

PA Nova

Stable results and a chance on portfolio divestments

We initiate coverage of PA Nova with a BUY recommendation and set a FV of PLN 16.45 per share (upside of 34.5%). In current report, we point to the stable 2025E results and expected improvement in 2026E, driven by the expansion in the commercial portfolio and stable increase in backlog in the construction segment. The group will complete 2026E two retail parks and the construction division is likely to stabilize its profitability, after two years of decline, due to stabilization in construction materials' prices. Moreover, the board keeps its plans of disposal of the part of commercial assets (we do not include it in our model; in previous years, NVA quite regularly closed the transactions), and the proceeds could be used to accelerate the deleveraging, construction of other projects or higher dividend. We are positive on increasing dividend and we assume that the company will pay out PLN 0.80ps in 2026E, vs. PLN 0.75ps in 2025E. On our forecasts, the company currently trades at P/E ratios of 8.3x in 2025E, and 6.7x in 2026E, concurrently with a P/BV of 0.3x in 2025E-26E.

Stable 2025E results and improvement in 2026E. We assume that the developer will report quite stable results in 2025E, despite the fact that 2024 numbers were underpinned by the disposal of a retail project (we do not expect any transaction in 2025E). According to our assumptions, the company will reach revenues of PLN 257m, including PLN 159m in the construction segment, and PLN 20m in the net profit (vs. PLN 22m in 2024). NVA will complete two retail parks (Dzierzoniow, Nysa; total GLA of 18.6k sqm), and the construction division may slightly improve its results; thus, the revenues are likely to increase to PLN 271m and the net profit may arrive at PLN 25m.

Possible divestments in commercial division to boost cash position. We do not assume any disposal of shopping malls and retail parks in our model, but we stress out that the company aims to regularly dispose its assets (e.g. project in Klodzko was sold in 2024). Potential transaction, in our view, would let the group to pay the portion of debt (LTV stood at 41.8% as of end-2024; we predict 35.8% as of end-2025E), finance other projects (as of now, there are two projects under construction) or pay out higher dividend.

Recurrent dividend pay-outs. Since 2023, the company recurrently pays out the dividends and increases its DPS. We expect that this trend will be continued and we assume DPS of PLN 0.80 in 2026E and PLN 0.85 in 2027E, which implies DY's of approximately 5% (in our model, we apply DPR in the range of 30-35% in coming years; DPR is limited by the terms and conditions of bonds, which expire in 2027E; we highlight high FCF yields).

Figure 1. PA Nova – Financial summary (PLNm)

	2022	2023	2024	2025E	2026E	2027E
Revenues	206	351	284	257	271	275
EBITDA	48	64	55	52	54	53
EBIT	46	62	48	43	45	45
Net profit	23	35	22	20	25	26
P/E (x)	7.3	4.8	7.4	8.3	6.7	6.4
P/BV (x)	0.4	0.3	0.3	0.3	0.3	0.3
ROE (%)	5.2%	7.2%	4.5%	3.9%	4.7%	4.7%
DPS (PLN)	0.00	0.65	0.70	0.75	0.80	0.85
Div.yield (%)	0.0%	3.9%	4.2%	4.6%	4.9%	5.2%

Source: Company, IPOPEMA Research

Real Estate

PA Nova

BUY

FV PLN 22.13

34.5% upside

Price as of 8 September 2025 PLN 16.45

Initiation of coverage



Share data

Number of shares (m)	10.0
Market cap (EUR m)	38.7
12M avg daily volume (k)	1.2
12M avg daily turnover (EUR m)	0.004
12M high/low (PLN)	18.4/13.6
WIG weight	0.02%
Reuters	NVA.WA
Bloomberg	NVA PW

Total performance

1M	+4.1%
3M	+5.4%
12M	-2.9%

Shareholders

Budoprojekt	34.3%
Ewa & Grzegorz Bobkowsky	11.8%
Stanislaw & Katarzyna Lessaer	10.8%
Maciej Bobkowski	6.6%
PKO OFE	8.2%
Generali OFE	7.6%
Allianz OFE	6.5%
NN OFE	4.0%
Other	10.4%

Analyst

Adrian Górniak
adrian.gorniak@ipopema.pl
+ 48 514 995 073

PA Nova

BUY

FV PLN 22.13

Mkt Cap EUR 39m

Upside +34.5%

Valuation multiples	2023	2024	2025E	2026E	2027E
P/E (x)	4.8	7.4	8.3	6.7	6.4
EV/EBITDA (x)	6.8	8.0	7.7	7.0	6.7
EV/Sales (x)	1.2	1.5	1.6	1.4	1.3
P/BV (x)	0.3	0.3	0.3	0.3	0.3
FCF yield (%)	24%	15%	25%	18%	18%
DY (%)	4%	4%	5%	5%	5%

Per share	2023	2024	2025E	2026E	2027E
No. of shares (m units)	10.0	10.0	10.0	10.0	10.0
EPS (PLN)	3.5	2.2	2.0	2.5	2.6
BVPS (PLN)	47.9	49.7	51.3	53.0	54.7
FCFPS (PLN)	3.9	2.5	4.1	3.0	2.9
DPS (PLN)	0.65	0.70	0.75	0.80	0.85

Change y/y (%)	2023	2024	2025E	2026E	2027E
Revenues	70.1%	-19.0%	-9.6%	5.4%	1.6%
Gross profit	33.0%	-18.6%	-9.7%	11.0%	1.2%
EBITDA	33.6%	-15.0%	-4.7%	3.9%	-1.5%
EBIT	36.6%	-22.6%	-11.5%	4.8%	1.1%
Net profit	52.8%	-35.6%	-10.9%	24.1%	5.0%

Leverage and return	2023	2024	2025E	2026E	2027E
Gross margin (%)	21.1%	21.2%	21.2%	22.3%	22.2%
EBITDA margin (%)	18.3%	19.2%	20.3%	20.0%	19.4%
EBIT margin (%)	17.8%	17.0%	16.6%	16.5%	16.4%
Net margin (%)	9.9%	7.8%	7.7%	9.1%	9.4%
Net debt / EBITDA (x)	4.2	5.0	4.5	3.9	3.6
Net debt / Equity (x)	0.6	0.6	0.5	0.4	0.4
Net debt / Assets (x)	0.3	0.3	0.3	0.2	0.2
ROE (%)	7.2%	4.5%	3.9%	4.7%	4.7%
ROA (%)	3.8%	2.4%	2.1%	2.7%	2.8%
ROIC (%)	6.3%	4.3%	4.5%	4.6%	4.7%

Assumptions	2023	2024	2025E	2026E	2027E
Revenues (PLN m)	351	284	257	271	275
Rental	89	93	87	98	98
Construction	244	174	159	162	165
Other	17	17	11	11	11

FFO (PLN m)	43	31	24	30	32
Change y/y	38.9%	-29.5%	-21.4%	26.8%	5.0%
FFO yield (%)	432.4%	305.0%	239.7%	303.8%	318.9%

EPRA NAV (PLN m)	509	531	544	561	578
Change y/y	10.3%	4.2%	2.5%	3.1%	3.1%
EPRA NAV/share (PLN)	50.9	53.1	54.4	56.1	57.8

LtV (%)	42.8%	41.8%	35.8%	32.4%	29.2%
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P&L (PLN m)	2022	2023	2024	2025E	2026E	2027E
Revenues	206	351	284	257	271	275
COGS	-151	-277	-224	-202	-210	-214
Gross profit	56	74	60	54	60	61
SG&A	-9	-10	-11	-10	-11	-12
Profit on sales	47	64	49	44	49	49
Other operating income(cost)	-1	-1	-1	-2	-4	-4
EBITDA	48	64	55	52	54	53
EBIT	46	62	48	43	45	45
Financial income (cost) net	-18	-19	-18	-19	-14	-13
Pre-tax profit	28	43	31	24	30	32
Income tax	-5	-8	-8	-4	-6	-6
Net profit	23	35	22	20	25	26

BALANCE SHEET (PLN m)	2022	2023	2024	2025E	2026E	2027E
Non-current assets	826	791	797	804	799	795
Investment properties	692	637	657	657	657	657
PP&E	18	45	26	39	33	29
Assets held for sale	86	81	80	80	80	80
Other non-current assets	29	29	33	28	28	28
Current assets	126	128	146	129	124	128
Inventories	1	0	0	0	0	0
Trade receivables	45	50	47	31	30	31
Cash and equivalents	57	65	60	79	75	78
Other current assets	22	13	39	18	18	18
Total assets	951	920	943	933	923	923
Equity	435	478	496	512	529	546
Minorities	-1	-1	-1	-1	-1	-1
Non-current liabilities	310	259	351	321	296	278
Loans and leasing	271	217	308	280	254	236
Other non-current liabilities	39	42	43	42	42	42
Current liabilities	208	184	98	101	100	100
Trade payables	63	53	62	58	57	57
Loans and leasing	134	120	27	34	34	34
Other current liabilities	11	10	9	9	9	9
Equity & liabilities	951	920	943	933	923	923
Gross debt (PLN m)	405	338	335	314	288	270
Net debt (PLN m)	347	273	275	235	213	192

CASH FLOW (PLN m)	2022	2023	2024	2025E	2026E	2027E
Operating cash flow	9	41	25	59	45	44
Net profit	23	35	22	20	25	26
D&A	2	2	6	9	9	8
Change in WC	72	-58	29	18	0	0
Other	-88	63	-32	12	11	10
Investment cash flow	-10	-2	0	-2	-4	-4
Change in inv.properties	0	0	0	0	0	0
Other	-10	-2	0	-2	-4	-4
Financial cash flow	-75	-32	-29	-38	-45	-37
Change in equity	0	0	0	0	0	0
Change in debt	-35	-28	-21	-14	-26	-18
Dividend	0	-6	-7	-8	-8	-9
Interest paid	-36	0	0	-16	-11	-10
Other	-4	2	-1	-1	0	0
Change in cash	-76	7	-4	19	-4	3
Cash as of eop	57	65	60	79	75	78

Source: Company data, IPOPEMA Research

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Valuation

We value PA Nova using the SOTP method (80% weight) and discounted dividend method (weight of 20%). We add a multiples valuation for presentation purpose only.

Figure 2. PA Nova – Valuation summary

Valuation method	Weight	FV (PLNps)	Upside (%)
SOTP valuation (PLN ps), incl.:	80%	25.08	52.4%
Construction and IT segment (DCF method, EV of the segment)		7.40	
Commercial (market value of existing projects)		45.15	
Net debt as of end-2024		-27.47	
DDM valuation (PLN ps)	20%	10.35	-37.1%
Peer valuation (PLN ps)	0%	49.42	200.4%
Fair value (PLN ps)		22.13	34.5%

Source: Company, IPOPEMA Research

SOTP valuation

SOTP method is, in our view, the most appropriate valuation approach in the case of PA Nova. We use a DCF valuation to estimate the construction and IT segments EV (see more details below). Regarding the commercial division, we calculate its value taking into consideration the market value of existing projects. We adjust the sum of values of both segments by 2024 net debt.

We base our DCF valuation of the construction and IT segments on our free cash flow forecasts for 2025E-34E (for more details please refer to the "Financial forecasts" section). We apply a risk-free rate of 5.0%, equity risk premium at 5.5% and beta of 1.0x and assume a terminal growth rate of 1.0%.

Figure 3. PA Nova – DCF valuation of construction and IT segments (PLNm)

DCF (PLNm; construction and IT)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal Year
Revenues	169.7	173.1	176.5	180.0	183.6	187.3	191.1	194.9	198.8	202.8	204.8
EBIT	4.7	4.3	4.4	4.5	4.6	4.7	4.9	5.0	5.1	5.2	5.7
Tax on EBIT	-0.8	-0.8	-0.8	-0.9	-0.9	-0.9	-0.9	-0.9	-1.0	-1.0	-1.1
NOPLAT	3.9	3.5	3.6	3.7	3.8	3.8	3.9	4.0	4.1	4.2	4.6
Depreciation	9.4	9.4	8.1	7.1	6.4	5.9	5.5	5.3	5.1	4.9	4.6
Capital expenditures	-3.2	-4.1	-4.1	-4.2	-4.3	-4.3	-4.4	-4.5	-4.5	-4.6	-4.6
Change in working capital	18.3	0.0	-0.4	-0.4	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5	-0.3
Free cash flow	28.4	8.8	7.1	6.2	5.5	5.0	4.6	4.3	4.2	4.0	4.3
Risk-free rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Equity risk premium	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Beta	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cost of equity	2.59	2.42	2.33	2.15	2.11	2.09	2.06	2.04	2.02	1.97	1.97
Cost of debt (pre-tax)	19.2%	18.3%	17.8%	16.8%	16.6%	16.5%	16.3%	16.2%	16.1%	15.9%	15.9%
Effective tax rate	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
After-tax cost of debt	17.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Weight of debt	7.8%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Weight of equity	65.6%	63.7%	62.2%	58.8%	57.8%	57.3%	56.8%	56.2%	55.7%	54.6%	54.6%
WACC	11.7%	11.5%	11.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%
Discount factor	97%	87%	78%	70%	63%	56%	51%	45%	41%	37%	
PV of FCF	27.4	7.6	5.6	4.3	3.5	2.8	2.3	2.0	1.7	1.5	
Sum of FCF PV's	58.6										
FCF terminal growth rate	1.0%										
Terminal value	41.7										
PV of terminal value	15.3										
Enterprise value	74.0										
EV per share (PLN)	7.40										
DCF sensitivity (PLN)							WACC in terminal year				
Terminal growth							9.4%	10.4%	11.4%	12.4%	13.4%
0.0%							7.56	7.40	7.26	7.15	7.05
1.0%							7.76	7.56	7.40	7.26	7.15
2.0%							8.02	7.76	7.56	7.40	7.26

Source: Company, IPOPEMA Research

Figure 4. PA Nova – key assumptions in commercial segment valuation (PLNm)

Project	GLA (k sqm)	Rent (EUR/sqm)	Occupancy rate (%)	NOI (EURm)	NOI (PLNm)	Exit yield (%)	MV (EURm)	MV (PLNm)	Prob. of disposal*	MV adj. (PLNm)
Przemysl (Sanowa)	21.9	10.6	90.0%	2.5	10.7	8.50%	29.6	125.6	50%	62.8
Kluczbork (Miodowa)	10.3	7.6	90.0%	0.8	3.6	8.50%	9.9	42.2	50%	21.1
Kedzierzyn-Kozle (Odrzanskie Ogrody)	21.7	10.6	90.0%	2.5	10.6	8.50%	29.3	124.4	50%	62.2
Jaworzno (Galena)	31.3	10.6	90.0%	3.6	15.3	8.50%	42.2	179.5	50%	89.8
Raciborz	1.4	5.6	90.0%	0.1	0.4	9.50%	0.9	3.8	100%	3.8
Jaworzno	3.3	7.8	90.0%	0.3	1.2	9.50%	2.9	12.5	100%	12.5
Klodzko	9.7	8.0	90.0%	0.8	3.6	9.50%	8.9	37.7	100%	37.7
Biala Podlaska	8.8	7.8	90.0%	0.7	3.2	9.50%	7.8	33.2	100%	33.2
Pyskowice	7.9	7.8	90.0%	0.7	2.8	9.50%	7.0	29.8	100%	29.8
Dzierzoniow	8.3	7.8	90.0%	0.7	3.0	9.50%	7.4	31.3	100%	31.3
Nysa	10.3	7.8	90.0%	0.9	3.7	9.50%	9.1	38.9	100%	38.9
Rybnik	8.1	4.0	90.0%	0.4	1.5	8.50%	4.1	17.6	100%	17.6
Siechnice	2.5	4.0	90.0%	0.1	0.5	8.50%	1.3	5.4	100%	5.4
Rzeszow	2.5	4.0	90.0%	0.1	0.5	8.50%	1.3	5.4	100%	5.4
Total/Average	148.0	8.9	90.0%	14.2	60.3	8.77%	161.7	687.4		451.5

Source: Company, IPOPEMA Research; *we apply 50% probability of disposal for shopping malls (they are located in regional cities; the investment market remains demanding); retail parks are easier to dispose, taking into consideration recent trends) and we apply 100% probability of disposal

DDM valuation

We value PA Nova using the DDM method based on our financial forecasts and assumptions regarding the dividend payout ratio. After 3 years with no dividend, the developer started in 2023 to recurrently pay out the portion of its net profit. In our model, we assume that the group will continue regular payments with a dividend payout ratio of 30-35%.

Figure 5. PA Nova – DDM valuation (PLNm)

DDM	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal Year
DPS (PLN ps)	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	3.2
Cost of equity	19.2%	18.3%	17.8%	16.8%	16.6%	16.5%	16.3%	16.2%	16.1%	15.9%	15.9%
Discount multiple	95%	80%	68%	60%	52%	44%	38%	33%	29%	25%	
Discounted DPS (PLN ps)	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.3	0.3	
Sum of discounted DPS (PLN ps)											4.8
Terminal growth											1.0%
Discounted value of terminal DPS (PLN ps)											5.5
Fair Value (PLN ps)											10.35

Source: Company, IPOPEMA Research

Peer comparison

We present a multiples valuation by comparing PA Nova to general contractors and commercial developers, based on the P/E and P/BV multiples. In our analysis, we give 0% weight to the method. Given our forecasts for 2025E-27E, the company currently trades at a P/E multiple of 8.3/6.7/6.4x. In the case of the P/BV multiple, the average discount to its peers is close to 75%.

Figure 6. PA Nova – peer comparison

Company	mCap (PLNm)	P/E (x)			P/BV (x)		
		2025E	2026E	2027E	2025E	2026E	2027E
Echo Investment	2,385	66.3	7.3	5.6	0.9	1.4	1.4
GTC	2,354	57.7	52.1	43.8	n.a.	n.a.	n.a.
MLP Group	1,872	7.3	5.3	4.3	n.a.	n.a.	n.a.
CA Immobilien	2,426	17.8	12.3	14.2	1.0	0.9	0.9
TAG Immobilien	2,805	17.0	13.3	13.2	1.4	1.1	1.2
Budimex	13,771	20.6	17.6	15.2	11.4	10.9	9.7
Erbud	379	27.7	10.0	9.9	n.a.	n.a.	n.a.
Unibep	348	11.9	11.5	7.3	n.a.	n.a.	n.a.
Median		19.2	11.9	11.5	1.2	1.3	1.3
PA Nova	165	8.3	6.7	6.4	0.3	0.3	0.3
Premium/discount (%)		-57%	-44%	-45%	-73%	-76%	-77%
Implied FV/share (PLN)		38.10	29.28	29.84	60.87	68.06	70.37
Average implied FV/share (PLN)		49.42					

Source: Bloomberg, IPOPEMA Research

Key financial data

Figure 7. PA Nova – financial data 2020-2034E

P&L (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenues	162	200	206	351	284	257	271	275	280	284	289	294	298	303	308
COGS	-123	-150	-151	-277	-224	-202	-210	-214	-218	-222	-225	-229	-233	-238	-242
Gross profit	39	49	56	74	60	54	60	61	62	63	63	64	65	66	67
SG&A	-7	-7	-9	-10	-11	-10	-11	-12	-12	-12	-12	-12	-13	-13	-13
Profit on sales	32	42	47	64	49	44	49	49	50	50	51	52	52	53	53
Other operating income(cost)	0	-2	-1	-1	-1	-2	-4	-4	-4	-4	-4	-4	-4	-6	-6
EBITDA	37	43	48	64	55	52	54	53	53	53	53	53	53	52	53
EBIT	32	40	46	62	48	43	45	45	46	46	47	47	48	47	48
Financial income (cost) net	-12	-12	-18	-19	-18	-19	-14	-13	-12	-11	-10	-8	-5	-1	0
Pre-tax profit	20	28	28	43	31	24	30	32	33	35	36	40	43	47	48
Income tax	-4	-5	-5	-8	-8	-4	-6	-6	-6	-7	-7	-8	-8	-9	-9
Net profit	16	23	23	35	22	20	25	26	27	28	29	32	35	38	39

BALANCE SHEET (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Non-current assets	733	740	826	791	797	804	799	795	792	790	788	787	786	786	785
Investment properties	670	660	692	637	657	657	657	657	657	657	657	657	657	657	657
PP&E	14	19	18	45	26	39	33	29	26	24	23	22	21	20	20
Assets held for sale	30	36	86	81	80	80	80	80	80	80	80	80	80	80	80
Other non-current assets	18	24	29	29	33	28	28	28	28	28	28	28	28	28	28
Current assets	95	133	126	128	146	129	124	128	113	125	141	160	180	202	220
Inventories	10	5	1	0	0	0	0	0	0	0	0	0	0	0	0
Trade receivables	27	50	45	50	47	31	30	31	32	32	33	33	34	35	35
Cash and equivalents	44	64	57	65	60	79	75	78	63	74	90	108	127	149	167
Other current assets	14	13	22	13	39	18	18	18	18	18	18	18	18	18	18
Total assets	828	872	951	920	943	933	923	923	905	915	930	947	966	988	1,006
Equity	395	420	435	478	496	512	529	546	564	583	602	624	648	674	701
Minorities	0	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Non-current liabilities	345	318	310	259	351	321	296	278	242	232	228	223	219	214	205
Loans and leasing	306	284	271	217	308	280	254	236	200	191	186	182	177	172	163
Other non-current liabilities	39	34	39	42	43	42	42	42	42	42	42	42	42	42	42
Current liabilities	88	135	208	184	98	101	100	100	100	100	101	101	101	101	101
Trade payables	35	44	63	53	62	58	57	57	57	57	57	58	58	58	58
Loans and leasing	42	81	134	120	27	34	34	34	34	34	34	34	34	34	34
Other current liabilities	11	9	11	10	9	9	9	9	9	9	9	9	9	9	9
Equity & liabilities	828	872	951	920	943	933	923	923	905	915	930	947	966	988	1,006
Gross debt (PLN m)	347	365	405	338	335	314	288	270	234	225	221	216	211	207	198
Net debt (PLN m)	304	301	347	273	275	235	213	192	171	151	130	108	84	58	31

CASH FLOW (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Operating cash flow	83	-6	9	41	25	59	45	44	43	43	42	44	45	47	47
Net profit	16	23	23	35	22	20	25	26	27	28	29	32	35	38	39
D&A	5	3	2	2	6	9	9	8	7	6	6	6	5	5	5
Change in WC	41	-20	68	-59	29	18	0	0	0	0	0	0	0	-1	-1
Other	21	-12	-84	64	-32	12	11	10	9	8	7	7	6	5	4
Investment cash flow	-17	31	-10	-2	0	-2	-4	-4	-4	-4	-4	-4	-4	-5	-5
Change in inv.properties	0	38	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	-17	-6	-10	-2	0	-2	-4	-4	-4	-4	-4	-4	-4	-5	-5
Financial cash flow	-61	-6	-75	-32	-29	-38	-45	-37	-54	-27	-22	-22	-21	-21	-25
Change in equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in debt	-26	7	-35	-28	-21	-14	-26	-18	-36	-9	-5	-5	-5	-5	-9
Dividend	-1	0	0	-6	-7	-8	-8	-9	-9	-10	-10	-11	-11	-12	-12
Interest paid	-29	-9	-36	0	0	-16	-11	-10	-9	-8	-7	-7	-6	-5	-4
Other	-7	-4	-4	2	-1	-1	0	0	0	0	0	0	0	0	0
Change in cash	5	20	-76	7	-4	19	-4	3	-15	11	16	18	20	22	18
Cash as of eop	44	64	57	65	60	79	75	78	63	74	90	108	127	149	167

Source: Company, IPOPEMA Research

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The definitions of terms used in the document include:

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

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

CAGR – compound annual growth rate.

CFO – net cash flow from operations.

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

D&A – depreciation and amortization.

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

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

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

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

EBIT – earnings before interests and tax.

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

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

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

EV/EBITDA – EV divided by EBITDA.

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

FCFE – free cash flow to the equity.

FCFF – free cash flow to the firm.

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

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

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

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

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

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

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

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

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

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

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

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

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

uFCFps – uFCF per share.

WACC – weighted average cost of capital.

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IPOPEMA Research - Distribution by rating category (1 April – 30 June 2025)		Number	%
Buy		15	73%
Hold		2	13%
Sell		2	13%
Total		15	100%

Rating History – PA Nova

Date	Recommendation	Fair Value	Price at recommendation	Author
09/09/2025	BUY	PLN 22.13	PLN 16.45	Adrian Górniak