

# VIGO Photonics

## 4Q25 Results Review

**Opinion. Mixed.** The results are better on EBITDA level due to lower G&A cost. Bottom line burdened by results on VIGO Ventures portfolio and deferred tax recalculation. Following to successful acquisition of Infrared Associates, the result of Strategic option review becomes the key driver for the stock, as well as execution of IR Arrays large contract for PCO.

VIGO Photonics 4Q25 revenues arrived at PLN 27.4m (in line with preliminary numbers), norm. EBITDA at PLN 5.4m (vs. our forecast of PLN 4.2m), EBIT at PLN 0.8m (vs. our forecast of PLN 0.0m) and norm. net loss at PLN 0.4m (vs. our forecast of PLN 0.9m income).

**Revenues.** The company's sales revenues for 4Q25 amounted to PLN 27.4m, representing an increase of 14% y/y and 18% q/q. Growth was driven mainly by the military segment (+66% y/y, the effect of Safran orders), while the industrial segment was weaker (6% y/y) as well as semiconductor materials (9% y/y). In full 2025 the company generated PLN 93.1m in revenues, up 19% y/y.

**Gross margin.** Gross margin arrived at 50%, in line with our forecast.

**SG&A.** SG&A cost arrived at PLN 14.0m, up 11% y/y. Selling cost decreased by 7% y/y and increased 4% q/q, whereas G&A arrived at PLN 10.5m up 19% y/y and down 7% q/q.

**EBITDA.** VIGO's adj. EBITDA arrived at PLN 5.4m (vs. our forecast of PLN 4.2m), vs. PLN 2.8m in 3Q25 and PLN 3.6m in 4Q24. EBIT arrived at PLN 0.8m (vs. our forecast of PLN 0.0m).

**Net profit.** Norm. net loss arrived at PLN 0.4m, vs. our forecast of profit at PLN 0.9m. The company reported negative financial result of PLN 0.4m, as well as PLN -2.7m result on investments in VIGO Ventures and PLN 8.7m tax burden, driven primarily by recalculation of deferred tax asset (the company is not going to utilize full tax relief related to operations in special economic zone).

**Operating cash flow.** OCF arrived at PLN 0.3m (vs. PLN -3.8m in 3Q25).

**Capex.** Capex excl. grants arrived at PLN 2.2m. Capex included PLN 1.8m investment in R&D, and PLN 0.3m of other investments. VIGO received grants of PLN 5.4m total value during the quarter (PLN 11.2m in total in 2025, vs. PLN 8.3m in 2024).

**Net debt.** Net debt arrived at PLN 13.8m vs. PLN 17.2m quarter ago.

TMT | Technology

## VIGO Photonics

**BUY**

**FV PLN 610.00**

3% upside

Price as of 24 April 2026 PLN 498.00

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### Analyst

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Figure 1. VIGO Photonics 4Q25 results review

P&L (PLN m)	4Q24	1Q25	2Q25	3Q25	4Q25	y/y	q/q	4Q25E	vs. IPOP
<b>Sales revenues</b>	<b>24.1</b>	<b>22.1</b>	<b>20.3</b>	<b>23.3</b>	<b>27.4</b>	<b>14%</b>	<b>18%</b>	<b>27.4</b>	<b>0%</b>
Industry	11.5	10.5	8.1	8.9	10.8	-6%	21%	10.8	0%
Military	6.9	6.6	4.8	6.1	11.4	67%	87%	11.4	0%
Transport	1.3	1.1	3.6	4.2	0.7	-43%	-82%	0.7	0%
Medicine and science	1.5	2.7	1.9	1.5	1.8	18%	22%	1.8	0%
Other	0.0	0.0	0.1	0.0	0.1	na	na	0.1	0%
Materials for photonics	2.9	1.2	1.8	2.6	2.6	-9%	1%	2.6	0%
COGS	-13.2	-11.8	-10.0	-11.6	-13.7	4%	19%		
<b>gross profit/(loss) on sales</b>	<b>10.9</b>	<b>10.3</b>	<b>10.3</b>	<b>11.7</b>	<b>13.6</b>	<b>25%</b>	<b>16%</b>		
Other operating revenues	3.2	3.6	3.6	3.3	3.7	16%	9%		
Selling costs	-3.8	-4.1	-3.5	-3.4	-3.5	-7%	4%		
G&A costs	-8.8	-8.7	-11.9	-11.3	-10.5	19%	-7%		
Other operating costs	-3.2	-1.3	-1.4	-2.1	-2.5	-21%	18%		
<b>EBITDA</b>	<b>1.8</b>	<b>3.1</b>	<b>0.5</b>	<b>1.6</b>	<b>4.2</b>	<b>133%</b>	<b>164%</b>	<b>3.4</b>	<b>25%</b>
<b>EBITDA znorm.</b>	<b>3.6</b>	<b>2.4</b>	<b>0.6</b>	<b>2.8</b>	<b>5.4</b>	<b>50%</b>	<b>95%</b>	<b>4.2</b>	<b>30%</b>
<b>EBIT</b>	<b>-1.7</b>	<b>-0.3</b>	<b>-2.9</b>	<b>-1.8</b>	<b>0.8</b>	<b>na</b>	<b>na</b>	<b>0.0</b>	<b>na</b>
Net financial revenues	0.5	-1.3	-1.3	-0.2	-0.4	na	111%		
Result from the valuation of shares using the equity method	2.7	-0.2	3.5	-0.2	-2.7	na	1221%		
<b>Profit (loss) before tax</b>	<b>1.5</b>	<b>-1.7</b>	<b>-0.6</b>	<b>-2.2</b>	<b>-2.3</b>	<b>na</b>	<b>6%</b>		
income tax	0.0	0.0	-0.3	0.7	-8.7	19249%	na		
Net profit	1.5	-1.7	-1.0	-1.4	-11.0	na	672%	-0.6	na
<b>Norm. net profit</b>	<b>1.5</b>	<b>-1.7</b>	<b>0.3</b>	<b>-0.3</b>	<b>-0.4</b>	<b>na</b>	<b>25%</b>	<b>0.9</b>	<b>na</b>
<b>Profitability ratios</b>	<b>4Q24</b>	<b>1Q25</b>	<b>2Q25</b>	<b>3Q25</b>	<b>4Q25</b>	<b>y/y</b>	<b>q/q</b>		
Gross margin on sales	45.3%	46.5%	50.5%	50.2%	49.8%	4.4 pp	-0.5 pp		
EBITDA margin	7.5%	14.1%	2.6%	6.8%	15.3%	7.9 pp	8.5 pp		
EBIT margin	-7.0%	-1.2%	-14.2%	-7.6%	2.9%	9.9 pp	10.5 pp		
Norm. net profit margin	6.3%	-7.8%	1.2%	-1.2%	-1.3%	-7.6 pp	-0.1 pp		
<b>Cash Flow Statement (PLN m)</b>	<b>4Q24</b>	<b>1Q25</b>	<b>2Q25</b>	<b>3Q25</b>	<b>4Q25</b>	<b>y/y</b>	<b>q/q</b>		
<b>Net cash flow from operations</b>	<b>-4.3</b>	<b>0.3</b>	<b>-4.3</b>	<b>-3.8</b>	<b>0.3</b>	<b>na</b>	<b>na</b>		
<b>Net cash flow from investment activities</b>	<b>1.1</b>	<b>-4.0</b>	<b>-1.2</b>	<b>1.0</b>	<b>3.3</b>	<b>207%</b>	<b>239%</b>		
Grants	5.2	1.1	1.1	3.7	5.4	2%	45%		
Gross capital expenditures	-4.1	-5.1	-2.3	-2.7	-2.2	-48%	-21%		
<b>Net cash flows from financial activities</b>	<b>-3.3</b>	<b>-2.8</b>	<b>-2.3</b>	<b>3.6</b>	<b>-1.1</b>	<b>-66%</b>	<b>na</b>		
Total net cash flow	<b>-6.6</b>	<b>-6.5</b>	<b>-7.9</b>	<b>0.7</b>	<b>2.4</b>	<b>na</b>	<b>243%</b>		
<b>Net Debt/ (Net cash)</b>	<b>3.5</b>	<b>8.1</b>	<b>14.1</b>	<b>17.2</b>	<b>13.8</b>	<b>300%</b>	<b>-20%</b>		

Source: Company, IPOPEMA Research

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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 January – 31 March 2026)		
	Number	%
Buy	6	46%
Hold	6	46%
Sell	1	8%
Total	13	100%

#### Rating History – VIGO Photonics

Date	Recommendation	Fair Value	Price at recommendation	Author
24.08.2022	BUY	660.0	556.0	Michał Wojciechowski
28.03.2023	HOLD	600.0	566.0	Michał Wojciechowski
19.06.2023	UNDER REVIEW	-	652.0	Michał Wojciechowski
19.02.2024	BUY	600.0	484.0	Michał Wojciechowski
21.06.2024	BUY	600.0	540.0	Michał Wojciechowski
12.02.2025	BUY	500.0	428.0	Michał Wojciechowski
13.05.2025	BUY	640.0	508.0	Michał Wojciechowski
16.10.2025	BUY	610.0	522.0	Michał Wojciechowski