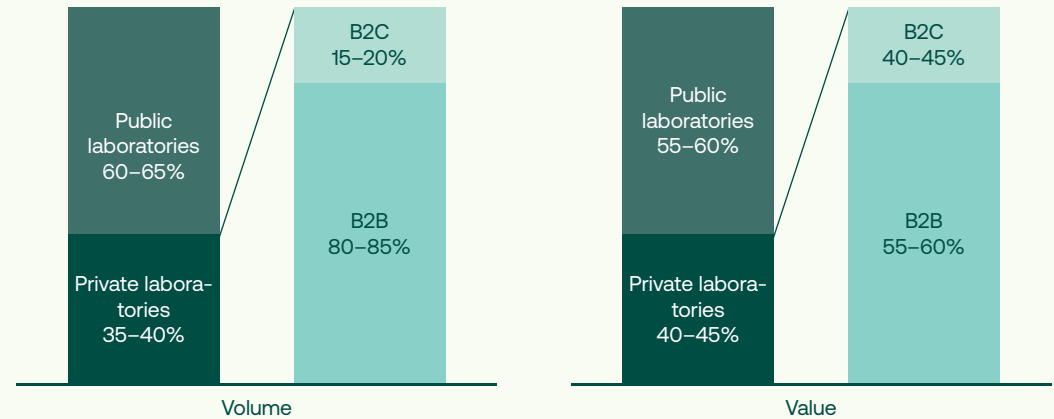
- + public labs account for approximately 55–60% of total market value in terms of revenue and 60–65% in terms of test volumes;
- + private labs contribute around 40–45% of revenue and 35–40% of volume.

Per capita spending on the laboratory testing market, 2023



Source: Bain & Company report.

Market shares of public and private laboratories and shares of the B2B and B2C segments in the private laboratory market, 2023



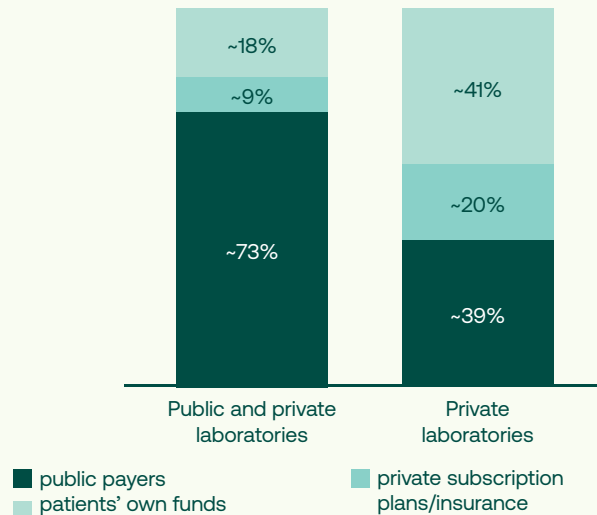
Source: Bain & Company report.



Based on the Bain & Company report, the served addressable market (SAM) in Poland's private diagnostics sector was valued at EUR 710 million in 2023, and is expected to reach EUR 1.4 billion by 2030, reflecting a projected CAGR of 9–11%. This growth is driven by:

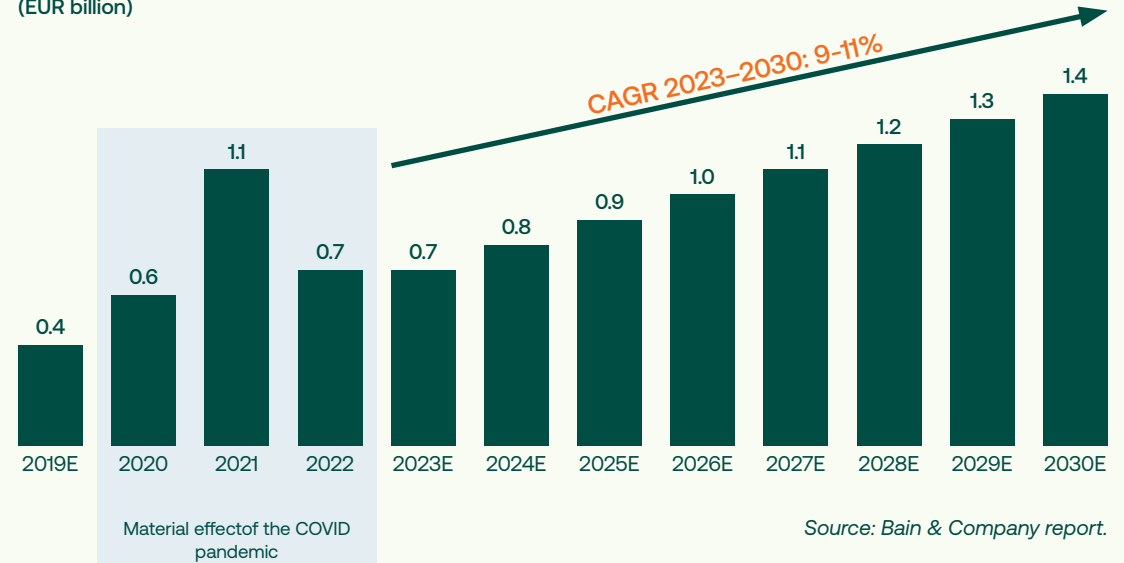
- + an overall volume growth of approximately 4%,
- + a 1% shift in testing volumes from public to private providers, raising private sector share from roughly 38% in 2023 to around 40% by 2030,
- + a rise in comparable prices of about 2.8%, made possible by unregulated pricing structures that allow flexibility in both B2B and B2C channels,
- + an estimated 1.3% increase in prices due to a shift in the test mix towards more advanced and higher-value diagnostics in both B2C and B2B segments,
- + a further 0.5% average price growth resulting from a higher volume share of the B2C segment, where tests are typically 3 to 3.5 times more expensive than in the B2B segment.

Share of laboratory test funding by source, 2023 (actual data)



Source: Bain & Company report.

Estimated size of Poland's private diagnostic laboratory market (EUR billion)

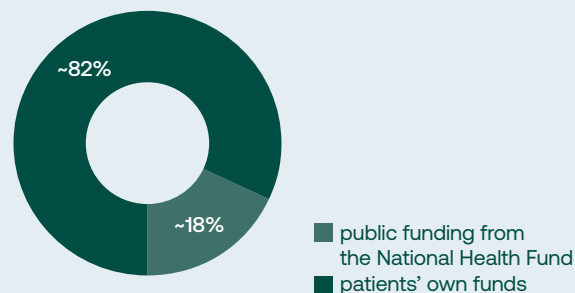


Diagnostic imaging market

Diagnostic imaging plays a vital role across all stages of healthcare, particularly in prevention and diagnosis. In preventive care, advanced imaging technologies make it possible to detect medical conditions at an early stage, enabling prompt intervention and the tailoring of treatment plans to individual patient needs. A strong example is breast cancer screening through radiography, which significantly improves the chances of early detection and better treatment outcomes.

Throughout the diagnostic process, imaging supports patients at every step by facilitating rapid and precise diagnosis, ultimately contributing to more effective treatment strategies.

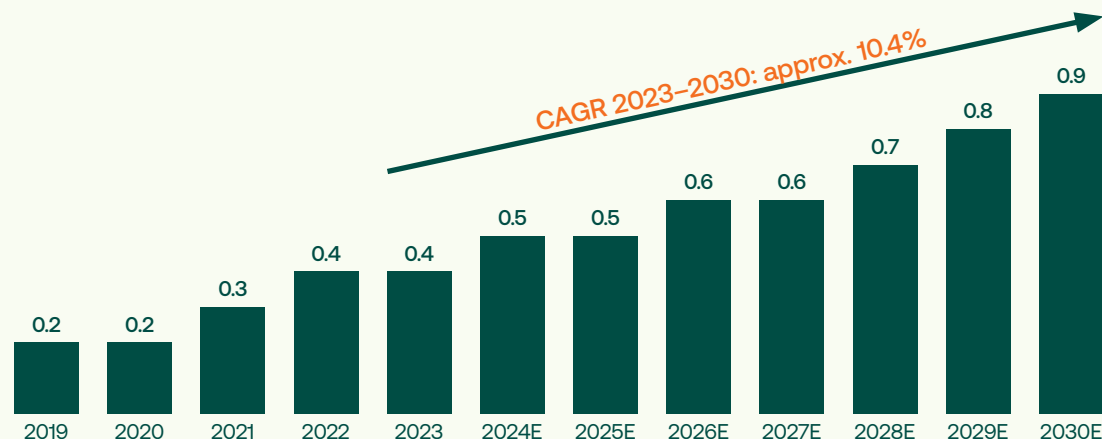
Funding of the diagnostic imaging market in Poland



Source: Bain & Company report.

Bain & Company estimates the served addressable market in Poland's private diagnostics sector at EUR 432 million in 2023, expected to rise to EUR 858 million by 2030, with a projected CAGR of approximately 10.4%. The portion of the market addressed by the Group is primarily concentrated in advanced diagnostic imaging services provided by private entities, including MRI, CT, PET, and teleradiology. This segment is experiencing strong growth, driven by rising demand for outsourced advanced diagnostic services. The key underlying factors include the public sector's limited ability to meet the needs of an ageing population and the increasing preference for private-sector healthcare solutions. The teleradiology segment is expected to grow significantly, as it allows healthcare providers to outsource diagnostic services to private operators, improving service delivery and system efficiency.

Estimated size of the market for advanced diagnostic imaging services provided by private entities and teleradiology, 2019–2030 (EUR billion)



Source: Bain & Company report.



Material agreements

The following is a description of material agreements entered into in 2024, as well as earlier agreements that pertain to material rights or obligations of the Group.

Acquisitions

The largest M&A transactions completed by the Group by 2024:

- Diagnostyka-Teleradiologia24 Sp. z o.o.

On 15 October 2024, Diagnostyka S.A. entered into an agreement to acquire 50.65% of shares in Diagnostyka-Teleradiologia24 Sp. z o.o. from the company's founder for PLN 21,044 million. As a result of the transaction, Diagnostyka S.A. acquired control of the company. Diagnostyka-Teleradiologia24 Sp. z o.o. operates in the diagnostic imaging market.

- Livmed Sp. z o.o.

On 26 April 2024, Diagnostyka S.A. acquired 51% of shares in Livmed Sp. z o.o. of Nowy Tomysł for PLN 3.59 million. Subsequently, on 8 April 2024, the price was adjusted in accordance with the share purchase agreement by PLN 7.048 million. Livmed Sp. z o.o. operates in the field of diagnostic imaging, specialising in magnetic resonance imaging (MRI) and computed tomography (CT). The Company's involvement in this entity at the time of the transaction was classified as joint control (a joint venture).

Furthermore, the share purchase agreement included provisions for the payment of additional contingent consideration, dependent upon the achievement of specific future financial performance targets by the company. On 24 October 2024, an additional agreement was concluded regarding the investment agreement with the shareholders from whom Diagnostyka S.A. acquired the 51% interest in Livmed Sp. z o.o., based on which the price under the investment agreement was adjusted by PLN 14,96 thousand. As a result, the purchase price for 51% of shares in Livmed Sp. z o.o. totalled PLN 25,635 thousand.

On 24 October 2024, Diagnostyka S.A. entered into an agreement to purchase further 38.95% of shares in Livmed Sp. z o.o. for PLN 21,662 million. Following the transaction, the Parent acquired control of the company. The total value of the acquired 89.95% interest in Livmed Sp. z o.o. at cost was PLN 47,52 million.

- Zakład Rentgena i USG – Wyrobek Sp. z o.o., Diagnostyka Wyrobek Sp. z o.o., Eurodent Sp. z o.o., Diagnostyka Obrazowa Bielsko-Biała Sp. z o.o.

On 5 April 2023, Diagnostyka S.A. entered into an investment agreement to acquire a 50.4% equity interest in Diagnostyka Wyrobek Sp. z o.o. for PLN 39.9 million. Diagnostyka Wyrobek is one of the largest private providers of diagnostic imaging services in Poland. It owns 100% of shares in Eurodent Sp. z o.o., operating in the same market segment. The Company's involvement in this entity at the time of the transaction was classified as joint control (a joint venture).

On 16 December 2024, Diagnostyka S.A. acquired 1,500 shares, with a total par value of PLN 75 thousand, in the increased share capital of Diagnostyka Wyrobek Sp. z o.o. for PLN 5 thousand. Following the transaction, Diagnostyka S.A.'s ownership interest in the share capital of Diagnostyka Wyrobek Sp. z o.o. rose from 50.4% to 53.86%. On the same day, the General Meeting of Diagnostyka Wyrobek Sp. z o.o. passed a resolution on amendments to the company's Articles of Association, whereby Diagnostyka S.A. acquired rights indicating control over the company. As a result, Diagnostyka S.A. indirectly acquired control of Diagnostyka Wyrobek Sp. z o.o.'s subsidiaries: Eurodent Sp. z o.o. and Diagnostyka Obrazowa Bielsko-Biała Sp. z o.o.

On 16 December 2024, Diagnostyka S.A. acquired 86 shares in Zakład Rentgena i USG – Wyrobek Sp. z o.o. from its shareholders for PLN 17.8 million. Following the transaction, it holds 53.75% of the company's share capital and has control of the company. Zakład Rentgena i USG – Wyrobek Sp. z o.o. holds 46.14% of shares in Diagnostyka Wyrobek Sp. z o.o. Therefore, as a result of the transaction, Diagnostyka S.A. indirectly increased its equity interest in Diagnostyka Wyrobek Sp. z o.o. to 78.66%.

More detailed information on acquisitions is provided in the consolidated financial statements of the Group, in Note 19 'Investments in associates and jointly controlled entities' and Note 21.1 'Business acquisitions and business combinations of entities under common control'.

Agreements with leading healthcare providers

- The Diagnostyka Group provides diagnostic services, including laboratory, imaging, and serological diagnostics, based on contracts with private and public entities, ensuring priority access in emergencies and compliance with applicable legal and quality standards. It also provides outsourced services to hospitals, including diagnostic testing and blood bank operations, in line with regulatory requirements.
- Contracts with the National Health Fund (NFZ). NFZ is one of the Group's key trading partners. As part of our strategy, we acquire majority stakes in regional imaging diagnostics providers that hold NFZ contracts, which had been executed with the relevant regional branches of the NFZ.
- Other laboratory diagnostics outsourcing contracts. Key agreements entered into by the Group in the ordinary course of business also include laboratory diagnostics (and diagnostic imaging) outsourcing contracts with public and private hospitals.

Material agreements executed outside of the ordinary course of the Group's business

- Credit facility and other financing agreements

Information on the Group's borrowings is provided in Note 28 to the consolidated financial statements.

Key drivers of the Group's performance over the next quarters

We have identified the following key factors and major trends influencing the performance and financial standing of Diagnostyka S.A. and the Group:

1. Macroeconomic and socioeconomic trends

- Growth potential of the diagnostics market in Poland, setting it apart from other European markets
- Increasing life expectancy, contributing to a higher incidence of age-related illnesses such as diabetes, cardiovascular diseases, and cancer
- A rise in chronic diseases, leading to greater demand for comprehensive diagnostic services
- An ageing population
- Advancements in telemedicine and remote diagnostics
- A growing trend toward healthy lifestyles
- Rising incomes and affluence levels

2. Volume and price growth in the laboratory and imaging diagnostics market

- Upside potential in the pricing of laboratory and imaging diagnostics services, which remains lower in Poland than in Western European countries
- Characteristics of the Polish market, with its fee-for-service model, low test prices relative to Western Europe, and a rising share of private spending in the diagnostics sector
- Government-led initiatives, including preventive health programmes, contributing to growing demand for diagnostic services
- Changes in the B2C and B2B segments: in B2C, a growing number of patients are willing to pay out of pocket for tests; in B2B, more public institutions, such as hospitals, are opting to outsource diagnostics to private laboratories

3. Organic growth and M&A strategy

- The Group's growth will be driven by a combination of organic expansion (in terms of both volume and pricing), targeted acquisitions, and disciplined financial management
- Our strong asset base, comprising a nationwide network of laboratories and specimen collection points, provides a solid platform for continued organic growth
- In addition, we are consistently executing our M&A strategy, consolidating our position in Poland's fragmented medical laboratory market through a series of acquisitions
- Our strategic priorities include increasing the market share in the diagnostic imaging services market, expanding and optimising the laboratory and collection point network, and exploring new sales channels by leveraging our existing customer base and infrastructure (Longevity+)

4. Progressing automation and digitisation in healthcare services and the advancement of AI

The Group ranks among the most innovative organisations in the medical sector, continuously building its expertise in: laboratory automation

- robotisation of processes
- digital transformation
- exploring the potential of artificial intelligence (AI)

5. Wage pressure, competition for skilled medical personnel, and rising employee benefit costs

- We are facing challenges such as increasing wage pressure, growing competition for medical professionals, and an ageing workforce, all of which may impact our future financial performance
- From 2011 to 2024, the Diagnostyka Group saw a reduction in employee turnover (understood as the percentage of employees leaving the organisation in a year)
- Strategic management of employee compensation and retention will be key to maintaining our competitive edge
- Employee benefit costs, representing the largest component of the Group's operating expenses, have risen significantly in recent years, mainly due to headcount growth, higher wages, and regulatory changes, including the Healthcare Sector Minimum Wages Act

6. Increase in operating expenses other than personnel costs

- The costs of consumables, energy, and compensation paid to physicians employed under B2B contracts are a significant component of the Group's operating expenses
- The cost of consumables and energy depends on test volumes, the type of materials used, and prevailing energy prices
- The main source of costs related to physicians' compensation is contracts for the delivery of diagnostic tests and medical services, which directly follows from the operational set up of the laboratories
- Apart from the key factors and major trends outlined above, the Company is not aware of any other factors or trends existing as at the date of this Report that could materially affect the Group's operations or principal markets.



Risks

Operational risks

	Severity: significant ○ ○ ●	Likelihood: medium ○ ● ○
Cyberattacks, security breaches, service disruptions, vendor errors or serious issues with the Group's IT infrastructure may have a material adverse effect on its performance or reputation.	<p>In its operations, the Group relies on advanced IT systems that are essential to diagnostic testing, personal data management, customer service, and core operational processes. These systems are vulnerable to disruptions caused by technical failures, cyberattacks, malware, human error, or break-downs and failures at external IT providers. Potential security breaches could compromise the security of data, disrupt operations, and require costly remediation.</p> <p>IT-related issues may hinder test processing, delay result delivery, and affect timely settlements, undermining customer trust and damaging the Group's reputation. Outdated technologies or unsuccessful implementations of new solutions may also impede growth and customer acquisition. Integrating IT infrastructure in newly acquired companies is often time-consuming and costly, and planned IT investments may not be executed effectively, increasing the risk of errors and cyberattacks. The Group experiences incidents requiring remedial action, including training and system updates.</p> <p>The Company considers this risk to be of significant severity, as its materialisation would have a material adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as medium.</p>	
	Severity: significant ○ ○ ●	Likelihood: high ○ ○ ●
The Group processes substantial volumes of personal and sensitive data and is required to comply with strict privacy and information security standards. Any failure to do so may adversely affect its relationships with patients and associates, expose the Group to legal claims and liability, or harm its reputation, leading to business disruptions and potential negative impact on the Group's financial standing.	<p>The Group handles substantial amounts of personal and sensitive data, including patients' medical records, and is subject to stringent data protection regulations at both EU and national levels. The risk of data breaches may arise from human error, IT issues, or cyberattacks. While the Group has implemented the GDPR, the NIS 2 Directive, and internal cybersecurity procedures, potential failures or deficiencies may result in penalties, sanctions, and reputational damage.</p> <p>This risk also extends to the Group's subcontractors who generate and store sensitive data. Although the Group requires them to maintain appropriate security standards, no assurance can be given that there will be no defaults affecting the Group's financial standing and operations. The Group experiences attempted cyberattacks, including phishing and ransomware, which may pose a threat to data integrity and system availability. Between 2021 and 2024, approximately 2,000 minor breach attempts were recorded, none of which had a material effect on the Group's operations.</p> <p>The Company considers this risk to be of significant severity, as its materialisation would have a material adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as high.</p>	
	Severity: moderate ○ ● ○	Likelihood: low ● ○ ○
Failure to implement or comply with appropriate standards for diagnostic services may lead to errors and prevent the Group from meeting customer expectations regarding test quality, which could adversely affect its reputation and performance and expose it to legal claims.	<p>The Group's diagnostic services are essential for the diagnosis and treatment of patients. Proper handling of biological samples and ensuring high-quality testing are critical to patient safety and maintaining customer trust. Failure by the Group or its partners to comply with quality standards, resulting in errors, compromised result quality, or delays, may affect the Group's reputation and reduce demand for its services.</p> <p>Errors such as sample misidentification, incorrect test results, or inaccurate diagnoses could have serious health implications for patients. Such issues may lead to financial claims, legal disputes, and compensation liabilities, while also affecting the Group's financial liquidity and operational stability. Historically, this risk has materialised only to a limited extent, without materially affecting the Group's operations.</p> <p>The Company considers this risk to be of moderate severity, as its materialisation on a broader scale could have a material adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as low.</p>	

Severity: moderate ○ ● ○

Likelihood: medium ○ ● ○

The Group's internal control systems, procedures, compliance functions, and risk management framework may not be sufficient to prevent or detect actual or potential legal or regulatory violations or to effectively manage risk.

Managers and employees of the Group may, whether knowingly or unintentionally, violate laws or internal regulations. The Group's existing internal controls, compliance procedures, and risk management systems may not always be adequate to prevent, detect, or report such breaches in an organisation of a large scale and complexity. Ongoing regulatory changes and the integration of newly acquired entities, often operating under different standards, pose additional challenges to effective risk management.

Failure to manage risk effectively could lead to penalties, compensation claims, and reputational damage, which may adversely affect the Group's operations. Historically, this risk has not materialised in any significant way.

The Company considers this risk to be of moderate severity, as its materialisation may have a material adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as medium.

Severity: moderate ○ ● ○

Likelihood: low ● ○ ○

The Group relies on laboratory technologies provided by third-party vendors, and any limitations in access to these technologies or delays in equipment or reagent deliveries may have a material adverse effect on its test volumes and financial results.

In its operations, the Group relies on equipment and reagents supplied by third-party vendors, and around 90% of its equipment is used under lease contracts. The availability, quality, and ongoing development of laboratory technologies are crucial to maintaining the high standard of the Group's diagnostic services.

Any disruptions in the delivery of equipment, reagents, or technology, contract breaches or terminations by vendors, or problems with sourcing substitutes, could limit the range of the Group's services, result in loss of customers, or require substantial investment in additional equipment. Restricted access to innovative technologies may also impair the Group's ability to roll out new services and adversely affect perceptions of service quality.

To date, this risk has only materialised to a limited extent due to supplier diversification. The Company considers this risk to be of moderate severity, as its materialisation may have a material adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as low.

Severity: minor ● ○ ○

Likelihood: low ● ○ ○

Failure to develop the Group's service offering or IT systems, or to maintain competitive pricing, could significantly undermine the competitiveness of its services or otherwise disrupt operations and customer relationships.

The Group is actively pursuing the development of its IT infrastructure, including the key xLab project, i.e. an integrated Laboratory Information Management System (LIMS). Delays in rolling out xLab could allow competitors to gain a technological advantage, potentially eroding customer interest in the Group's services. There is also a risk that some employees and specialist physicians may not fully embrace the new technologies, which could limit their effective use or lead to staff departures.

Unforeseen implementation costs for systems like xLab could affect the Group's ability to maintain competitive pricing, further weakening its market position. To date, this risk has not materialised in any significant way.

The Company considers this risk to be of minor severity, as its materialisation would likely have an only limited adverse effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as low.

Severity: moderate ○ ● ○

Likelihood: medium ○ ● ○

Risk of a slowdown in the Group's organic growth.

The Group operates specimen collection points, either directly or through subcontractors, in nearly all Polish towns with more than 20,000 residents. As a result, further organic growth is now driven less by geographic expansion and more by enhancing competitiveness at existing locations. The current strategy focuses on modernising and expanding existing collection points, as well as identifying more attractive sites. These activities require approvals from property owners and administrative authorities; any delays or difficulties in obtaining them may slow the Group's development. Upgrades and expansions may also entail higher-than-expected costs, which might not translate into the anticipated benefits. Furthermore, the Group partly depends on the organic growth of its institutional customers and subcontractors, who may be unable to effectively carry out their expansion plans.

To date, this risk has not materialised in any significant way. The Company considers this risk to be of moderate severity and has assessed the likelihood of its materialisation as medium, with a potentially material effect on the Group's financial standing and operations. The likelihood of this risk occurring has been assessed as medium.



Severity: moderate ○ ● ○

Likelihood: low ● ○ ○

Significant changes in the rights or terms of access to property may have a material adverse effect on the Group's operations.

The Group operates its facilities based on lease and rental contracts, which may be terminated or expire. In such cases, securing new locations would involve adaptation and fit-out costs. If multiple contracts are terminated within a short period, the Group may incur considerable expenses that may not be offset by a corresponding increase in revenue.

A limited supply of suitable premises and rising rental costs may further hinder the Group's ability to secure new locations on favourable terms, potentially affecting its financial standing. To date, this risk has not materialised. The Company considers this risk to be of moderate severity and has assessed its likelihood as low, with a potentially material effect should it materialise.

Severity: minor ● ○ ○

Likelihood: low ● ○ ○

The Group is exposed to risks associated with its strategy of acquiring small and medium-sized diagnostic service providers.

It is part of the Group's strategy to acquire small and medium-sized diagnostic companies. The success of these plans depends on identifying suitable targets, carrying out effective due diligence, negotiating favourable terms, and successfully integrating the acquired businesses. Shortcomings in any of these areas may result in failure to realise the expected benefits, weaker performance of the acquired entities, or additional costs.

The Group may also face regulatory constraints related to competition law, particularly in the case of larger acquisitions. Furthermore, the execution of this strategy may be hindered by competitive pressure, ongoing market consolidation, and a deteriorating macroeconomic environment. Additional risks include integration challenges such as aligning acquired companies' operational procedures, centralising HR functions, retaining key staff and customers, and integrating IT systems.

Historically, this risk has materialised only to a limited extent. The Company considers the severity of this risk to be minor, and has assessed the likelihood of its materialisation as low, with a rather limited potential impact on the Group's financial standing.

Severity: minor ● ○ ○

Likelihood: low ● ○ ○

The Group's organic growth strategy partly relies on the implementation of artificial intelligence and machine learning technologies, and any failure in their deployment or lack of adequate controls may give rise to legal and regulatory risks, harm the Group's reputation or otherwise have an adverse effect on the Group.

The Group is implementing artificial intelligence (AI) and machine learning technologies to achieve better operational efficiency and improve the quality of its diagnostic services. Risks associated with AI include potential flaws in algorithms, inadequate training data, technical failures, cybersecurity threats, and the absence of appropriate procedures and controls. These issues could affect service quality, damage the Group's reputation, and reduce demand.

The evolving regulatory landscape around AI, particularly in the EU, may result in additional obligations for the Group, requiring technological adjustments and exposing the Group to regulatory scrutiny and potential legal disputes. Since AI also involves the processing of personal data, it carries further legal obligations and risk exposure.

To date, this risk has not materialised. The Company considers the severity of this risk to be minor, and has assessed the likelihood of its materialisation as low, with a limited potential impact on the Group's financial standing and operations.

Severity: minor ● ○ ○

Likelihood: low ● ○ ○

The Group relies on the experience, knowledge, and skills of its laboratory staff, medical personnel authorised to collect or analyse biological material, and members of the Group's management team. A potential loss of these specialists, and the Group's failure to replace them with individuals possessing comparable skills and expertise, may have an adverse effect on the Group.

The Group's success relies on the expertise and skills of its qualified laboratory and medical personnel, as well as its leadership team. The loss of a significant number of specialists, particularly in a market with a limited supply of skilled professionals, could disrupt the timely delivery of diagnostic services and constrain the Group's operational capacity.

If the Group is unable to offer competitive terms or attract suitably qualified professionals, it may experience increased staff turnover and a decline in its customer base.

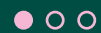
In addition, the loss of key management personnel who are instrumental in maintaining customer relationships and supporting the Group's competitive position may adversely affect the Group's operations and reputation until suitable replacements are found.

To date, this risk has not materialised. The Company considers the severity of this risk to be minor, and has assessed its likelihood as low, with a limited potential impact on the Group's financial standing and operations should it materialise.

Severity: minor



Likelihood: low



Disruptions in the Group's logistics network, including its courier operations, or deficiencies in biological sample handling and transport may have an adverse effect on the Group's operations and financial performance.

The Group relies on efficient logistics for transporting biological samples between specimen collection points and laboratories, a process that is critical to maintaining the quality of its diagnostic services. The transport of biological material is subject to detailed legal and technical requirements. Any disruptions, such as road accidents, adverse weather, strikes, or third-party providers failing to meet contractual obligations, may result in damage to biological material, customer claims, and reputational harm.

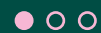
In the past, the Group has experienced occasional incidents, such as sample damage caused by traffic accidents, which, however, had no material effect on its financial or operational performance.

The Company considers the severity of this risk to be minor, and has assessed the likelihood of its materialisation as low, with a limited potential impact on the Group's financial standing.

Severity: moderate



Likelihood: low



Disruption to the operation of a significant number of the Group's specimen collection points or laboratories, or of the Group's entire laboratory system, could result in increased operating costs and adversely affect the Group's reputation.

The Group operates 154 laboratories and over 1,150 specimen collection points. Disruptions affecting a significant number of laboratories, in particular central and regional facilities, or specimen collection points, whether due to external factors (e.g. natural disasters, third-party actions) or internal ones (e.g. staffing shortages), could limit the Group's ability to analyse biological material, reduce processing capacity, and lead to contractual penalties and loss of customers.

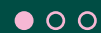
Although the Group maintains distributed infrastructure and a system enabling service continuity through backup operations, such disruptions may adversely affect its revenue and financial standing. The Group's insurance coverage and contingency measures may not fully mitigate financial losses or prevent customer attrition.

In 2019, the Group experienced a short-term outage of its point-of-sale system, which was quickly resolved with minimum impact on sales. The

Severity: moderate



Likelihood: low



The Group relies on its strong and recognisable brand, and any loss of brand value, including due to negative customer opinions, may have a material adverse effect on its market position, operations, financial standing, and performance.

The Group's market position is built on the strength of the 'Diagnostyka' brand, whose continued development is essential for attracting new customers and retaining customer loyalty. The Group invests in educational campaigns, training initiatives, and participation in industry events to build brand awareness and trust. Nonetheless, negative customer reviews published online and complaints regarding services or customer support may harm the brand's reputation.

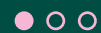
Collaboration with third parties and the integration of acquired businesses may impact service quality (e.g., during transition periods) and the Group's public image. Damage to the perception of the 'Diagnostyka' brand could result in customer attrition and adversely affect the Group's operations, financial standing, and operating performance.

To date, this risk has not materialised. The Company considers this risk to be of moderate severity and has assessed its likelihood as low, with a potentially material impact should it materialise.

Severity: moderate



Likelihood: low



If the Group is unable to maintain its competitive advantage in the laboratory diagnostics market, this may adversely affect its operations, performance, financial standing, and growth prospects.

With its broad range of services and comprehensive customer support, the Group is a leader of the laboratory diagnostics market. However, this position could be undermined by growing competition from large providers, innovative start-ups, and rapid technological progress. Competitors may offer services that are more affordable, easier to access, or faster, which could reduce demand for the Group's offerings.

Technological developments may also enable customers to perform tests on their own, further eroding demand. In addition, diagnostic test manufacturers may introduce solutions intended for use in medical practices or directly by patients, potentially reducing the volumes of tests performed by the Group. Collaboration between competitors or their acquisition by companies with greater resources could further intensify competitive pressure.

To date, this risk has not materialised. The Company considers this risk to be of moderate severity and has assessed its likelihood as low, with a potentially material impact should it materialise.

	Severity: moderate ○ ● ○	Likelihood: low ● ○ ○
The Group may be exposed to risks arising from the use of open-source and cloud-based solutions.	<p>The Group uses open-source and cloud-based technologies that offer innovation and cost savings but also involve risk. Violations of open-source licence terms or problems arising during the implementation of cloud-based systems could lead to third-party claims, system failures, data breaches, or loss of know-how, potentially disrupting the Group's operations.</p> <p>Some open-source licences may require the Group to disclose its source code or share proprietary solutions, which could undermine its competitive advantage. Cloud service failures could result in data loss, service downtime, and increased operating costs. Additionally, efforts to modify or redesign solutions, or responding to legal disputes, may involve considerable costs and consume management's resources.</p> <p>To date, this risk has not materialised. The Company considers this risk to be of moderate severity and has assessed its likelihood as low, with a potentially material impact should it materialise.</p>	
	Severity: moderate ○ ● ○	Likelihood: medium ○ ● ○
The Group may face risks related to the collection of receivables, which may have a material effect on its operations, operating performance, and financial standing.	<p>Around 60% of the Group's revenue comes from institutional customers. Since payment terms are negotiated individually, the Group is exposed to potential delays or disruptions in the collection of receivables. As institutional customers consolidate, their bargaining power increases, which may lead to attempts to renegotiate contract terms and obtain lower rates.</p> <p>The Group has encountered payment delays in the past. As at 31 December 2024, past due receivables represented approximately 30% (PLN 66.9 million) of total trade receivables. This risk also involves the possibility of disputes with institutional customers, as well as difficulties in enforcing payment or negotiating favourable terms.</p> <p>The Company considers this risk to be of moderate severity and has assessed its likelihood as medium, with a potentially material impact on the Group's financial standing should it materialise.</p>	
	Severity: minor ● ○ ○	Likelihood: low ● ○ ○
Unfavourable rulings in material proceedings, including court, administrative, or regulatory proceedings, may result in adverse financial consequences and affect the Group's reputation.	<p>Given the nature of the Group's business, which includes laboratory, imaging, histopathological, and genetic testing, the Group may be involved in proceedings related to employee professional liability, sanitary supervision, or patient rights. Such proceedings may result in financial claims, restrict the Group's ability to compete for public contracts, or lead to reduced demand for its services. Unfavourable rulings could harm the Group's reputation and financial standing. Provisions recognised in connection with such proceedings may prove insufficient, increasing the potential financial risk.</p> <p>To date, this risk has not materialised in any significant way. The Company considers the severity of this risk to be minor, and has assessed the likelihood of its materialisation as low, with a rather limited potential impact on the Group's financial standing and operations.</p>	
	Severity: minor ● ○ ○	Likelihood: low ● ○ ○
The Group may be required to bear costs not covered by its insurance policies, which could have a material effect on its operations, financial performance, and financial standing.	<p>The Group maintains a range of insurance policies covering civil liability, property, and electronic equipment. However, there is a risk that this coverage may be insufficient or ineffective for certain exposures, particularly those related to acquisitions, diagnostic errors, use of infrastructure, or accidents in laboratories and specimen collection points.</p> <p>In the event of claims of significant value, denied insurance compensation, or unexpected expenses, the Group may need to cover certain costs from its own resources, which may affect its financial standing. Additionally, rising insurance premiums, for instance due to deteriorating claims history, could result in increased financial burden. Such situations may also harm the Group's reputation and its ability to attract customers and employees.</p> <p>To date, this risk has not materialised. The Company considers the severity of this risk to be minor, and has assessed the likelihood of its materialisation as low, with a rather limited potential impact on the Group's financial standing and operations.</p>	

Severity: moderate ○ ● ○

Likelihood: medium ○ ● ○

The Group has recognised a material amount of goodwill, which may be subject to impairment in the future, potentially affecting its financial performance.

The goodwill reported in the Group's financial statements is mainly related to its acquisition strategy. Under IFRS 3, goodwill is not amortised but must be regularly tested for impairment in accordance with IAS 36. Impairment may occur due to adverse changes in technology, market conditions, regulations, or the broader economy, as well as a decline in expected cash flows or operating profits from acquired entities.

If impairment is identified, the Group will be required to record an impairment charge, which would be recognised as an expense directly in the statement of profit or loss. The charge may adversely affect the Group's financial results. This occurred previously, in 2013, when the Group recognised an impairment of goodwill following an impairment test.

The Company considers this risk to be of moderate severity and has assessed its likelihood as medium, with a potentially material impact should it materialise.

Severity: minor ● ○ ○

Likelihood: low ● ○ ○

Credit facility agreements include covenants that restrict the ability of the Company and entities under its (direct or indirect) control to pay dividends and may limit their capacity for growth.

The Group is subject to certain contractual restrictions under its credit facility agreements, e.g. in relation to dividend payments, contracting additional debt, encumbering or disposing of assets, and changes to its organisational structure. Financial institutions' claims under those agreements rank senior to shareholder claims, which further reduces the Group's financial flexibility.

Such limitations may affect the Group's ability to fund future investments, pursue acquisitions, carry out restructuring plans, or respond effectively to market developments. As a result, the Group may be unable to fully capitalise on emerging opportunities, which may adversely affect its operating performance and financial standing. To date, this risk has not materialised. The Company considers this risk to be of minor severity and has assessed the likelihood of its materialisation as low. Information on the Group's borrowings is provided in Note 28 to the consolidated financial statements.

Severity: moderate ○ ● ○

Likelihood: medium ○ ● ○

Tax authorities' increased focus on related-party transactions may subject the Group's policies to closer scrutiny and expose the Group to tax audits and challenges related to such transactions.

The Group engages in various transactions with related parties, which may be subject to heightened scrutiny by tax authorities. Given the complexity of transfer pricing regulations and the difficulty in establishing comparable market terms, tax authorities may challenge the arm's length nature of the Group's transactions. This could result in adjustments to taxable income and lead to negative financial consequences.

Increased oversight of related-party transactions by Polish tax authorities may lead to audits and potential challenges regarding the Group's tax compliance. Possible consequences include additional financial burdens, disputes with tax authorities, and an adverse impact on operating performance.

To date, this risk has not materialised. The Company considers this risk to be of moderate severity and has assessed its likelihood as medium, with a potentially material impact should it materialise.

Risks related to the Company's business environment

Severity: moderate ○ ● ○

Likelihood: medium ○ ● ○

The Group operates in a highly regulated environment. Compliance with applicable regulations may lead to increased operating expenses or limit the Group's operations, while non-compliance could result in various sanctions.

The Group is subject to a wide range of regulations, including on healthcare, laboratory diagnostics, personal data protection, cybersecurity, and competition, and is overseen by multiple administrative authorities. The regulations may change or impose more stringent requirements, which could lead to higher operating expenses, delays in investment projects, or the need to adapt business practices and organisational structures. Non-compliance may result in financial penalties, exclusion from public healthcare programmes, restrictions on entering into business partnerships, or other sanctions. The Group may also face additional administrative and legal costs to meet new requirements. In the past, this risk has materialised to a limited extent, for example, following changes to regulations on minimum wages in the healthcare sector, which required upward adjustments to salaries and wages, resulting in additional costs. The Company considers this risk to be of moderate severity and has assessed the likelihood of its materialisation as medium, with a potentially material impact on the Group's operations and financial standing.

Severity: moderate



Likelihood: medium



An economic downturn in Poland or globally could have a material adverse effect on the Group's operations, financial standing, or operating performance.

The Group's performance may be significantly influenced by socio-economic developments in Poland and internationally. A deterioration of economic conditions, driven by factors such as armed conflicts (e.g. the war in Ukraine) or rising unemployment, could reduce private spending on healthcare and public healthcare funding, and limit the volumes of diagnostic tests financed by the Group's institutional customers.

Such changes may translate into a lower volume of diagnostic tests performed by the Group, downward pressure on pricing, and increased risk of payment defaults by customers. The Group has previously experienced such effects due to instability resulting from the war in Ukraine and a decline in economic conditions in Poland.

The Company considers this risk to be of moderate severity and has assessed its likelihood as medium, with a potentially material impact should it materialise.

Severity: moderate



Likelihood: low



Growing competition from comparable market players in terms of both quality and pricing, coupled with continued consolidation in the diagnostic laboratory sector, may adversely affect the Group's revenue and profitability.

The laboratory diagnostics market in Poland is marked by strong competition and progressing consolidation, enabling large groups to achieve cost efficiencies and increase the competitiveness of their services. If the Group is unable to compete effectively on quality, price, automation, or digital transformation, or fails to maintain its reputation as a high-quality service provider, it may lose market share to other major players.

An inability to carry out its consolidation strategy or to adapt to market developments could weaken the Group's competitive edge, affecting its revenue and profitability. While this risk has not materialised to date, the Company considers its severity to be moderate and has assessed its likelihood as low.

Severity: moderate



Likelihood: medium



Employee benefit expenses, costs of consumables and energy, including laboratory materials and reagents, and costs of services may continue to grow significantly, which may have a material adverse effect on the Group's operations and financial performance.

The Group is exposed to the risk of rising costs of employee benefits, consumables and energy (including laboratory reagents), and services such as IT and waste management. Key drivers include intensifying competition in the labour market, regulatory changes concerning minimum wages in the healthcare sector, the introduction of full social security contributions for civil law contracts, and rising energy and service provider prices, all of which may significantly raise the Group's operating expenses.

If the Group is unable to offset these increases through efficiency improvements or by passing costs on to customers, its financial results may be adversely affected. This risk has materialised in the past, for example due to adjustments to employee wages required under the Healthcare Sector Minimum Wages Act and rising costs of energy and waste management. The Company considers this risk to be of moderate severity and has assessed the likelihood of its materialisation as medium.

Severity: moderate



Likelihood: Low



The Group generates and stores significant amounts of medical waste and is subject to strict regulations in this area. Non-compliance may result in administrative fines and additional sanctions.

As part of its operations, the Group produces and stores large volumes of medical waste, and is therefore required to comply with strict regulations on waste management and transport of dangerous goods. Violation of these regulations could lead to administrative penalties, additional sanctions and, in the event of accidents or incidents involving hazardous substances, potential compensation claims.

Furthermore, the Group's operations expose its employees to biological hazards associated with handling materials tested in laboratories, which could lead to claims in cases of injury or occupational illness. Although the Group holds civil liability insurance, there can be no assurance that it will guarantee full protection against all potential financial liabilities arising from such incidents. The Company considers this risk to be of moderate severity and has assessed the likelihood of its materialisation as low.

IT infrastructure

The Group's diagnostic services are supported by an integrated IT infrastructure, which, among other things, facilitates efficient transport of biological material from specimen collection points to laboratories and enables patients to access their test results via electronic means. As at the date of issue of this Report, the Group's IT operations relied on four core systems: e-Lab, badania.pl, eConsilio, and zdrowe.pl.

e-Lab

e-Lab is a proprietary ORACLE-based laboratory information system tailored to meet the specific needs of the Group and its customers. It enables precise tracking of samples throughout the entire analytical process, from receipt and storage of the biological material to testing, and supports post-analytical control by monitoring the delivery of results.

The system's features include online access to test results for customers, options to integrate the Group's software with customers' IT systems, secure archiving of patient test results in a protected database, and delivery of test results signed with a secure electronic signature.

The knowledge and experience gained from developing and operating e-Lab laid the foundation for xLab, a new system currently being created and implemented to gradually replace its predecessor.

badania.pl

badania.pl is a modern, user-friendly digital platform for medical professionals, supporting management and issuance of laboratory test referrals and connecting patients directly with diagnostic service providers. It is designed as a practical tool tailored to the needs of medical personnel, streamlining the referral process and providing instant access to test results. For patients, the platform offers convenient features such as locating the nearest specimen collection point, filing complaints, managing their account and tests, browsing pricing information, and paying for services. All specimen collection points accessible through badania.pl are operated by the Group.

eConsilio

eConsilio is an innovative system that facilitates communication between patients and physicians using artificial intelligence technologies. The system supports physicians by offering digital assessment of histopathological specimens. Its AI component identifies specific features within specimens, thereby assisting in the diagnostic process. Additionally, eConsilio enables full traceability of each phase of specimen analysis and provides technical support and training delivered by the Group's experts.

zdrowe.pl (from 7 January 2025 a part of Longevity+)

zdrowe.pl is Poland's largest online marketplace for diagnostic services, showcasing the offerings of the country's leading laboratories. It provides convenient online access to a broad range of diagnostic tests and around 1,000 specimen collection points. The platform's services include food allergy screening, genetic testing, and prenatal diagnostics. Most tests available through zdrowe.pl are processed in the Group's laboratories.

IT infrastructure

The Group's laboratories are highly automated and equipped with advanced technologies that enable rapid processing of large volumes of tests. The optimisation tools employed by the Group, including laboratory process automation, are among the most efficient solutions available on the market.

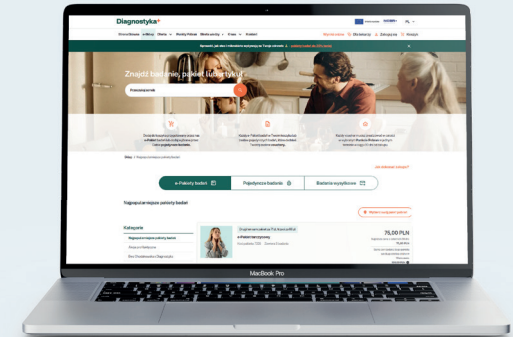
The Company has implemented cutting-edge AI-driven technologies, notably:

- + a system that automatically generates diagnostic reports based on image analysis,
- + a predictive system for forecasting test volumes, optimising inventory orders, and ensuring quality control through the analysis of test results,
- + third-party systems that support the Group's diagnostic services.

Looking ahead, the Company plans to further expand the use of AI across its operations, including:

- + genome and microbiome analysis powered by artificial intelligence,
- + development of digital cytology solutions,
- + AI-based improvements in equipment management,
- + chatbot development,
- + integration of AI with teleradiology services.

Diagnostyka Digital Hub, employing a team of experts focused on developing innovative digital solutions for the medical sector, designs products optimising technologies for laboratory diagnostics and the broader healthcare system. They deliver advanced tech solutions for the Diagnostyka Group. Drawing on Diagnostyka Digital Hub's experience and its own internal know-how, the Group plans to further expand its capabilities in developing advanced technological solutions. These efforts are geared toward expanding and building innovative e-commerce, digital, and mobile platforms. Over the long term, the Group aims to use its growing data assets to improve operational efficiency, particularly through the use of machine learning and deep learning technologies.



Innovation in diagnostics is not just about the future, it is part of our everyday practice. We actively invest in advanced genetic testing, artificial intelligence, and teleradiology to better support both physicians and patients.

Digital solutions, including AI for histopathological diagnostics and platforms for DNA analysis, help us accelerate the diagnostic process while also improving test accuracy, which is essential for early disease detection.

Jaromir Pelczarski,

Vice President of the Diagnostyka Management Board,
IT

R&D

All Group companies are actively engaged in research and development, with a focus on creating and implementing advanced diagnostic software, innovative technologies, and various methods supporting diagnostic processes.

The R&D activities are carried out based on Diagnostics's own resources, or in cooperation with universities or as part of national and international clinical research projects. The Group pursues its R&D initiatives along three main paths:



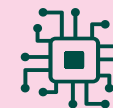
Participation in research projects as a subcontractor for both private entities and public scientific institutions

Over the past years, Group companies and associates have participated in more than 100 research projects, primarily in the fields of microbiology, genetics, immunology, and oncology.



Development and implementation of cutting-edge technical, technological, and research solutions supporting the core business of the Group companies

The Group develops proprietary IT systems for use in medical diagnostic laboratories and evaluates new types of laboratory tests, processes, and products facilitating the testing process.









Proprietary R&D projects carried out by dedicated project teams within Group companies, focusing on the application of artificial intelligence algorithms, particularly in the analysis of histopathological images

Findings from the Group's research projects are presented at international conferences and published in prestigious scientific journals such as 'Nature' and 'Scientific Reports'.




At the core of the Group's R&D capabilities is a combination of highly skilled personnel and the organisation's comprehensive knowledge capital. The Diagnostics team consists of professionals possessing many years' experience in both research and diagnostic practice, including physicians (pathologists, geneticists, and radiologists) with advanced academic credentials, a strong record of scientific publications, and extensive experience across multiple areas of medicine.

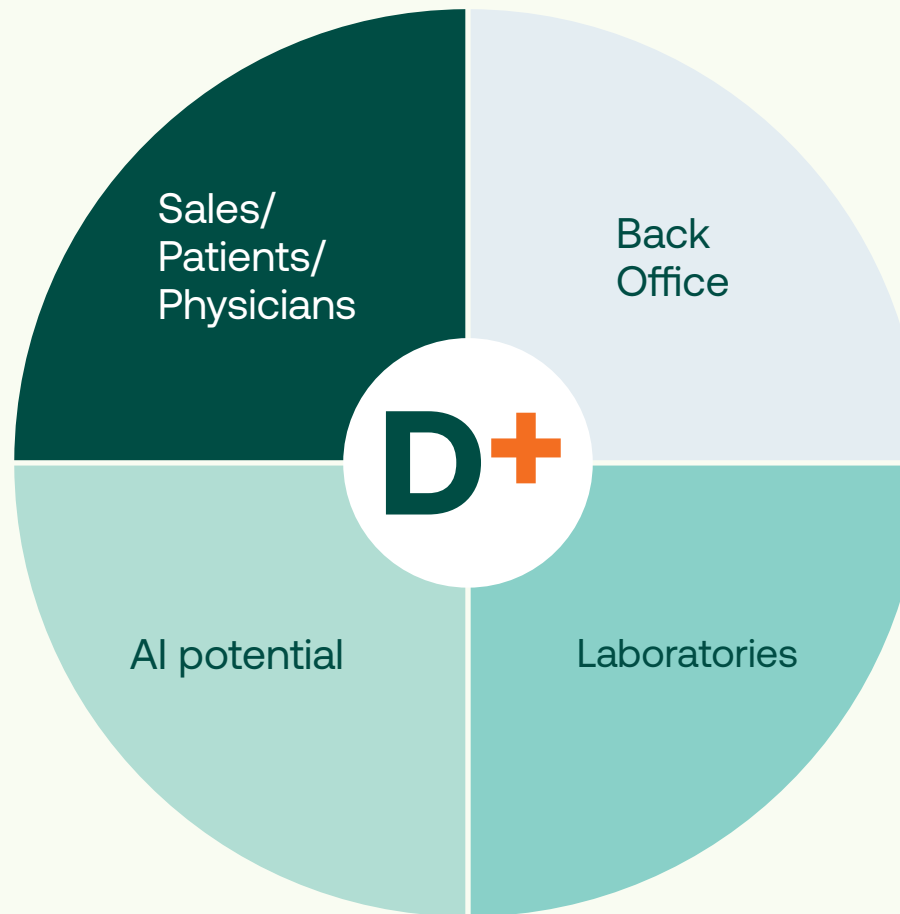
Leveraging technology to optimise operations

Sales/ Patients/ Physicians





-  Salesforce CRM
-  Patient and physician portal (proprietary software)
-  D+ mobile app (location and test result search functionalities)
-  Customer service chatbots (process automation)
-  E-commerce platform for ordering individual tests or test packages
-  Badania.pl platform

Exploring the potential of artificial intelligence



-  AI-assisted interpretation of histopathology results
-  Development of digital cytology solutions
-  AI-supported teleradiology to enhance efficiency and maintain high quality



Back Office

-  SAP ERP
-  Webcom – electronic document workflow
-  Teta – HR system
-  HCM Deck – communication platform

Laboratories

-  eLab/xLab – proprietary ORACLE-based laboratory system that supports precise sample tracking and efficient reporting
-  eConsilio – a system applied in histopathological diagnostics

Corporate governance





Structure of the Group

The Diagnostyka Group consists of Diagnostyka S.A. as the Parent, and 20 subsidiaries, of which 5 are under the Parent's indirect control.

Laboratory diagnostics services:

Subsidiary	Percentage ownership and voting interest held (31 Dec 2024)
Diagnostyka Consilio Sp. z o.o.	100.00%
Dr. N. Med. Teresa Fryda Laboratorium Medyczne Sp. z o.o.	100.00%
Diagnostyka Oncogene Sp. z o.o.	66.67%
Diagnostyka - Tarnów Medyczne Centrum Laboratoryjne Sp. z o.o.	50.61%
Diagnostyka Genesis Sp. z o.o.	100.00%
Longevity Plus Sp. z o.o. (formerly ZdroweGeny.PL Sp. z o.o.)	100.00%
Diagnostyka Consilio Poznań Sp. z o.o.*	70.26%
Histamed DC Sp. z o.o.*	73.00%
Badania.pl Sp. z o.o.	90.00%
Laboratoria Medyczne Novalab Sp. z o.o.	90.00%
Niepubliczny Zakład Opieki Zdrowotnej Diagno-Med Sp. z o.o.*	73.00%

Diagnostic imaging services:

Subsidiary	Percentage ownership and voting interest held (31 Dec 2024)
Livmed Sp. z o.o.	89.95%
Diagnostyka - Teleradiologia24 Sp. z o.o.	50.65%
Zakład Rentgena i USG Wyrobek Sp. z o.o.	53.75%
Diagnostyka Plus Obrazowa Sp. z o.o.	100.00%
Diagnostyka Wyrobek Sp. z o.o.*	78.66%
Eurodent Sp. z o.o.*	78.66%
Diagnostyka Obrazowa Bielsko-Biała Sp. z o.o.*	70.79%

Property development:

Subsidiary	Percentage ownership and voting interest held (31 Dec 2024)
Diag Invest Sp. z o.o.	100.00%

IT services:

Subsidiary	Percentage ownership and voting interest held (31 Dec 2024)
Diagnostyka Digital Hub Sp. z o.o.	100.00%

* Subsidiaries in which the Group holds equity interests indirectly or over which it has indirect control.

- Property development operations involve the construction of properties intended as laboratory locations or office space to be used mainly by Diagnostyka Group companies. Therefore, the Group does not generate any material revenue from these operations.
- Similarly, IT services are provided for intra-group purposes. The Group does not generate significant revenue or incur substantial costs from these activities.



Associates and jointly controlled entities:

Associate or jointly controlled entity	Principal business	Value of shares as at 31 Dec 2024	Ownership interest held by the Group in net assets
GenXone S.A.	laboratory testing services	5,580 ¹	40.31%
Genomed S.A.	laboratory testing services	17,046	44.67%
Associates:		22,626	
Laboratorium Medyczne Optimed Kuriata, Wroński Sp. z o.o.	laboratory testing services	8,238	50.00%
Telediagnostyka Sp. z o.o.	diagnostic imaging services	2,931	51.00%
Instytut Mikrobiologii Sp. z o.o.	laboratory testing services	928	50.50%
Vitalabo Diag Invest Sp. z o.o.	property development	3,016	51.43%
Jointly controlled entities:		15,113	
Associates and jointly controlled entities:		37,739	

¹Consolidation value.

Related-party transactions

Detailed information on sureties and guarantees is provided in Note 32.2 to the consolidated financial statements.



Shareholding structure

The Company's shareholding structure remains highly stable. The majority interest in the share capital and total voting rights in Diagnostyka S.A. is held by its founders, ensuring continuity of strategic direction and consistent execution of the long-term business vision. This concentrated ownership structure supports efficient management and strategic decision-making, while preserving transparency for the broader shareholder base.

Shareholding structure as at 31 December 2024

Shareholder	Number of shares	percentage of shares	percentage of votes
LX Beta S.á r.l	16,147,124	47.83	47.83
ACER Capital Partners SCSp ¹	6,372,278	18.88	18.88
ACACIA Capital Partners SCSp ²	6,372,278	18.88	18.88
UBA Capital Partners SCSp ³	1,420,599	4.21	4.21
Jakub Swadźba	3,186,189	9.44	9.44
Paweł Pirkł	257,729	0.76	0.76
Grzegorz Głownia	101	0.00	0.00
Jacek Prusek	101	0.00	0.00
Marcin Fryda	101	0.00	0.00
Total	33,756,500	100.00	100.00

¹Luxembourg-based entity controlled by Grzegorz Głownia.

²Luxembourg-based entity controlled by Jacek Prusek.

³Luxembourg-based entity controlled by Marcin Fryda.

Shareholding structure as at the date of issue of this Report

Shareholder	Number of shares	percentage of shares	percentage of votes
ACER Capital Partners SCSp ¹	6,372,278	18.88	25.65
ACACIA Capital Partners SCSp ²	6,372,278	18.88	25.65
UBA Capital Partners SCSp ³	1,420,599	4.21	2.86
Jakub Swadźba	3,186,189	9.44	12.82
Paweł Pirkł	257,729	0.76	0.52
Grzegorz Głownia	101	0.00	0.00
Jacek Prusek	101	0.00	0.00
Marcin Fryda	101	0.00	0.00
Free float	16,147,124	47.83	32.50
Total	33,756,500	100.00	100.00

Holdings of Diagnostyka S.A. shares by other members of the Management Board and the Supervisory Board as at the date of issue of this Report:

- + 235 shares held by Dariusz Zowczak, Vice President of the Diagnostyka Management Board
- + 4,000 shares held by Jaromir Pelczarski, Vice President of the Diagnostyka Management Board

As at the date of this Report, Diagnostyka S.A. shares of different series carried different voting rights, as detailed below:

Series A, Series B, and Series C shares carry preferential voting rights, with each share entitling the holder to two votes.

The table below presents information on the shareholding structure of Diagnostyka S.A. taking into account the preferential voting rights attached to Company shares.

Share designation	Number of shares	Shareholder	Preference
Series A registered shares numbered from 1 to 101	101	Grzegorz Głownia	Each share entitles the holder to two votes
Series A registered shares numbered from 102 to 6372379	6,372,278	ACER Capital Partners SCSp	
Series B registered shares numbered from 1 to 101	101	Jacek Prusek	
Series B registered shares numbered from 102 to 6372379	6,372,278	ACACIA Capital Partners SCSp	
Series C registered shares numbered from 1 to 3186189	3,186,189	Jakub Swadźba	

As at the date of this Report, other shareholders included entities controlled by natural persons who were Company shareholders:

- + ACER Capital Partners SCSp, controlled by Grzegorz Głownia
- + ACACIA Capital Partners SCSp, controlled by Jacek Prusek
- + UBA Capital SCSp, controlled by Marcin Fryda

Series A, Series B, and Series C shares carry preferential voting rights, with each share entitling the holder to two votes.

Series D, Series E, and Series F shares carry preferential voting rights such that, during any period when no Diagnostyka S.A. shares are admitted to trading on a regulated market, each registered share of these series entitles the holder to two votes.

Share capital

As at the date of this Report, the Company's share capital amounted to PLN 33,756,500.00 and comprised 33,756,500 shares with a par value of PLN 1.00 per share, including:

- + 6,372,379 Series A registered shares carrying preferential voting rights
- + 6,372,379 Series B registered shares carrying preferential voting rights
- + 3,186,189 Series C registered shares carrying preferential voting rights
- + 1,420,700 Series D ordinary shares
- + 257,729 Series E ordinary shares
- + 16,147,124 Series F ordinary shares

Series/ issue	Number of shares as at their registration date	Form of payment for shares	Registration date
A	6,372,379	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
B	6,372,379	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
C	3,186,189	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
D	1,420,700	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
E	257,729	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
F	16,147,124	Shares subscribed for upon the transformation of the Company into a joint-stock company	2 September 2021
Total	33,756,500	-	-

Restrictions on the transferability of the Company's securities

Following the introduction of Diagnostyka S.A. shares to trading on a regulated market, the shareholders Jakub Swadźba, Grzegorz Głownia, Paweł Pirkł, Jacek Prusek and Marcin Fryda entered into a lock-up agreement whereby they agreed to refrain from selling Company shares for 360 days from the first listing date, i.e. until 2 February 2026.

Diagnostyka on the Warsaw Stock Exchange

On 6 February 2025, the Management Board of the Warsaw Stock Exchange (WSE) resolved to introduce 1,420,700 Series D shares, 257,729 Series E shares, and 16,147,124 Series F shares of Diagnostyka S.A. to trading on the main market of the Warsaw Stock Exchange. The first listing date was 7 February 2025. The first trading price was PLN 125.5, representing a 19.5% increase compared to the issue price of PLN 105. By the close of trading on the listing date, the share price rose to 130.02, an increase of ca. 24% on the issue price.

The listing on the WSE was preceded by an initial public offering valued at approximately PLN 1.7 billion, which attracted strong investor interest. The reduction rate for subscription orders placed by retail investors was 94.16%.



I am proud of the success of our IPO. The offering met with a very positive reception from domestic and international investors, which validates our vision and strategic direction. I would like to extend my sincere thanks to everyone who contributed to this achievement, and warmly welcome our new shareholders as partners. Demand from both institutional and retail investors was very strong, far exceeding the number of shares offered. Adding to our pride, this was the first IPO in Europe to close successfully in 2025, and one of the largest transactions of its kind in Poland in recent years.

Jakub Swadźba,
CEO and President of the Diagnostyka Management Board



Dividend

Historical data on dividend payments

The table below presents information on dividends paid by the Company for the years ended 31 December 2023, 2022 and 2021.

Financial year ended 31 December	Dividend for the financial year (PLN)
2021	492,251,235.86
2022	112,071,580.00
2023	105,657,845.00

+ 6 September 2024

The Annual General Meeting resolved to pay dividend to the Company's shareholders for the year ended 31 December 2023. The dividend amount was PLN 105,657,845.00, i.e. PLN 3.13 per share.

The balance of the Company's profit for the year, amounting to PLN 11,868,155.00, was allocated to the Company's statutory reserve funds.

+ 1 June 2023

The Annual General Meeting resolved to pay dividend to the Company's shareholders for the year ended 31 December 2022. The dividend amount was PLN 112,071,580.00, i.e. PLN 3.32 per share.

The balance of the Company's profit for the year, amounting to PLN 75,046,763.73, was allocated to the Company's statutory reserve funds.

+ 7 June 2022

The Annual General Meeting resolved to pay dividend to the Company's shareholders for the year ended 31 December 2021. The dividend amount was PLN 492,251,235.86, i.e. PLN 14.58 per share. Thus, the Company's entire net profit reported in the separate financial statements for the year ended 31 December 2021, totalling PLN 492,251,235.86, was allocated for distribution as dividend.

Dividend policy

In the coming years, the Management Board intends to recommend paying out dividends to shareholders for each financial year. When making its recommendation, the Management Board will consider:

- + business-related constraints (in particular any restrictions on dividend payments set out in the Group's financing agreements), as well as legal limitations that may affect the amount available for distribution,
- + the Group's financial standing (including extraordinary economic conditions or significant capital requirements),
- + the Group's strategy and development plans. The recommendations will remain subject to market conditions and the factors outlined above.

The Management Board's intention is to recommend dividend distributions at a level of 50% of net profit attributable to owners of the Parent, with the option to increase the payout in years of exceptionally strong financial performance. The final decision on dividend distributions and amounts will be made by the General Meeting, taking into account the Group's financial condition, legal and credit obligations, and strategic growth plans.

The Management Board makes no assurance regarding the Company's future profits or their portion that may be available for distribution as dividends. Any decision on dividend payments and their amount rests entirely with the shareholders at the General Meeting, who are under no obligation to follow the Management Board's recommendation.

At Diagnostyka, we seek to balance dynamic value growth with regular profit sharing with our shareholders. Our goal is to be a dividend-paying growth company. The Management Board's intention is to recommend dividend distributions at a level of 50% of net profit attributable to owners of the Parent, with the option to increase the payout in years of exceptionally strong financial performance. The final decision on dividend distributions and amounts will be made by the General Meeting, taking into account the Group's financial condition, legal and credit obligations, and strategic growth plans.

Paweł Chyła,

CFO, Vice President of the Diagnostyka Management Board



Incentive plan

Incentive plan terminated upon completion of the IPO

To ensure alignment of their interests with those of key management personnel, the Diagnostyka S.A. shareholders adopted a performance-based incentive plan enabling its participants to share in the growth of the value of Company shares.

The plan participants committed to, among other things:

- supporting efforts to increase investor interest in Company shares,
- developing, implementing, and overseeing long-term plans and strategies aimed at creating shareholder value,
- providing continuous advisory support to shareholders on decisions related to the sale or retention of their shares.

Participants were eligible for compensation under the plan once shareholders holding in aggregate at least 30% of Company shares sold their holdings, a condition that was met when LX Beta s.a.r.l. sold its 47.83% stake in the IPO.

The compensation amount depends on the difference between the share value set in the plan agreement and the price at which the shares were sold by the shareholder (LX Beta s.a.r.l.) in the IPO (PLN 105 per share).

Compensation to plan participants will be paid by LX Beta s.a.r.l., meaning that neither the Parent nor the Group bears any liability in this respect. Nonetheless, the participants provide their services to the Parent.

Details of the incentive plan are provided in Note 23.2 to the consolidated financial statements.



Long-term incentive plan for 2025–2027 addressed to the Parent's Management Board

On 17 January 2025, the Extraordinary General Meeting of the Parent adopted a long-term incentive plan based on Company shares, intended for the Management Board and covering the years 2025 to 2027 ("LTIP-Z").

Under the plan, the President and other members of the Management Board (serving in the positions of Vice President or Member) will be granted LTIP-Z participation units that entitle them to receive Company shares. The number of shares per participation unit will be determined after the end of the plan term by dividing the total number of shares available under LTIP-Z (which will be established based on the ratio of the Group's value growth to the volume-weighted average market price of Company shares on the regulated market operated by the Warsaw Stock Exchange during the six-month period following the publication of the 2027 financial results) by the total number of participation units granted. For each of the three plan years (2025, 2026, and 2027), the President of the Management Board may receive 40 participation units, while a pool of 60 participation units will be available for allocation to other members of the Management Board. The Supervisory Board may decide not to allocate all units in a given year, in which case the unused portion will be carried over and added to the pool for allocation in subsequent years. Every year, the Supervisory Board will determine which Management Board members will be granted participation units and how to allocate that year's pool. For each year of LTIP-Z, individual participation agreements will be signed with the participants, specifying the number of participation units granted for that year, with the grant being conditional upon the participants' continued service as member of the Company's Management Board during that year. In line with the objectives of LTIP-Z, and in accordance with resolutions adopted by the Extraordinary General Meeting authorising the Management Board to repurchase Company shares, LTIP-Z is expected to be settled through the transfer of Company shares to participants. However, final settlement may also take the form of a cash payment equivalent to the value of the shares, in particular if the Company has not repurchased a sufficient number of its shares.

As the intended settlement method is by transferring repurchased shares, and given that the choice of settlement method is entirely at the Group's discretion, the Management Board plans to account for LTIP-Z as an equity-settled share-based payment

under IFRS 2 Share-based Payment. However, depending on future developments and the final form of settlement, the plan's classification may change to that of a cash-settled share-based payment. The grant date will be determined separately for each year of LTIP-Z and will be the date on which both parties agree on the terms of participation in the plan (expected to be the date of signing the participation agreement with the beneficiary). The total value of LTIP-Z will be calculated as the product of the number of participation units granted and the fair value of a unit as at the relevant grant date. If LTIP-Z is accounted for as an equity-settled share-based payment, the cost of the plan, determined individually for each participant, will be recognised in the consolidated statement of comprehensive income under 'Employee benefits expense'. The corresponding entry will be an increase in equity (under 'Other reserves') during the vesting period from the grant date until the end of the respective LTIP-Z year.

In the case of the President of the Management Board, the grant date was set for 17 January 2025. On 24 March 2025, Supervisory Board resolved to allocate 30 out of 60 participation units available for 2025 under LTIP-Z to other members of the Management Board. For those other members of the Management Board who were granted participation units for 2025, the grant date has occurred. As the valuation takes time, the valuation process was still ongoing at the date of authorisation of the financial statements.

Key terms of the LTIP-Z plan:

- The plan is addressed to the Management Board of the Parent (President and other members).
- Plan duration: 2025–2027.
- The President of the Management Board receives 40 participation units annually, while the remaining Management Board members share a pool of 60 units.
- The Supervisory Board decides on the allocation of units to Management Board members other than the President.
- To receive units for a given year, participants must continue to serve on the Management Board in that year.
- The number of shares per unit depends on the Group's value growth and will be determined after the plan ends.
- The plan is accounted for as an equity-settled share-based payment in accordance with IFRS 2.

Control system for employee stock option plans

The plan will be overseen by the Supervisory Board.

Long-term incentive plan for 2025–2027 addressed to selected employees of the Company and other Group companies

On 17 January 2025, the Extraordinary General Meeting of the Parent adopted a long-term incentive plan based on Company shares, addressed to selected employees of the Company and other Group companies and covering the years 2025–2027 (“LTIP-P”).

Under LTIP-P, selected employees of the Company and other Group companies, designated by the Management Board, will be granted LTIP-P participation units that entitle them to receive Company shares. The number of shares per participation unit will be determined after the end of the plan term by dividing the total number of shares available under LTIP-P (which will be established based on the ratio of the Group's value growth to the volume-weighted average market price of Company shares on the regulated market operated by the Warsaw Stock Exchange during the six-month period following the publication of the 2027 financial results) by the total number of participation units granted.

For each of the three plan years (2025, 2026, and 2027), a pool of 100 participation units will be available for allocation to participants. The Management Board may decide not to allocate the full pool for a given year, in which case the unused portion will be carried over and added to the pool for allocation in subsequent years. Every year, the Management Board will determine which participants will be granted participation units and how to allocate that year's pool. For each year of LTIP-P, individual participation agreements will be signed with the participants designated by the Management Board, specifying the number of participation units granted for that year, with the grant being conditional upon the participants' continued employment with the Group during that year. In line with the objectives of LTIP-P, and in accordance with resolutions adopted by the Extraordinary General Meeting authorising the Management Board to repurchase Company shares, LTIP-P is expected to be settled through the transfer of Company shares to participants. However, final settlement may also take the form of a cash payment equivalent to the value of the shares, in particular if the Company has not repurchased a sufficient number of its shares.

As the intended settlement method is by transferring repurchased shares, and given that the choice of settlement method is entirely at the Group's discretion, the Management Board plans to account for LTIP-P as an equity-settled share-based payment under IFRS 2 Share-based Payment. However, depending on future developments and the final form of settlement, the plan's classification may change to that of a cash-settled share-based payment.

The grant date will be determined separately for each year of LTIP-P and will be the date on which both parties agree on the terms of participation in the plan (expected to be the date of signing the participation agreement with the beneficiary). The total value of LTIP-P will be calculated as the product of the number of participation units granted and the fair value of a unit as at the relevant grant date.

If LTIP-P is accounted for as an equity-settled share-based payment, the cost of the plan, determined individually for each participant, will be recognised in the consolidated statement of comprehensive income under ‘Employee benefits expense’. The corresponding entry will be an increase in equity (under ‘Other reserves’) during the vesting period from the grant date until the end of the respective LTIP-P year.

On 14 March 2025, the Management Board resolved to allocate 54 out of 100 participation units available for 2025 under LTIP-P. For those participants of the 2025 LTIP-P who were granted participation units, the grant date has occurred. As the valuation takes time, the valuation process was still ongoing at the date of authorisation of the financial statements.

Key terms of the LTIP-P plan:

- The programme is addressed to selected employees of the Company and other Group companies designated by the Management Board.
- Plan duration: 2025–2027.
- A pool of 100 participation units is available each year for allocation to employees.
- The Management Board decides on the allocation of units to eligible employees.
- To receive units for a given year, participants must continue to be employed with the Group in that year.
- The number of shares per unit depends on the Group's value growth and will be determined after the plan ends.
- The plan is accounted for as an equity-settled share-based payment in accordance with IFRS 2.
- The grant date is determined separately for each year of the plan's duration.

Control system for employee stock option plans

The plan will be overseen by the Company's Supervisory Board and Management Board.

Management Board

Operational framework and powers and responsibilities of the Management Board

The Management Board represents the Company in relations with third parties and manages all of the Company's affairs that are not reserved for the General Meeting or the Supervisory Board under the Commercial Companies Code and the Company's Articles of Association. The Management Board may consist of between two and five members, and is appointed for a joint five-year term.

To be valid, representations and statements made on behalf of the Company must be made by two members of the Management Board acting jointly. Management Board resolutions are passed by a simple majority of votes, with the President of the Management Board having the casting vote in the event of a tie. In 2024, the Management Board held approximately 40 meetings.

Key information from the Rules of Procedure for the Management Board of Diagnostyka S.A.:

1. Legal basis and scope of activity:
 - Commercial Companies Code, applicable laws, the Company's Articles of Association, and resolutions of the Company's governing bodies
 - The Management Board manages the Company's affairs and represents the Company, except in matters reserved for other governing bodies
2. Members of the Management Board:
 - Must perform their duties personally
 - Are required to avoid conflicts of interest
3. Adoption of resolutions:
 - Resolutions are passed by a simple majority of votes (with the President having the casting vote in the event of a tie)
 - Voting may take place by written ballot or using electronic means of communication
4. Documentation:
 - Minutes are prepared for each Management Board meeting, including the date, location, agenda, and list of attendees
 - Minutes are stored at the Company's registered office
5. The Management Board is required to inform the Supervisory Board about:
 - Resolutions adopted by the Management Board
 - The Company's assets and its operational and staffing situation
 - Strategy implementation progress and any identified deviations
 - Material transactions and events affecting the Company

As at the date of this Report, there were no obligations relating to retirement, disability or other benefits for members of the Management Board.

Agreements with members of the Management Board providing for severance compensation

Pursuant to Supervisory Board Resolution No. 1/4/12/2024 of 11 December 2024, Management Board members are entitled to severance pay if they are removed from the Management Board of Diagnostyka S.A.

Key information on the severance pay system:

- Severance pay is granted only in the event of removal of a Management Board member from office.
- Severance pay amounts are determined on a case-by-case basis for each Management Board member in separate resolutions.
- The Resolution came into force upon its adoption, with effect from 1 June 2025.

No severance pay is due in the event of:

- Resignation of the Management Board member,
- Death of the Management Board member,
- Expiry of the term of office without reappointment of the Management Board member for the next term,
- Removal from office due to a material breach of fundamental obligations (when the cause of the removal, together with the justification, is stated in the resolution on or notice of removal from office).

The Company believes that the adopted rules appropriately safeguard the interests of both Diagnostyka S.A. and the Management Board members, supporting management stability and the Group's long-term growth strategy.



Jakub Swadźba

President of the Management Board,
Chief Executive Officer (CEO)

In 1998, he founded Diagnostyka, which has since grown into the largest network of medical laboratories in Poland. As President of the Management Board, he is responsible for key areas including growth strategy, digital transformation, investments, research and development, and oversight of the medical division.

Jakub Swadźba holds the title of Habilitated Doctor of Medical Sciences and is a certified specialist in internal medicine, having completed his education at the Jagiellonian University Medical College and the Pomeranian Medical University.

Alongside his executive role, he remains actively engaged in the medical community. He is the author and co-author of numerous scientific publications, a regular speaker at industry conferences, and serves as Chair of Laboratory Medicine at the Andrzej Frycz Modrzewski Krakow University. He has received multiple prestigious awards, including the Wektory Award from Employers of Poland, the Polish Business Council Award, and EY Entrepreneur of the Year.



Dariusz Zowczak

Vice President of the Management Board,
Chief Sales Officer (CSO)

Dariusz Zowczak joined Diagnostyka in 2004 and was appointed to its Management Board in 2007. His remit includes sales, acquisitions, development of the specimen collection point network, and oversight of the Company's regional divisions.

He holds degrees in medicine and economics, having graduated from Medical University of Wrocław and Wrocław University of Economics and Business. After completing his studies, he was involved in building the team at the Gynaecology and Obstetrics Department of the Provincial Hospital in Wrocław, contributed to the Medical Department of the Wrocław Province Branch of the National Health Fund (then operating as Kasa Chorych – Health Insurance Fund), and served as Medical Director of the T. Marciniak Specialist Hospital of the Wrocław Province.



Marta Rogalska-Kupiec

Vice President of the Management Board,
Chief Operating Officer (COO)

Marta Rogalska-Kupiec has been working for the Diagnostyka Group since 2012 and has served as Vice President of the Management Board since August 2020. She is responsible for the Company's operations, oversees laboratory and specimen collection point coordination, and supervises the administrative and HR functions.

Her professional career began at the Institute of Molecular Biology at the Jagiellonian University in Kraków, where she worked as an associate lecturer from 1996 to 1998. She subsequently held the position of Head of Sales at Medicover (1999–2001) and then at Medar (2001–2003), and from 2003 to 2005 served as head of health services planning at the National Health Fund (Kraków Province Branch).

Marta Rogalska-Kupiec holds a Master's degree in molecular biology from the Jagiellonian University in Kraków. She also completed postgraduate studies in human resources management and in integrated systems at the Kraków University of Economics.



Paweł Chytle

Vice President of the Management Board,
Chief Financial Officer (CFO)

With Diagnostyka since 2023, he is responsible for the Group's overall financial management. The departments under his management include: Operational Controlling, Strategic Controlling, Accounting, Treasury, Tax, Human Resources and Payroll, Legal, and the Research and Sustainability Department. He is also involved in M&A processes.

Before joining Diagnostyka, Paweł Chytle served as a Management Board Member at Cerrad Group (ceramics industry), Tarkett Polska (flooring manufacturer), and the food industry company FoodCare Group. Earlier in his career, he worked as Finance and Controlling Manager at Stock Polska (alcohol industry), after beginning his professional path at Eurocash Group. He holds a Master's degree in Finance and Investment from the University of Economics in Katowice and completed postgraduate studies in Accounting at the University of Economics in Poznań. He also completed studies at the English Department of Maria Curie-Skłodowska University in Lublin.



Jaromir Pelczarski

Vice President of the Management Board,
Chief Transformation Officer (CTO)

Jaromir Pelczarski joined Diagnostyka on 1 January 2025 as Vice President of the Management Board for IT Infrastructure. He is responsible for driving the Group's technological advancement, implementing modern digital solutions, and overseeing IT infrastructure management.

He has over 20 years of experience in international settings, having led technology transformation, system integration, and process digitisation projects at some of the largest financial institutions. At Alior Bank, he modernised the IT structure by introducing a Value Stream-based organisational model, significantly enhancing operational efficiency. At BNP Paribas, he oversaw one of the banking sector's largest technology mergers and developed data management systems and digital communication channels, improving their performance and increasing user engagement.

From 1 April 2023, Michał Kantor held the position of Vice President of the Management Board, Chief Information Officer (CIO). On 19 May 2024, he resigned from the Management Board.

Supervisory Board

The Supervisory Board consists no fewer than five and no more than eight members, except when its composition is determined through block voting in accordance with Art. 385.3 of the Commercial Companies Code, in which case the Supervisory Board has six members. All members of the Supervisory Board are appointed for a joint five-year term of office. In 2024, the Supervisory Board held six meetings: on 22 February 2024, 6 June 2024, 25 June 2024, 21 August 2024, 29 August 2024, and 9 December 2024

Key information from the Rules of Procedure for the Supervisory Board of Diagnostyka S.A.:

1. Legal basis and scope of activity:

- The Supervisory Board exercises ongoing supervision over the Company's business in each area of its activity, acting in accordance with applicable laws, the Company's Articles of Association, and the Rules of Procedure for the Supervisory Board
- Polish is the official language used by the Supervisory Board at its meetings and in all documents related to its activities

2. Powers and responsibilities of the Supervisory Board:

- Assessing the financial statements and Directors' Reports on the Company's operations
- Assessing the Management Board's proposals concerning allocation of profit or coverage of loss
- Submitting annual written reports on the assessment results to the General Meeting
- Suspending any or all members of the Management Board from duties, for cause
- Delegating Supervisory Board members to temporarily substitute for Management Board members who are unable to perform their duties
- Reviewing any Company documents
- Requesting reports and explanations from the Management Board and employees
- Reviewing the Company's assets
- Requesting the Management Board to commission opinions and expert reports required for the proper discharge of duties
- Approving the execution of material related-party transactions
- Appointing Supervisory Board committees, including Audit Committee, and deciding on their composition

3. Organisation of Supervisory Board activities:

- Supervisory Board meetings are held at least once every quarter
- Meetings may take place in person, in a hybrid format, or remotely using means of remote communication
- The Chair of the Supervisory Board convenes meetings, manages their proceedings, and may order procedural breaks
- Notices of Supervisory Board meetings should be sent at least three days in advance

4. Adoption of resolutions:

- Resolutions must be passed in the presence of at least half of the Supervisory Board members to be valid
- Resolutions are passed by an absolute majority of votes, with the Chair of the Supervisory Board having the casting vote in the event of a tie
- The Supervisory Board may pass resolutions without holding a meeting, by written ballot or using means of remote communication or electronic mail

5. Obligations of Supervisory Board members:

- Maintaining confidentiality of Company-related information obtained in the course of their duties
- Disclosing potential conflicts of interest
- Dedicating sufficient time to the performance of their responsibilities
- Actively participating in Supervisory Board meetings

6. Documentation of Supervisory Board activities:

- Minutes of Supervisory Board meetings must include the date and location, list of attendees, a summary of the proceedings, and the text of adopted resolutions
- Minutes and resolutions are filed in the book of minutes maintained by the Company's Legal Department
- The book of minutes is also available in electronic form on the Company's server



Artur Olender (Chair of the Supervisory Board)

Artur Olender has served as Chair of the Supervisory Board since 2021. From 2023 to 1 November 2024, he also chaired the Supervisory Board's standing committee.

He studied electronics and computer science at the Faculty of Electronics and Automation at the AGH University of Science and Technology in Kraków. He holds a Securities Broker license issued by the Polish Financial Supervision Authority (license No. 13), completed a business course at the London Business School, and holds licences from the London International Financial Futures Exchange, the International Petroleum Exchange, and the London Clearing House.

With over 35 years of experience in the capital markets, Artur Olender has held executive and supervisory roles across multiple organisations. He was President of the Management Board at CCB brokerage house (1989–1990), then Vice President (1991–2004) and later President of Dom Maklerski Pene-trator (now Trigon DM).

He served as Chair of the Supervisory Board (2004–2021) and Audit Commit-tee member (2006–2021) at Intersport, where he co-led the company's IPO. He was also a Supervisory Board member and Audit Committee member at Ailleron (2014–2021),

and held similar roles at Archicom (2015–2021), where he was instrumental in both companies' stock market debuts. He currently serves as Supervisory Board member and Chair of the Audit Committee at Nanogroup (since 2017), and as Supervisory Board Chair and Audit Committee member at OT Logistics (since 2018).

His experience includes involvement in IPOs for companies such as Wydawn-ictwa Szkolne i Pedagogiczne, Polmos Białystok, Mostostal Warszawa, K2, In-teliwise, Cyfrowy Polsat, ML System, NanoGroup, and Mercator Medical. He also acted as an advisor in securing international capital for Wirtualna Polska.

Artur Olender meets the independence criteria under the Statutory Auditors Act.

Matthew Strassberg (Member of the Supervisory Board)

Matthew Strassberg has served on the Company's Supervisory Board since 2021. He holds a Bachelor's degree in Economics from the University of Chi-cago (1991) and an MBA from INSEAD in France (1995).

He began his professional career immediately after completing his under-graduate studies: from 1991 to 1992, he worked as an analyst at Merrill Lynch in New York, followed by a role as associate at TLC Capital Partners LLP, also in New York, from 1992 to 1994. Between 1996 and 1999, he continued in an associate role at J.P. Morgan, working at its London and New York offices. In 1999, he returned to Merrill Lynch, serving as Vice President in the London office until 2001.

Jacek Prusek (Member of the Supervisory Board)

Jacek Prusek has served on the Company's Supervisory Board since 2021 and has been involved with the Company (and its legal predecessors) since its inception in 1998. Over the years, he has held various roles, including Director of New Market Development, and from 1998 to 2007, he was Vice President of the Management Board of Diagnostyka's legal predecessors.

Jacek Prusek earned his medical degree from the School of Medicine at the Jagiellonian University Medical College in 1993.

His professional career began in 1996. Between 1996 and 2007, he was Vice President of the Management Board and commercial proxy at DPC Diagnostyka Sp. z o.o. From June 1997 to June 2006, he served as Director at Diag Systems Sp. z o.o. Additionally, he held the position of Director at Diag Systems Sp. z o.o. Sp.k. from 1997 to 2009 and again from November to December 2012. From 1998, he also worked as development coordinator at the same company. He is a member of the Founders Board of the Academy of Modern Diagnostics Foundation.

Marcin Fryda (Member of the Supervisory Board)

Marcin Fryda has worked for the Company (and its legal predecessors) since December 2011 and has served on the Supervisory Board since 2021. He was appointed Sales Direc-tor in January 2012, following an earlier role as an outsourcing consultant beginning in 2011.

Marcin Fryda studied at the University of Economics in Katowice between 1996 and 2001.

He began his professional career in 2001 at Dr N. Med. Teresa Fryda Laboratorium Me-dyczne Sp. z o.o., where he initially worked as a sales representative and courier. From January 2010 to March 2013, he served as President of the Management Board, and from March 2013 to October 2021, as Vice President of the company. Between February 2018 and May 2021, he was a member of the Supervisory Board of Platforma Badań Genety-cznych Sp. z o.o. Since October 2018, Marcin Fryda has served as commercial proxy at Sestec Sp. z o.o., and since December 2018, he has been a manager at NYA Properties S.à r.l. He has also served on the Supervisory Board of Coders Lab Sp. z o.o. since May 2019.

From November 2014 to December 2016, he was a member of the Management Board of the Academy of Modern Diagnostics Foundation.

Aniela Hejnowska (Member of the Supervisory Board)

Aniela Hejnowska has been a member of the Supervisory Board since 1 October 2024. She holds a Bachelor's degree in Management and Marketing from Wyższa Szkoła Biznesu – National Louis University in Nowy Sącz (2002), a Master's in degree in International Business Strategy from Grenoble Ecole de Management (2003), a diploma from the Chartered Institute of Marketing (2006), and completed the International Directors Programme at INSEAD in 2024.

With more than 20 years of professional experience, she has held roles including: Customer Retention Specialist and Manager (2005–2007) and then Head of Sales at Tele2 Poland (2007–2008); Managing Director at Netia S.A., overseeing the SOHO/SME (2009–2011) and Home Market (2011–2012) segments; a partner at Webtalk Sp. z o.o. (2012–2022); Managing Director at Groupon Poland (2012–2015); Vice President of Groupon EMEA (2016–2018); Chief Operating Officer at Microsoft Poland (2020–2023); member of he Supervisory Bard of Merlin Group S.A. (2020–2022), General Manager at IQVIA (2020–2023), co-founder of Renters Holding (2020–2023); member of the Supervisory Board at ML System S.A. (2024); member of the Management Board and shareholder of Heyn Sp. z o.o. (since May 2023); member of the Management Board at BE OK P.S.A. (since July 2023); Vice President and shareholder of Termostars Sp. z o.o. (since May 2024); member of the Management Board and shareholder of Graylight Innovations Sp. z o.o. (since July 2024); member of the Supervisory Board of Benefit Systems S.A. (since July 2023), and member of the Supervisory Board of Murapol S.A. (since May 2024).

Aniela Hejnowska meets the independence criteria under the Statutory Auditors Act.

Grzegorz Głównia (Member of the Supervisory Board)

Grzegorz Głównia has served on the Supervisory Board since 2021. In June 2023, he was appointed to the Supervisory Board's standing committee for specific supervisory functions (dissolved in November 2024). He has worked for the Group since 1998. From 2001 to 2007, he held the position of Vice President of the Management Board at the Company's legal predecessors.

Grzegorz Głównia earned the degree of Master of Science/Engi-neer from the Kraków University of Economics in 1993.

He began his professional career in 1993. Until 1998, he was a partner at Metal Art s.c., and from 1997 to 2008, he served as Vice President of DPC Diagnostyka Sp. z o.o.

He is a member of the Founders Board of the Academy of Mod-ern Diagnostics Foundation.

Paweł Malicki (Member of the Supervisory Board)

Paweł Malicki has served on the Supervisory Board since 2021. He holds a Bachelor's and a Master's degree in Finance and Ac-counting from the Warsaw School of Economics, earned in 2009 and 2011, respectively.

His professional experience spans transaction advisory and ad-visory on venture capital and private equity investments. From August 2011 to July 2013, he worked as an analyst at EY Corporate Finance. He then joined Experior Venture Fund as an associate (2013–2014), where he was responsible for the portfolio company XTRF. Between August 2014 and December 2017, he served as an analyst at Enterprise Investors, with responsibility for Polski Bank Komórek Macierzystych and Wento. He is currently with MidEu-ropa LLP, where he is responsible for the portfolio companies JS Hamilton, Regina Maria, and Optegra.

Committees of the Supervisory Board

The Supervisory Board may appoint an Audit Committee and is required to do so whenever this obligation arises under the Statutory Auditors Act or other applicable laws. The composition and responsibilities of the Audit Committee are defined in accordance with the relevant legal regulations. The Chair of the Audit Committee is appointed by the Supervisory Board.

The Supervisory Board may also appoint ad hoc or standing Supervisory Board committees to perform specific supervisory functions.

On 1 June 2023, the Supervisory Board established a committee tasked with supervision over the Company and the Group in the following areas:

- + financial reporting, particularly the process of preparing and auditing financial statements,
- + key financial plans and decisions, especially those concerning capital expenditures and their tax implications,
- + preparation of the Company for the initial public offering. This committee was dissolved pursuant to Supervisory Board Resolution No. 2 of 1 November 2024, following the appointment of an Audit Committee at the Company.

Audit Committee

As at the date of this Report, the Company had an Audit Committee in place, established by Supervisory Board Resolution No. 1 of 1 November 2024. The Audit Committee consists of the following Supervisory Board members:

- + Aniela Hejnowska – Chair of the Audit Committee. Aniela Hejnowska meets the statutory independence criteria. She has a wealth of knowledge and experience in strategic management, marketing, sales, and business process integration. She also has significant expertise in corporate governance, gained through service on the Supervisory Boards of companies listed on the Warsaw Stock Exchange.
- + Jacek Prusek – member of the Audit Committee. Jacek Prusek has long-standing experience in management and business development in the diagnostic services sector. He has knowledge and skills in market expansion, operational management, and corporate governance.
- + Artur Olender – member of the Audit Committee. Artur Olender meets the statutory independence criteria. He offers in-depth knowledge and skills related to capital markets, accounting and financial auditing, built over many years of serving as a member and chair of Supervisory Boards and Audit Committees in public companies.

In 2024, the Audit Committee did not hold any meetings. Nevertheless, it adopted four resolutions by circulation:

- Resolution No. 1_13_11_2024 to approve the execution of an agreement with Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k.,
- Resolution No. 1_17_12_2024 to recommend that the Supervisory Board adopts the Rules of Procedure for the Audit Committee of the Supervisory Board of Diagnostyka S.A.,
- Resolution No. 2_17_12_2025 to recommend that the Supervisory Board adopts the policy and procedure for the selection of an audit firm to perform audits or reviews of the financial statements of Diagnostyka S.A. and its Group,
- Resolution No. 3_17_12_2026 to recommend that the Supervisory Board adopts the policy for the provision of permitted non-audit services to Diagnostyka S.A. by the auditor/audit firm auditing its financial statements, their associates and members of the audit firm's network.

The responsibilities of the Audit Committee include in particular:

- monitoring of the financial reporting process,
- monitoring of the effectiveness of the internal control, risk management and internal audit systems, including with respect to financial reporting,
- monitoring of audit activities, including in particular audits of financial statements,
- controlling and monitoring of the independence of the auditor and the audit firm, in particular if the audit firm provides non-audit services to the public Company,
- informing the Supervisory Board about the results of the audit and explaining how the audit has contributed to the integrity of financial reporting at the Company and what role the Audit Committee played in the audit process;
- assessing the independence of the auditor and granting approval for the provision by the auditor of permitted non-audit services to the Company,
- developing a policy for selecting an audit firm to audit financial statements,
- developing a policy for the provision of permitted non-audit services by the audit firm auditing the Company's financial statements and by the audit firm's affiliates and members of its network,
- defining the audit firm selection procedure,
- submitting a recommendation to the Supervisory Board regarding appointment of an audit firm in accordance with the policies prepared by the Audit Committee, submitting recommendations intended to ensure reliability of the financial reporting process at the Company.

Auditor

Under Art. 66.4 of the Accounting Act, the decision on the selection of an audit firm to audit financial statements is the responsibility of the General Meeting. However, pursuant to Art. 22.15 of the Company's Articles of Association, when Company shares are listed on a regulated market, the selection of an audit firm also requires prior approval from the Supervisory Board, granted by an absolute majority of votes.

The most recent agreement with Ernst & Young Audyt Polska was signed on 15 January 2024.

The following table presents the gross amount of fees (including VAT not deductible by the Parent) for the Company's auditor (Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Sp.k.) paid or payable for the years ended 31 December 2024 and 31 December 2023, disaggregated by type of service. The table includes information on fees, paid or payable, for the audit of the separate and consolidated financial statements, and fees paid in the respective year for other services provided to Diagnostyka S.A.

Type of service	31 Dec 2024	31 Dec 2023
Fee for the audit of full-year financial statements (EY network) – Diagnostyka S.A.	1,428	450
Total audit fees	1,428	450
Non-audit services provided to Diagnostyka S.A. (EY network)	1,397	31
Assurance services		
Other services	1,300	-
Total fees for non-audit services	2,967	31

Detailed information on the auditor's fees is provided in Note 36 to the consolidated financial statements.

Key principles of the policy for the selection of an audit firm to audit financial statements

1. Primary objectives and responsibilities:

- + Ensuring a transparent and non-discriminatory selection process
- + The responsibility for implementing and ensuring compliance with the policy lies with the Supervisory Board, acting on the recommendation of the Audit Committee

2. Competent bodies and decision-making process:

- + The Supervisory Board is the body authorised to select the audit firm
- + The Audit Committee is responsible for preparing and submitting a formal recommendation
- + The Management Board is involved in the process and executes the final agreement

3. Key criteria for selecting an audit firm:

- + Proven track record and market standing
- + Experience in auditing public interest entities
- + Proposed audit team's knowledge of the Group's industry
- + Price for the full service
- + Audit firm's independence
- + Geographic coverage across the Group's operating markets
- + Composition and experience of the proposed audit team

4. Selection process:

- + Formal initiation of the process by a resolution of the Supervisory Board
- + Preparation of the tender documentation
- + Invitation to audit firms to submit proposals
- + Assessment of the submitted proposals against predefined criteria
- + Preparation of a report on the selection process
- + Presentation of at least two recommended candidates

5. Extension of the engagement:

- + Permitted extension of the agreement with the current audit firm is subject to a positive assessment of the past cooperation
- + The assessment covers factors such as service quality, timeliness, the audit team, and other relevant aspects

6. Requirements concerning the agreement:

- + The agreement should be signed early enough to ensure thorough audit planning
- + Clear provisions must be in place for potential early termination of the engagement
- + In the event of early termination, the appropriate supervisory authorities must be duly notified

7. Safeguards:

- + Requirement for the audit firm to maintain independence
- + Verification of the findings of quality control performed by the Polish Agency for Audit Oversight
- + Requirement for the audit firm to make relevant representation

Remuneration

Remuneration at the Company is governed by the Remuneration Rules. In accordance with the Remuneration Rules, employee benefits include, in addition to base pay, an employee allowance, individual performance bonuses and access to the Company's services on preferential terms.

The Company maintains a Company Social Benefits Fund. Remuneration paid to all members of the Management Board by the Company and its subsidiaries in 2024

Name	Remuneration paid by the Company in 2024 (PLN)	Remuneration paid by subsidiaries in 2024 (PLN)	Incentive plan mea- surement ¹ – charged to 2024 expenses
Jakub Swadźba	2,954,297.47	0.00	509,397.21
Dariusz Zowczak	2,397,831.76	0.00	226,398.76
Marta Rogalska-Kupiec	2,134,225.00	1,200.00	113,199.38
Paweł Chyła	1,577,154.83	0.00	1,810,708.84
Michał Kantor ²	760,557.68	221,400.00	not applicable
Jaromir Pelczarski ³	not applicable	not applicable	not applicable
Total	9,824,066.74	222,600.00	2,659,704.19

¹ Incentive plan terminated upon completion of the IPO.

² Michał Kantor resigned from the Management Board on 19 May 2024.

³ Jaromir Pelczarski was not a member of the Management Board in 2024 and did not receive any remuneration from the Company or its subsidiaries.

Estimated total amount of non-cash benefits provided to members of the Management Board by the Company in 2024 was approximately PLN 11,000.

This amount includes the estimated value of the right to use a company car for private purposes. In 2024, no non-cash benefits were provided to members of the Management Board by the subsidiaries.

Remuneration paid to all members serving on the Supervisory Board in 2024 by the Company and its subsidiaries in 2024

Name	Remuneration paid by the Company in 2024 (PLN)	Remuneration paid by subsidiaries in 2024 (PLN)
Artur Olender	122,290.12	0.00
Jacek Prusek ¹	244,504.00	0.00
Grzegorz Głownia	0.00	0.00
Marcin Fryda ²	242,649.20	30,000.00
Paweł Malicki	0.00	0.00
Matthew Strassberg	0.00	0.00
Aniela Hejnowska	30,000	0.00
Total	639,443.32	30,000.00

¹ The remuneration amounts in the table include remuneration received under a resolution of the General Meeting and under an employment contract with the Company

² The remuneration amounts in the table include remuneration received under a resolution of the General Meeting and under an employment contract with the Company

Estimated total amount of non-cash benefits provided to members of the Supervisory Board by the Company in 2024 was approximately PLN 12,000.

This amount includes the estimated value of the following non-monetary benefits: the right to use a company car and a company phone for private purposes. In 2024, no non-cash benefits were provided to members of the Supervisory Board by the subsidiaries.



Bonus scheme for Management Board members

1. Bonus calculation basis: defined individually for each Management Board member by a separate Supervisory Board resolution
2. Performance target structure:
 - a. 80% – based on achievement of Group EBITDA targets
 - b. 20% – based on achievement of Group revenue target

Bonus payment mechanism

1. Quarterly advances:
 - a. Advances are paid after each quarter, based on year-to-date performance against targets
 - b. Advances for Q1–Q3 must not exceed the equivalent of 100% target achievement
 - c. Payment deadline: within 10 days of submission of results to the Supervisory Board or their publication
2. Final settlement:
 - a. Final settlement is made after the approval of the full-year financial statements
 - b. It consists in payment of any difference between the final annual bonus due and advances already paid
 - c. Payment deadline: within 10 days of the approval of financial statements

Severance pay

1. Terms of entitlement:
 - a. Severance pay is granted in the event of removal of a member of the Management Board from office
 - b. No severance pay is due in the event of the Management Board member's resignation, death, or expiry of the term of office without reappointment of the member for the next term
 - c. No severance pay is due in the event of the Management Board member's removal from office due to a material breach of obligations
2. Severance pay amount: defined individually for each Management Board member by a separate resolution

General Meeting of Shareholders

In 2024, the General Meeting of Shareholders convened 10 times. Pursuant to Art. 395.1 of the Commercial Companies Code, an Annual General Meeting should be held within six months from the end of each financial year of the Company. The agenda of an Annual General Meeting should include:

- + consideration and approval of the Directors' Report on the Company's operations and the financial statements for the previous financial year,
- + resolution on the allocation of profit or coverage of loss,
- + grant of discharge from liability to members of the Company's governing bodies in respect of their duties.

Unless the Company's Articles of Association, the Commercial Companies Code or other applicable laws or regulations provide otherwise, the General Meeting resolutions are passed by an absolute majority of votes. Pursuant to Art. 17.5 of the Articles of Association, the following require a resolution of the General Meeting at which at least two-thirds of all shares are represented, passed by a two-thirds majority of votes, unless the Commercial Companies Code sets stricter requirements for adopting a resolution:

- + change to the Company's legal form,
- + amendments to the Articles of Association,
- + merger of the Company with other entity,
- + liquidation of the Company,
- + increase in the Company's share capital,
- + reduction of the Company's share capital,
- + approval of the Company's full-year financial statements.

Key information from the Rules of Procedure for the General Meeting of Diagnostyka S.A.:

Legal and organisational framework:

- + The Rules of Procedure for the General Meeting set out the organisational rules and the powers and responsibilities of the General Meeting, which operates in accordance with the Commercial Companies Code, other applicable laws, and the Company's Articles of Association
- + In the event of adjournment, the adjourned General Meeting may resume with a different set of participants
- + Amendments to the Rules of Procedure become effective starting from the next General Meeting following the one at which the changes were adopted

Conduct of proceedings:

- + The Chair of the General Meeting is elected by secret ballot from among the persons who have the right to attend
- + Members of the Management Board and the Supervisory Board have the right to attend the General Meeting, and in matters concerning financial issues, the auditor should also be present
- + The General Meeting may appoint a Ballot Counting Committee to oversee the proper conduct of the voting process

Shareholder participation and communication:

- + Shareholder proposals may be submitted in writing or via electronic means, without a qualified electronic signature
- + The decision to allow voting by postal ballot at the General Meeting rests with the party convening the General Meeting
- + Shareholder identity and the validity of powers of proxy are verified at the General Meeting

Voting and documentation:

- + The Shareholder Meeting votes by open ballot; a secret ballot is ordered in the case of voting on the appointment or removal from office of members of the Company's governing bodies or on bringing an individual to account, and at the request of any shareholder
- + Minutes of the General Meeting are drawn up by a notary public and must include a confirmation that the General Meeting has been properly convened and has the capacity to pass resolutions, adopted resolutions, and vote counts

The powers and responsibilities of the General Meeting include:

- considering and approving the Directors' Report on the Company's operations and the financial statements for the previous financial year,
- granting discharge from liability to members of the Company's governing bodies in respect of their duties,
- resolving on the allocation of profit or coverage of loss,
- resolving on claims for redress of damage inflicted on formation of the Company, or in the management or supervision of the Company,
- resolving on the sale or lease of, or creation of limited property rights in, the Company's business or an organised part thereof,
- resolving on the issue of convertible bonds or bonds with pre-emptive rights and issue of subscription warrants referred to in Art. 453.2 of the Commercial Companies Code
- resolving on the acquisition of the Company's own shares in the case specified in Art. 362.1.2 of the Commercial Companies Code, and granting authorisations to acquire the Company's own shares in the case specified in Art. 362.1.8 of the Commercial Companies Code,
- appointing and removing from office Management Board members,
- defining the remuneration of Supervisory Board members (subject to Art. 17.2.10 of the Articles of Association),
- as required under applicable laws, including in particular the Public Offering Act – adopting the remuneration policy for members of the Management Board and the Supervisory Board, and providing an opinion on the remuneration report prepared by the Supervisory Board,
- appointing and removing from office Supervisory Board members,
- appointing the Chair of the Supervisory Board (subject to Art. 18.3.2 of the Articles of Association).

Statement on diversity policy

On 17 January 2025, the Extraordinary General Meeting of Diagnostyka S.A. adopted the Company's Diversity Policy.

The Diversity Policy:

- promotes diversity and inclusion across the organisation, fostering innovation and operational effectiveness
- removes barriers to employment at all levels, particularly with respect to gender, age, ethnicity, religion, beliefs, disability, and other characteristics
- promotes equal opportunities, ensuring that every individual at the Company is treated fairly and has equal access to professional advancement
- ensures transparency, which means that recruitment, promotion, and development processes are conducted openly and based on objective, role-appropriate criteria
- seeks to increase the representation of women on the Management Board and the Supervisory Board

The Diversity Policy applies across all areas of the Company's activity, including:

- recruitment processes
- talent development
- organisational culture



Statement of compliance with corporate governance standards

The Company is committed to maintaining the highest standards of transparency in its operations, ensuring high-quality communication with investors, and safeguarding shareholders' rights, including in areas not explicitly governed by law. Accordingly, the Management Board of Diagnostyka states that since 7 February 2025, i.e. the date of first-time listing of Company shares on the regulated market operated by the Warsaw Stock Exchange, the Company has complied with the corporate governance principles outlined in Best

Practice for GPW Listed Companies 2021 (the "Code of Best Practice", the "corporate governance principles"), contained in an appendix to Resolution No. 3/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange dated 29 March 2021, which is available on the Warsaw Stock Exchange's website at: The Company complies with all corporate governance principles set out in the Code of Best Practice, with the exception of the following 11 principles: 1.3.1., 1.3.2., 1.4., 1.4.1., 1.4.2., 2.1., 2.2., 3.1., 3.3., 4.1., and 4.3.

<https://www.gpw.pl/dobre-praktyki2021>.

Disclosure policy and investor communication

1.3.1 environmental factors, including measures and risks relating to climate change and sustainable development;

The Company does not comply with this principle.

To date, the Company has not adopted a formal document setting out a comprehensive ESG policy.

1.3.2. social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, customer relations.

The Company does not comply with this principle.

To date, the Company has not adopted a formal document setting out a comprehensive ESG policy.

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

The Company does not comply with this principle.

The Company follows responsible business practices. In its activities, it is guided primarily by integrity, fairness, and a partnership-based approach toward its shareholders, customers, employees, associates, business partners, and other stakeholders. A key aspect of the Company's operations is accountability for the services it provides, its environmental efforts, and social engagement. As a private company, Diagnostyka was not previously required to apply the above principles and has not yet adopted a formal document that comprehensively defines its ESG policy. However, this does not rule out the possibility of the Company choosing to develop such a strategy in the future.

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

The Company does not comply with this principle.

To date, the Company has not adopted a document setting out a comprehensive ESG policy A key aspect of the Company's operations is accountability for the services it provides, its environmental efforts, and social engagement.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

The Company does not comply with this principle.

To date, the Company has not adopted a document setting out a comprehensive ESG policy The Company follows responsible business practices. In its activities, it is guided primarily by integrity, fairness, and a partnership-based approach toward its shareholders, customers, employees, associates, business partners, and other stakeholders. A key aspect of the Company's operations is accountability for the services it provides, its environmental efforts, and social engagement.

Management Board and Supervisory Board

2.1. Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The Company does not comply with this principle.

The Company has a diversity policy that addresses some of the areas referred to in Principle 2.1. However, it does not currently apply the principles regarding the achievement of 30% diversity in its governing bodies. In shaping its employment policy and selecting members of its corporate bodies, the Company prioritises qualifications, experience, and skills over non-merit-based factors such as age or gender. The issue of achieving a balanced representation of women and men on the Management Board and the Supervisory Board will be subject to further consideration and analysis, particularly in the context of Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures.

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

The Company does not comply with this principle.

The Company has a diversity policy that addresses some of the areas referred to in Principle 2.2. However, it does not currently apply the principles regarding the achievement of 30% diversity in its governing bodies. In shaping its employment policy and selecting members of its corporate bodies, the Company prioritises qualifications, experience, and skills over non-merit-based factors such as age or gender. The issue of achieving a balanced representation of women and men on the Management Board and the Supervisory Board will be subject to further consideration and analysis, particularly in the context of Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures.

Internal systems and functions

3.1. Listed companies maintain efficient internal control, risk management and compliance systems and an efficient internal audit function adequate to the size of the company and the type and scale of its activity; the management board is responsible for their functioning.

The Company does not comply with this principle.

The Company applies this principle only partially, having implemented a compliance system that covers certain internal audit functions. However, it does not currently have separate units dedicated to internal control, risk management, or internal audit. The Company does not rule out introducing such structures in the future as its operations continue to expand.

3.3. Companies participating in the WIG20, mWIG40 or sWIG80 index appoint an internal auditor to head the internal audit function in compliance with generally accepted international standards for the professional practice of internal auditing. In other companies which do not appoint an internal auditor who meets such requirements, the audit committee (or the supervisory board if it performs the functions of the audit committee) assesses on an annual basis whether such person should be appointed.

The Company does not comply with this principle.

Given the nature of its business, the Company does not maintain a formal internal audit function as a separate organisational unit. However, some internal audit responsibilities are carried out as part of the Company's compliance function.

General Meeting and shareholder relations

4.1. Companies should enable their shareholders to participate in a general meeting by means of electronic communication (e-meeting) if justified by the expectations of shareholders notified to the company, provided that the company is in a position to provide the technical infrastructure necessary for such general meeting to proceed.

The Company does not comply with this principle.

The Company believes that applying this principle could involve certain organisational, technical, and legal risks, including those related to personal data protection. In its view, the statutory rules for convening and conducting general meetings in public companies sufficiently ensure that shareholders can attend the meetings in person or be represented by a proxy. That said, should shareholders express interest in holding general meetings by means of electronic communication or in broadcasting the proceedings, the Company does not rule out implementing Principles 4.1 and 4.3.

4.3. Companies provide a public real-life broadcast of the general meeting.

The Company does not comply with this principle.

The Company believes that applying this principle could involve certain organisational, technical, and legal risks, including those related to personal data protection. In its view, the statutory rules for convening and conducting general meetings in public companies sufficiently ensure that shareholders can attend the meetings in person or be represented by a proxy. That said, should shareholders express interest in holding general meetings by means of electronic communication or in broadcasting the proceedings, the Company does not rule out implementing Principles 4.1 and 4.3.

Internal control and risk management systems used in the process of preparing financial statements

- The Diagnostyka Group operates an internal control system tailored to its needs, supporting the efficient and reliable flow of financial and non-financial information across the organisational units of its companies.
- The Management Board of Diagnostyka S.A. is responsible for implementing and maintaining the internal control system in the process of preparing separate financial statements of Diagnostyka S.A. and consolidated financial statements of the Group.
- The effectiveness of the Group's internal controls and risk management in financial reporting is ensured through internal procedures and regulations, including the set of accounting policies adopted by the Management Board.
- Each year, the Group prepares a detailed budget under the direct supervision of the Management Board, with input from key personnel across departments. The budget is approved by the Supervisory Board. Financial performance is reviewed on an ongoing basis during each financial year, and compared monthly against the approved budget.
- The financial statements are prepared by qualified personnel from the financial reporting department, under the supervision of the Chief Accountant and the Chief Financial Officer of Diagnostyka S.A.
- Before the full-year financial statements are prepared, the Audit Committee meets with the auditors to agree on the audit scope and plan, and to discuss any potential risks that may affect the accuracy and fairness of the financial statements.

The preparation of financial statements is a structured process that involves an appropriate allocation of responsibilities within the financial reporting department of Diagnostyka S.A., based on employees' qualifications and areas of expertise. Separate financial statements are prepared on the basis of accounting records. Most Group companies maintain their books using the Asseco Softlab finance and accounting system, which supports the key information needs of both financial and management accounting. The consolidated financial statements of the Group, as well as the separate financial statements of Diagnostyka S.A., are prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. The financial statements of subsidiaries are prepared in accordance with Polish accounting standards, and then adjusted to align with IFRS for consolidation purposes.

Consolidated financial statements are drawn up based on financial data prepared in electronic form by individual Group companies. The consolidation process is carried out by the Financial Reporting Team using appropriate IT tools and is supervised by the Chief Accountant.

As part of the financial statement preparation process, the Company applies a number of control procedures, including:

- reviewing material non-standard transactions to assess their impact on the Group's financial position and presentation in the financial statements,
- evaluating the reasonableness of assumptions used in making estimates,
- performing comparative and substantive reviews of financial data,
- checking data for arithmetic accuracy and internal consistency,
- assessing the completeness of disclosures.

Once completed, full-year financial statements undergo an initial review by the Chief Accountant and the Chief Financial Officer of Diagnostyka S.A.

Full-year financial statements are audited by an independent statutory auditor, who presents post-audit conclusions and observations first to the Audit Committee and then to the Supervisory Board. Following a review of the financial statements and the auditor's report, the Supervisory Board makes an assessment of the financial statements for accuracy and consistency with the accounting records and underlying documents.

Financial results



Financial results

Consolidated statement of profit or loss (PLN thousand)

	2024	2023	Change (%)
Revenue	1,974,688	1,597,029	24%
Revenue from contracts with customers	1,950,147	1,587,979	23%
Other income	24,541	9,050	171%
Operating expenses	(1,636,677)	(1,362,769)	-20%
Depreciation and amortisation	(161,525)	(147,245)	-10%
Raw materials and consumables used	(411,825)	(352,986)	-17%
Services	(258,806)	(193,341)	-34%
Employee benefits expense	(754,966)	(621,171)	-22%
Taxes and charges	(23,602)	(19,185)	-23%
Other expenses by nature of expense	(15,343)	(12,444)	-23%
Cost of goods and materials sold	(8,173)	(8,194)	0%
Net loss allowances for trade receivables and other financial assets	753	(3,146)	124%
Other expenses	(3,190)	(5,057)	37%
Operating profit (loss)	338,011	234,260	44%
Finance income	8,941	2,523	254%
Finance costs	(57,367)	(58,281)	2%
Impairment losses on investments in associates and jointly controlled entities	-	(4,944)	
Share of profit or loss of associates and jointly controlled entities	1,609	59	2627%
Profit (loss) before tax	291,194	173,617	68%
Income tax	(59,235)	(43,629)	-36%

	2024	2023	Change (%)
NET PROFIT (LOSS)	231,959	129,988	78%
Net profit attributable to:			
Owners of the Parent	223,326	123,430	81%
Non-controlling interests	8,633	6,558	32%
Earnings per share attributable to owners of the Parent:			
Basic earnings per share	6.62	3.66	81%
Diluted earnings per share	6.62	3.66	81%

Other comprehensive income (PLN thousand)

	2024	2023	Change (%)
Items that may be reclassified to profit or loss in subsequent reporting periods			
Change in actuarial assumptions related to post-employment benefit provision	54	(770)	107%
Income tax	(10)	146	-107%
Items that will not be reclassified to profit or loss in subsequent reporting periods	44	(624)	107%
Total other comprehensive income	44	(624)	107%
Total comprehensive income attributable to:	232,003	129,364	79%
Owners of the Parent	223,370	122,806	82%
Non-controlling interests	8,633	6,558	32%

Consolidated statement of financial position (PLN thousand)

Assets	As at 31 Dec 2024	As at 31 Dec 2023	Change (%)
Non-current assets	1,390,996	1,074,900	29%
Property, plant and equipment	422,400	322,158	31%
Right-of-use assets	369,770	304,501	21%
Goodwill	414,812	303,874	37%
Other intangible assets	122,533	57,119	115%
Loans	6,437	-	
Investments in associates and jointly controlled entities	37,739	73,314	-49%
Deferred tax assets	2,555	2,331	10%
Long-term receivables	4,733	2,831	67%
Derivative instruments	9,009	7,451	21%
Long-term prepayments and accrued income	1,008	1,321	-24%
Current assets	327,023	323,246	1%
Inventories	45,438	38,731	17%
Trade receivables	222,750	158,444	41%
Current tax assets	4,081	4,883	-16%
Loans	156	-	
Public charges receivable	776	2,510	-69%
Other short-term receivables	7,274	10,129	-28%
Derivative instruments	175	5,444	-97%
Short-term prepayments and accrued income and other assets	5,855	4,369	34%
Cash and cash equivalents	40,518	94,870	-57%
Non-current assets held for sale	-	3,866	
TOTAL ASSETS	1,718,019	1,398,146	23%

Equity and liabilities	As at 31 Dec 2024	As at 31 Dec 2023	Change (%)
Equity	433,499	335,884	29%
Share capital	33,757	33,757	0%
Share premium	41,617	41,617	0%
Capital reserve	107,841	88,836	21%
Retained earnings	309,810	211,025	47%
Other reserves	(74,390)	(50,105)	-48%
Equity attributable to owners of the Parent	418,635	325,130	29%
Equity attributable to non-controlling interests	14,864	10,754	38%
Non-current liabilities	888,502	749,132	19%
Bank borrowings	579,786	534,539	9%
Lease liabilities	250,548	203,826	23%
Other financial liabilities	35,931	-	-
Employee benefit obligations	2,893	2,797	3%
Deferred tax liabilities	15,001	3,010	398%
Other liabilities and grants	4,343	4,960	-12%
Current liabilities	396,018	313,130	26%
Trade payables	100,764	78,340	29%
Bank borrowings	14,563	555	2524%
Lease liabilities	124,526	111,575	12%
Other financial liabilities	26,684	3,560	650%
Income tax payable	2,794	2,461	14%
Employee benefit obligations	67,019	55,105	22%
Public charges payable	39,704	32,847	21%
Other liabilities and grants	19,964	26,895	-26%
Liabilities directly related to non-current assets classified as held for sale	-	1,792	-
TOTAL EQUITY AND LIABILITIES	1,718,019	1,398,146	23%



Consolidated statement of cash flows (PLN thousand)

	For period 1 Jan–31 Dec 2024	For period 1 Jan–31 Dec 2023	Change (%)
Profit (loss) before tax	291,194	173,617	68%
Adjustments to profit before tax:	197,458	206,177	-4%
Impairment losses on investments in associates and jointly controlled entities	-	4,944	
Share of profit or loss of associates and jointly controlled entities	(1,609)	(59)	-2627%
Depreciation and amortisation	161,525	147,245	10%
Gain/(loss) from investing activities	(16,839)	(4,499)	-274%
Net finance income/(costs)	50,721	57,026	-11%
Share-based payment plan	3,660	1,520	141%
Adjustments due to changes in net working capital:	(17,659)	(7,083)	-149%
(Increase)/decrease in trade and other receivables	(42,351)	(25,652)	-65%
(Increase)/decrease in inventories	(6,651)	(3,048)	-118%
Increase/(decrease) in liabilities, excluding borrowings	31,752	21,198	50%
Change in accruals and deferrals	(409)	419	-198%
Income tax paid	(55,565)	(36,745)	-51%
Net cash from operating activities	415,428	335,966	24%
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and intangible assets	3,153	2,757	14%
Payments to acquire property, plant and equipment and intangible assets	(132,709)	(81,306)	-63%
Proceeds from sale of investments in associates	5		
Payments to acquire subsidiary and businesses, net of cash acquired	(98,355)	(52,480)	-87%
Payments to acquire shares of jointly controlled entities and associates	(3,813)	(40,899)	91%
Cash flows from acquisition of financial assets	-	439	
Proceeds from sale of subsidiary, net of cash disposed of	177	-	
Proceeds from sale of financial assets	-	-	
Dividends received	1,434	-	
Interest received	418	-	
Disbursements of loans	(6,044)		
Net cash from investing activities	(235,734)	(171,489)	-37%





Consolidated statement of cash flows (PLN thousand)

	For period 1 Jan–31 Dec 2024	For period 1 Jan–31 Dec 2023	Change (%)
Non-controlling interest in capital increase at subsidiaries	-	2,217	
Acquisition of non-controlling interests	(2,765)	(1,553)	-78%
Cash flows from derivative instruments (IRS)	8,424	10,853	-22%
Repayment of the principal portion of lease liabilities	(116,353)	(100,494)	-16%
Proceeds from borrowings	251,361	110,290	128%
Repayment of borrowings	(210,119)	(9,288)	-2162%
Interest on lease liabilities and borrowings	(55,841)	(55,701)	0%
Dividends paid to owners of the Parent	(105,658)	(112,072)	6%
Dividends paid to non-controlling interests	(5,518)	(2,723)	-103%
Other	-	280	
Net cash from financing activities	(236,469)	(158,191)	-49%
Net increase/(decrease) in cash and cash equivalents	(56,775)	6,286	-1003%
Cash at beginning of period	97,293	91,007	7%
Cash at end of period	40,518	97,293	-58%

Consolidated statement of changes in equity (PLN thousand)

	Share capital	Share premium	Capital reserve	Retained earnings	Other reserves	Attributable to owners of the Parent	Attributable to non-controlling interests	Total
As at 1 Jan 2024	33,757	41,617	88,836	211,025	(50,105)	325,130	10,754	335,884
Net profit for the year	-	-	-	223,326	-	223,326	8,633	231,959
Other comprehensive income	-	-	-	-	44	44	-	44
Total comprehensive income	-	-	-	223,326	44	223,370	8,633	232,003
Allocation of profit to capital reserve	-	-	19,005	(19,005)	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	(2,376)	(2,376)	(389)	(2,765)
Acquisition of subsidiaries	-	-	-	-	-	-	16,495	16,495
Put option on non-controlling interests	-	-	-	-	(25,413)	(25,413)	(15,111)	(40,524)
Dividend payment	-	-	-	(105,658)	-	(105,658)	(5,518)	(111,176)
Share-based payment plan	-	-	-	-	3,660	3,660	-	3,660
Other changes	-	-	-	122	(200)	(78)	-	(78)
Total changes in equity	-	-	19,005	(124,541)	(24,329)	(129,865)	(4,523)	(134,388)
As at 31 Dec 2024	33,757	41,617	107,841	309,810	(74,390)	418,614	14,864	433,499

Separate statement of profit or loss of Diagnostyka S.A. (PLN thousand)

Statement of profit or loss	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change (%)
Revenue	1,671,413	1,320,183	27%
Revenue from contracts with customers	1,660,551	1,314,726	26%
Other income	10,862	5,457	99%
Operating expenses	(1,401,570)	(1,138,194)	-23%
Depreciation and amortisation	(149,268)	(130,780)	-14%
Raw materials and consumables used	(345,139)	(286,951)	-20%
Services	(208,865)	(159,263)	-31%
Employee benefits expense	(656,564)	(524,191)	-25%
Taxes and charges	(19,940)	(15,305)	-30%
Other expenses by nature of expense	(13,476)	(10,185)	-32%
Cost of goods and materials sold	(7,761)	(6,153)	26%
Net loss allowances for trade receivables and other financial assets	855	(1,049)	182%
Other expenses	(1,412)	(4,317)	67%
Operating profit (loss)	269,843	181,989	48%
Finance income	37,342	27,333	37%
Finance costs	(61,457)	(58,238)	-6%
Profit (loss) before tax	245,728	151,084	63%
Income tax	(47,520)	(33,558)	-42%
NET PROFIT (LOSS)	198,208	117,526	69%

Other comprehensive income (PLN thousand)	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change (%)
Change in fair value of equity financial instruments measured at fair value through other comprehensive income	1,092	(6,447)	117%
Change in actuarial assumptions related to post-employment benefit provision	54	(770)	107%
Income tax	(10)	146	-107%
Items that will not be reclassified to profit or loss in subsequent reporting periods	1,136	(7,071)	116%
Total other comprehensive income	1,136	(7,071)	116%
Total comprehensive income	199,344	110,455	80%

Separate statement of financial position of Diagnostyka S.A. (PLN thousand)

Assets	As at 31 Dec 2024	As at 31 Dec 2023	Change (%)
Non-current assets	1,366,546	1,132,687	21%
Property, plant and equipment	159,208	140,412	13%
Right-of-use assets	386,844	303,037	28%
Goodwill	272,633	232,164	17%
Other intangible assets	64,548	44,991	43%
Loans	33,237	11,039	201%
Investments in associates and jointly controlled entities measured a cost	26,547	63,760	-58%
Investments in subsidiaries	401,534	319,132	26%
Investments in associates measured at fair value	8,259	7,167	15%
Long-term receivables	4,275	2,364	81%
Derivative instruments	9,009	7,451	21%
Long-term prepayments and accrued income	452	1,170	-61%
Current assets	213,038	230,582	-8%
Inventories	37,685	31,309	20%
Trade receivables	151,087	116,860	29%
Current tax assets	3,344	-	
Loans	3,190	2,948	8%
Public charges receivable	13	-	
Other short-term receivables	10,490	8,538	23%
Derivative instruments	175	5,444	-97%
Short-term prepayments and accrued income and other assets	4,187	3,653	15%
Cash and cash equivalents	2,867	60,795	-95%
Non-current assets held for sale	-	1,035	
TOTAL ASSETS	1,579,584	1,363,269	16%

Equity and liabilities	As at 31 Dec 2024	As at 31 Dec 2023	Change (%)
Equity	401,343	318,530	26%
Share capital	33,757	33,757	0%
Share premium	41,617	41,617	0%
Capital reserve	88,113	76,245	16%
Retained earnings	236,183	170,034	39%
Other reserves	1,673	- 3,123	154%
Non-current liabilities	830,220	757,934	10%
Bank borrowings	542,280	534,177	2%
Lease liabilities	278,010	215,527	29%
Employee benefit obligations	2,383	2,067	15%
Deferred tax liabilities	4,964	3,357	48%
Other liabilities and grants	2,583	2,806	-8%
Current liabilities	348,021	286,805	21%
Trade payables	86,809	67,300	29%
Bank borrowings	10,362	4,625	124%
Lease liabilities	121,689	105,634	15%
Other financial liabilities	20,574	-	
Income tax payable	-	1,052	
Employee benefit obligations	60,173	47,904	26%
Public charges payable	34,820	27,464	27%
Other liabilities and grants	13,594	32,826	-59%
TOTAL EQUITY AND LIABILITIES	1,579,584	1,363,269	16%

Separate statement of cash flows of Diagnostyka S.A. (PLN thousand)

	For period 1 Jan–31 Dec 2024	For period 1 Jan–31 Dec 2023	Change (%)
Profit (loss) before tax	245,728	151,084	63%
Adjustments to profit before tax:	186,563	162,162	15%
Depreciation and amortisation	149,268	130,780	14%
Gain/(loss) from investing activities	-5,498	-1,819	-202%
Net finance income/(costs)	39,133	31,681	24%
Share-based payment plan	3,660	1,520	141%
Adjustments due to changes in net working capital:	-14,843	10,953	-236%
(Increase)/decrease in trade and other receivables	-29,276	-11,316	-159%
(Increase)/decrease in inventories	-4,583	-1,707	-168%
Increase/(decrease) in liabilities, excluding borrowings	18,831	23,009	-18%
Change in accruals and deferrals	185	967	-81%
Income tax paid	-45,718	-22,227	-106%
Net cash from operating activities	371,730	301,972	23%
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and intangible assets	2,669	2,373	12%
Payments to acquire property, plant and equipment and intangible assets	-75,331	-63,512	-19%
Proceeds from sale of investments in associates	5	-	
Payments to acquire businesses, net of cash acquired	-15,440	-34,100	55%
Payments to acquire shares of subsidiaries, associates and jointly controlled entities	-100,014	-69,912	-43%
Proceeds from sale of subsidiary, net of cash disposed of	2,600	-	
Proceeds from sale of other financial assets	-	264	
Dividends received	24,738	23,902	3%
Interest received	13,562	999	1258%
Repayment of loans	12,360	874	1314%



Separate statement of cash flows of Diagnostyka S.A. (PLN thousand)

	For period 1 Jan–31 Dec 2024	For period 1 Jan–31 Dec 2023	Change (%)
Disbursements of loans	-46,258	-16,339	-183%
Cash from business combination	4,598	951	383%
Net cash from investing activities	-176,511	-154,500	-14%
Cash flows from financing activities			
Repayment of the principal portion of lease liabilities	-111,766	-91,732	-22%
Proceeds from borrowings	227,860	114,000	100%
Repayment of borrowings	-214,000	-75	-285233%
Cash flows from derivative instruments (IRS)	8,424	10,853	-22%
Interest on lease liabilities and borrowings	-58,007	-56,315	-3%
Dividends paid	-105,658	-112,072	6%
Net cash from financing activities	-253,147	-135,341	-87%
Net increase/(decrease) in cash and cash equivalents	-57,928	12,131	-578%
Cash at beginning of period	60,795	48,664	25%
Cash at end of period	2,867	60,795	-95%

Separate statement of changes in equity of Diagnostyka S.A. (PLN thousand)

	Share capital	Share premium	Capital reserve	Retained earnings	Other reserves	Total
As at 1 Jan 2024	33,757	41,617	76,245	170,034	-3,123	318,530
Net profit for the year	-	-	-	198,208	-	198,208
Valuation of shares in GenXone	-	-	-	-	1,092	1,092
Change in actuarial assumptions related to post-employment benefit provision					44	44
Total comprehensive income	-	-	-	198,208	1,136	199,344
Allocation of profit to capital reserve	-	-	11,868	-11,868	-	-
Accounting for a business combination	-	-	-	-14,533		-14,533
Dividend payment	-	-	-	-105,658	-	-105,658
Share-based payment plan	-	-	-	-	3,660	3,660
Total changes in equity	-	-	11,868	-132,059	3,660	-116,531
As at 31 Dec 2024	33,757	41,617	88,113	236,183	1,673	401,343

Other information



Other information

Sureties and guarantees

Detailed information on sureties and guarantees is provided in Note 31 to the consolidated financial statements.

- + Guarantee facility with BNP Paribas: PLN 3,000 thousand; amount used as at 31 December 2024: PLN 1,323 thousand (2023: PLN 649 thousand)
- + Sureties provided by the Parent for lease contracts of subsidiaries: PLN 4,456 thousand (2023: PLN 10,968 thousand)
- + Surety provided to Diag Invest Sp. z o.o. as security for electricity and gas supply contracts: PLN 625 thousand (2023: PLN 625 thousand), valid until 31 December 2026

Debt

Detailed information on the Company's debt is provided in Note 29 to the consolidated financial statements.

(PLN thousand)	2024	2023
At amortised cost	594,349	535,094
Overdraft facilities	225,555	-
Bank borrowings	350,637	535,094
Non-bank borrowings	18,157	-
Lease liabilities	375,074	315,401
Bank borrowings and lease liabilities	969,423	850,495
Current liabilities under bank borrowings and leases	139,089	112,130
Non-current liabilities under bank borrowings and leases	830,334	738,365

Detailed information on borrowings and leases is provided in Notes 28 and 17 to the consolidated financial statements.

Borrowings

Detailed information on borrowings is provided in Note 28 to the consolidated financial statements.

Financial forecasts

The Company's Management Board has not published any financial forecasts.

Feasibility of investment plans

The Group has the capacity to carry out its investment plans, including equity investments, using both internal funds and debt financing.

Financial instruments used in interest rate risk management

The Group finances its operations using long-term variable-rate credit facilities, exposing it to the interest rate risk. An increase in interest rates results in higher debt service costs, which may have an adverse effect on the Group's cash flows.

To manage this risk, the Group regularly analyses the potential impact of interest rate movements on its business model. Every six months, it reviews its assumptions and assesses the implications of any changes.

As part of its hedging strategy, the Group entered into an interest rate swap (IRS) contract with BNP Paribas. The contract, effective since 31 December 2019, allows the Group to replace a variable interest rate with a fixed interest rate, providing greater predictability of financing costs.

It should be noted that after the refinancing of the original credit facility covered by the IRS, the notional amount of this instrument is significantly lower than the Group's current total debt under bank borrowings, which stands at PLN 540 million.

At present, the swap covers two tranches:

- + Tranche A (TLA) with a notional amount of PLN 9.1 million (down from PLN 27.28 million as at year-end 2023), maturing on 24 June 2025, and
- + Tranche B (TLB) with a notional amount of PLN 179 million (unchanged from 2023), maturing on 24 June 2026.

Information on interest rate risk management is provided in Note 34.3.1. to the consolidated financial statements.

Other information

Court proceedings

Lawsuit brought by PAAN Capital Sp. z o.o. HML Sp.k.

- As at the date of this Report, the Company is a party to proceedings pending before the Regional Court in Kraków, initiated by PAAN Capital Sp. z o.o. HML Sp.k., seeking payment of PLN 4,363,700.
- The lawsuit concerns the Company's alleged joint and several liability for obligations under a 2014 loan agreement between PAAN Capital and Laboratoria RH+ (now in bankruptcy), in connection with the Company's acquisition of a part of Laboratoria RH+'s business in 2016.
- PAAN Capital claims that the Company's liability is limited to the value of the assets acquired under the purchase agreement (PLN 4,363,700), while the Company maintains that its liability is capped at the amount actually paid (PLN 2,136,793.73).
- On 5 April 2024, the Regional Court in Kraków dismissed the claim. PAAN Capital appealed against this decision on 1 July 2024, reducing the disputed amount to PLN 2,013,115 in the appeal. The Company submitted its response in March 2025.
- The proceedings remain ongoing.

Lawsuit brought by the Company

- As at the date of this Report, the Company is pursuing legal proceedings before the Regional Court in Kraków against Centrum Medyczne Ujastek Sp. z o.o., seeking payment of PLN 4,784,315.29.
- The claim, filed on 14 September 2023, concerns Ujastek's alleged breach of agreements between the parties, including a contract dated 30 December 2011 for the operation of a laboratory at a site leased from Ujastek.
- In May 2022, Ujastek stopped commissioning tests from the Company's laboratory, and on 20 October 2022, it terminated the contract. The Company contends that Ujastek was contractually obliged to commission all tests exclusively from the Company until 31 May 2027.
- Ujastek filed its statement of defence on 14 November 2023, disputing the claim in its entirety. The proceedings remain ongoing.

To the best of the Company's knowledge, as at the date of this Report there were no administrative or court and administrative proceedings, proceedings before governmental bodies, or bankruptcy, restructuring, liquidation, judicial or arbitration proceedings which have been initiated or are pending and which could have, or are expected to have, a material effect on the Company's financial position.

Assessment of financial resources management

The objective of capital management is to maintain an optimal capital structure, thereby ensuring the Group's ability to continue its operations by securing funding for current activities and growth projects, including acquisitions. Furthermore, it aims to sustain a favourable debt-to-equity ratio and facilitate dividend payments to shareholders in accordance with the decisions of the general meeting.

The Management Board monitors the capital structure quarterly, based on the prepared statement of financial position. As part of the review, the cost of capital and types of risk associated with each class of funding are analysed.

In the opinion of the Management Board, the net debt to equity ratio is at a safe level, enabling the Group to finance further growth, secure ongoing operations, and distribute payments to shareholders. The financial leverage ratio is presented in the table below. Despite the increase in the debt ratio, the Group continues to settle its liabilities on an ongoing basis, primarily due to high and stable positive cash flows from operating activities.

Use of share issue proceeds

In the period covered by this Report, the Company did not raise any funds from an issue of shares to the public.

Selected one-off, non-recurring or non-standard items affecting the Group's financial position and results

In the year ended 31 December 2024, the Group did not identify any one-off, non-recurring or non-standard items compared with the Group's results reported in the ordinary course of business.

Company details:

Diagnostyka Spółka Akcyjna, with its registered office at ul. prof. Michała Życzkowskiego 16, 31-864 Kraków, Poland, entered in the Business Register of the National Court Register maintained by the District Court for Kraków-Śródmieście in Kraków, 11th Commercial Division of the National Court Register, under No. 0000918455, Tax Identification Number (NIP) 6751265009, Industry Identification Number (REGON) 356366975, share capital: PLN 33,756,500.00, paid up in full; telephone number: +48 (12) 295 0100, LEI code: 259400TB69IYA2WJEU71



Glossary of terms

Term	Definition
Shares, Existing Shares	Company shares issued and outstanding as at the date of this Report, i.e. 33,756,500 (thirty-three million, seven hundred and fifty-six thousand, five hundred) shares with a par value of PLN 1.00 (one zloty) per share, including (i) Series A Shares, (ii) Series B Shares, (iii) Series C Shares, (iv) Series D Shares, (v) Series E Shares, and (vi) Series F Shares
B2B	short for business-to-business – a transaction or activity conducted between two companies
B2C	short for business-to-customer – the sale of products and services by companies directly to consumers, without intermediaries
Immunochemical testing	involves detecting specific proteins produced by the immune system and secreted into different body fluids, such as serum, urine, and cerebrospinal fluid
DNA testing, genetic testing	involves analysing chromosomes (DNA), proteins, and certain metabolites to identify genotypes, mutations, phenotypes, or karyotypes linked to inherited diseases for clinical use
Immunohistochemical staining	a method used to selectively identify antigens (proteins) in cells and tissues based on antibody-antigen binding in biological tissues
Molecular biology	a field of science that explains biological phenomena by studying the structure and function of molecules involved in life processes, primarily DNA, RNA, and proteins
Autoimmune diseases	conditions in which an abnormal immune response targets a normal part of the body (such as tissue or cells), causing inflammation, cell damage, or functional disorders with accompanying symptoms
Chronic diseases	health conditions or illnesses that are persistent or otherwise have persistent effects, or that develop gradually over time
Cytology	screening test for cervical cancer
LBC cytology (liquid based cytology)	a thin-layer cytology test used in the prevention and diagnosis of cervical cancer
Cytometry	a process of counting and measuring cells, focusing on their number, size, morphology, and other properties, typically carried out using a standard slide or a small glass chamber with a known volume
Flow cytometry	a laboratory method used in research and clinical diagnostics to assess cell size, staining intensity, and fluorescence intensity (light emission) of the analysed cells
Cytomorphology	the study of cell structure
Diagnostic imaging	the use of electromagnetic radiation and other technologies to create images of the body's internal structures for accurate diagnosis

Term	Definition
Net debt	net debt is calculated by the Group as the sum of short-term and long-term borrowings and short-term and long-term lease liabilities less cash and cash equivalents as disclosed in the consolidated statement of financial position
EBITDA	net profit (loss) before income tax, share of profit or loss of associates and jointly controlled entities, impairment losses on investments in associates and jointly controlled entities for the period, finance costs, finance income, depreciation and amortisation
E-commerce	electronic commerce, i.e. the process of conducting commercial transactions over the Internet, regardless of the tools or platforms involved
Company, Diagnostyka	Diagnostyka Spółka Akcyjna of Kraków
EPS	earnings per share – a market indicator that shows the portion of a company's profit attributable to each outstanding share
FCF	free cash flow is defined by the Company as EBITDA less (i) income tax paid; and (ii) adjustments resulting from changes in working capital disclosed in the consolidated statement of cash flows
Fee-for-service	a payment model where a healthcare provider is paid separately for each medical service provided to a patient
Genome	the complete set of genetic information of a given organism
Genomed	Genomed Spółka Akcyjna of Warsaw
genXone	genXone Spółka Akcyjna of Złotniki
Group	the Company and its subsidiaries
Histopathology	the study of disease-related changes in the cells and tissues of the body under various medical conditions
Audit Committee	Audit Committee of the Company's Supervisory Board
Net profit margin	net profit/ revenue from contracts with customers
Microbiology	a branch of biological sciences focused on the study of microorganisms
Microbiome	the community of microorganisms that normally coexist within a specific environment
Hub-and-spoke model	a way of optimising transport topology by arranging routes as a series of "spokes" connecting outlying points to a central "hub," such as central laboratories supported by regional and satellite laboratories
Complete blood count	a basic diagnostic blood test that analyses plasma components, indicating levels of enzymes, hormones, proteins, electrolytes, and trace elements in the body

Term	Definition
Magnetic resonance imaging, MRI	a technique that uses magnets, radio waves, and a computer to produce images of soft tissues in the body, like muscles and organs; it does not involve radiation
IAS	International Accounting Standards as endorsed by the European Union
IFRS	International Financial Reporting Standards as endorsed by the European Union
Reagent	a substance added to a system to trigger a chemical reaction, confirm that a reaction has taken place, or test for a specific chemical compound
One-stop-shop	a business that provides multiple products or services to customers in a single location
Oncogenetics	a new field within cancer genetics that focuses on how and why certain genes cause cancer
Oncology	a branch of medicine focused on the study, diagnosis, treatment, and prevention of cancer
Pathogen	an agent responsible for causing disease
Anatomical pathology	a medical field that focuses on diagnosing, classifying, and identifying prognostic factors of diseases based on morphological changes in tissues and organs
Positron emission tomography, PET	a functional imaging method that uses radioactive substances known as tracers to visualise and measure changes in metabolic activity and other physiological functions, such as blood flow, regional chemical composition, and absorption
Prenatal	occurring before birth
R&D	research and development – two connected processes: (i) research, which aims to discover new knowledge and ideas, and (ii) development, which transforms those ideas into practical products or processes
Recurring EBITDA	earnings before interest, tax, depreciation and amortisation, adjusted for one-off or non-recurring items; a measure of a company's recurring, core operating profitability
Scintigraphy	a diagnostic imaging technique in nuclear medicine that uses gamma rays emitted by radioactive isotopes to visualise internal organs and tissues
New generation sequencing, NGS	a genetic diagnostic technology that enables high-throughput analysis of large genome segments, covering up to several hundred genes in a single test
Serology	a field of medical science within immunology that focuses on the interaction between antigens and antibodies, and on developing methods to detect them in blood, enabling identification of pathogens or antibodies and the diagnosis of certain diseases
Group companies	the Company and its subsidiaries
Nanopore technology	a type of next generation sequencing (NGS) that enables high-throughput sequencing of long genomic fragments, particularly useful in diagnosing microorganisms and identifying large structural variations in genomes

Term	Definition
Telemedicine	a technology that uses electronic and telecommunication systems to exchange medical information when the patient and doctor are in different locations
Teleradiology	involves sending radiological images, such as X-rays, CT and MRI scans, from one site to another so they can be reviewed by other radiologists and physicians
Cytogenetic tests	tests that analyse the structure and number of chromosomes
Tomography	an imaging technique that produces cross-sectional images of an object based on external measurements
Computer tomography, CT	a technique that uses X-rays to create three-dimensional images (showing height, depth, and width) of flat sections of the body
Ultrasound	a technique that uses special sound waves to examine internal organs and, in other contexts, to guide submarine navigation
Whole exome sequencing, WES	a method that sequences all the protein-coding regions (exome) of the genome
Whole genome sequencing, WGS	a technique that identifies the complete DNA sequence of an organism's genome
Omni-channel business model	a term describing a business strategy; according to Frost & Sullivan, it refers to “seamless and effortless, high-quality customer experiences that occur within and between contact channels”
Inorganic growth	business expansion achieved through mergers and acquisitions
Organic growth	growth achieved by increasing internal production and sales

Sustainability reporting

