

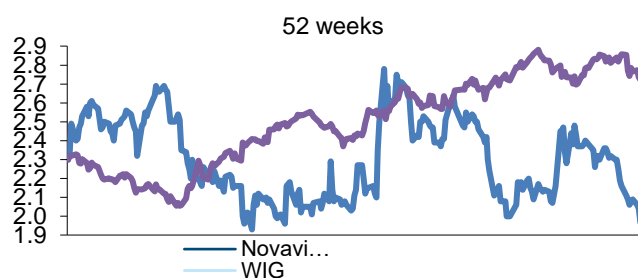
## COMPANY REPORT

# Novavis Group

## from Accumulate to Buy

PLN mn	2023	2024e	2025e	2026e
Net sales	10.6	18.4	65.2	59.0
EBITDA	6.5	11.2	29.8	26.4
EBIT	6.5	11.2	29.7	26.3
Net result after min.	5.1	9.0	23.8	21.1
EPS (PLN)	0.14	0.26	0.68	0.60
CEPS (PLN)	0.15	0.26	0.68	0.61
BVPS (PLN)	0.24	0.43	0.99	1.25
Div./share (PLN)	0.00	0.06	0.13	0.34
EV/EBITDA (x)	11.1	6.1	2.4	2.2
P/E (x)	14.3	7.7	2.9	3.3
P/CE (x)	14.2	7.7	2.9	3.3
Dividend Yield	0.0%	3.0%	6.5%	17.2%

Share price (PLN) close as of 26/07/2024	1.98
Number of shares (mn)	35.0
Market capitalization (PLN mn / EUR mn)	69 / 16
Enterprise value (PLN mn / EUR mn)	68 / 16



Performance	12M	6M	3M	1M
in PLN	-13.9%	-12.8%	-4.8%	-14.7%

Reuters	NVGP.WA	Free float	32.3%
Bloomberg	NVG PW	Shareholders	Marshall Nordic (47.2%)
Div. Ex-date			Rubicon Partners (10.01%)
<b>Target price</b>	<b>3.29</b>	Homepage:	<a href="https://novavisgroup.pl/">https://novavisgroup.pl/</a>

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### Thaw expected in 2H24

**We are raising our target price from PLN 3.1 to PLN 3.29 per share for Novavis and our recommendation from Accumulate to Buy.**

In our view, the lack of decisiveness on the part of DSOs to issue new connections for RES projects observed since 2H23 is slowly beginning to fade. In our opinion, the government's clearly directed path of RES development in Poland and changes at the management level of power companies in the country will translate in 2H24 into an increase in issuance of approvals for connections to power grids for photovoltaic farms. In the case of Novavis, reaching this milestone means recognizing 45% of the value of the RES development project in the results, which at the same time would translate into a clear dynamization of results in 2024/2025.

In 2Q24 alone, we assume low financial results (revenue of PLN 0.5mn, EBITDA loss of PLN -0.4mn), but given the recent share price correction and change in the outlook for 2H24, there may be a good point for increased purchases of Novavis shares.

## Risk factors

**1 Problems with new connections to the power system** are now apparently a slowing factor for the development of solar power in Poland. More than 13GW of photovoltaic capacity is currently connected in the country, and another 11GW of connections is reserved for offshore wind power. In recent years, there has been an increasing number of connection refusals issued by grid operators, due to years of investment neglect and the need to reconfigure the grid for higher RES use and include new consumption points, such as EV charging stations. It is worth noting that, in the case of installing energy storage, the DSO must agree to an additional connection corresponding to the capacity of the source (i.e. PV installation of 20MW + storage of 2MW = connection for 22MW). The situation in the coming months may be improved by an amendment to the law being processed in the Sejm and Senate, giving the possibility to apply a direct connection to the consumer (industrial plant), bypassing the DSO.

**2 Changes in the regulation of maximum energy prices**, freezing energy prices for households, introduce uncertainty in the industry regarding the payback period for RES investments and make it more difficult to obtain financing for projects. Last year, the EC introduced a maximum electricity sale price of EUR180/MWh for RES sources. Some countries, such as Romania, have opted for even more drastic limits on energy prices for RES. In Poland, the government froze energy prices in the G tariff (households) in 2023 at the 2022 price level.

**3 Rising interest rates** negatively affect the investment attractiveness of RES and make it more difficult to raise capital for construction. Our calculations show that, in a contract with an industrial consumer (PPA) currently at prices of 400-500 PLN/MWh, photovoltaic projects pay off in 8-10 years. On the other hand, higher interest rates and bank interest rates are increasing competition for funds to build new RES projects.

**4 The availability of components to build PV farms** could be a problem for the industry in the future. In 2021-22, due to fractured supply chains from Asia and galloping deep-sea freight prices, the price of components (inverters, PV panels) became noticeably more expensive, and their availability was hampered. China currently supplies more than 70% of the world's PV modules. Recently, China has also threatened to impose tariff barriers on the export of semiconductors, which are also used in PV farms.

**5 The delay in transferring coal power assets to NABE** is prolonging the energy transition process in Poland. Currently, the authorities are supporting the mining sector and coal-fired power generation reluctantly, considering the shutdown of troublesome units such as Turów. Despite clear decarbonization trends in the EU, a number of investments in power units like Opole and Jaworzno have been made in Poland in recent years. Azoty Group is probably building the last new coal-fired unit in Pulawy. A more lenient view of renewable energy in Poland would likely accelerate the sector's transformation.

**6 Prolonged land preparation processes for farms next to grid connection conditions** are the biggest brake on the industry's development. In order to prepare a photovoltaic farm project, construction permits and development conditions are necessary. It is becoming practically impossible in Poland to erect farms on agricultural land. It seems promising to erect farms on post-industrial land, which on one hand often already has a connection to the grid, but on the other hand requires additional expenditures on reclamation (there are sources talking about 1mn hectares of post-industrial land in Poland that can be developed by solar and wind power).

**7 Risk of losing a key customer.** Novavis is currently developing farms with a capacity of more than 400MW for Iberdrola under a payment-per-project-phase formula. The loss of a key customer could result in the need to look for an alternative buyer in the market, or a form of financing for the development. The market is currently more on the side of project sellers than buyers.

**8 Liquidity risk.** At the current scale of operations, Novavis has to pay a deposit to the DSO in the process of obtaining a grid connection (PLN 30,000/WM; this roughly translates to a freeze of PLN 17mn with over 570MW of farm capacity). The deposit is not interest-bearing. Significant increases in operations may require significant spare funds.

## Valuation

We base our valuation of Novavis Group on a 50% discounted cash flow method and a 50% comparative valuation.

(PLN)	Weight	Price
Relative valuation (PLN)	50%	3.41
DCF (PLN)	50%	3.16
<b>12M target price per share (PLN)</b>		<b>3.29</b>

### Relative valuation

In the relative valuation, we seek to compare Novavis' performance to companies operating in the renewables industry, developing photovoltaic and wind projects. The comparative group includes entities with global scale and long history, so we decided to apply a 50% discount to listed companies in the industry. Many of the risks regarding the project schedule are outside Novavis (e.g. environmental permits, grid connections, construction permits).

	P/E			EV/EBITDA			Dyield		
	2024e	2025e	2026e	2024e	2025e	2026e	2024e	2025e	2026e
ABO WIND AG	7.2	7.0	6.3	6.0	5.9	5.3	4.0%	4.3%	4.7%
CLOUDBERRY CLEAN	-	-	-	-	-	-	-	-	-
ECOENER SA	39.3	26.9	-	31.3	19.9	18.1	0.5%	0.6%	-
EOLUS VIND AB- B	19.6	10.4	11.1	13.9	8.0	6.3	-	-	0.0
GREENERGY RENOVAB	16.6	15.4	13.4	9.9	9.1	8.0	1.2%	1.3%	1.3%
INOX WIND LTD	18.1	10.3	8.0	13.0	6.7	5.1	-	0.0	0.0
LHYFE SAS	38.8	18.2	14.5	13.5	9.0	7.6	0.6%	1.4%	1.8%
NORDEX SE	17.1	8.7	6.5	11.5	7.1	5.3	-	-	-
OX2 AB	-	-	397.2	27.4	19.9	15.2	-	-	-
TECHNO ELECTRIC	468.3	20.0	14.1	10.7	6.1	5.0	-	-	-
VESTAS WIND SYST	13.8	23.0	-	21.6	17.4	-	-	-	-
MIN	7.2	7.0	6.3	6.0	5.9	5.0	0.5%	0.2%	0.4%
MAX	468.3	26.9	397.2	31.3	19.9	18.1	4.0%	4.3%	4.7%
<b>Median</b>	<b>18.1</b>	<b>15.4</b>	<b>12.2</b>	<b>13.3</b>	<b>8.5</b>	<b>6.3</b>	<b>0.9%</b>	<b>1.3%</b>	<b>1.3%</b>
Novavis	7.7	2.9	3.3	6.1	2.4	2.2	3.0%	6.5%	17.1%
Premium/Discount	-57%	-81%	-73%	-54%	-72%	-65%	230%	396%	1193%
<b>Peer's Valuation</b>									
Median	18.1	15.4	12.2	13.3	8.5	6.3			
Premium/Discount	50%	50%	50%	50%	50%	50%			
Ratio weight		50%			50%				
Year weight	33%	33%	33%	33%	33%	33%			
Value per share (PLN)	<b>3.23</b>								
<b>12M value per share (PLN)</b>	<b>3.41</b>								

### DCF valuation

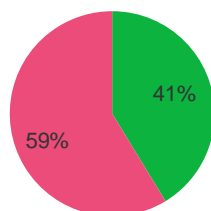
- 5-year forecast period.
- Risk-free rate of 5.5% (yield on 10-year government bonds).
- Beta 1.2 risk (delay of environmental permit, grid connection, construction permit).

**WACC calculation**

	2024e	2025e	2026e	2027e	2028e	TV
Risk free rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Equity risk premium	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Beta	1.2	1.2	1.2	1.2	1.2	1.2
Cost of equity	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%
Cost of debt	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Effective tax rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Equity weigh	100%	100%	100%	100%	100%	100%
WACC	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%

**DCF valuation**

(mn PLN)	2024e	2025e	2026e	2027e	2028e	TV
Sales growth	73.9%	254.6%	-9.5%	-44.2%	9.0%	8.5%
EBIT	11	30	26	13	16	14
EBIT margin	3.9%	7.0%	8.5%	9.2%	9.6%	9.8%
Tax rate	12.2%	9.1%	9.0%	7.9%	8.9%	7.4%
Taxes on EBIT	2	6	5	3	3	3
<b>NOPAT</b>	<b>9</b>	<b>24</b>	<b>21</b>	<b>10</b>	<b>13</b>	<b>11</b>
Depreciation	0	0	0	0	0	
CAPEX	0	0	0	0	0	
Working Capital	-6	-21	3	12	-1	
Other	0	0	0	0	0	
FCF to the firm	3	2	24	22	11	10
<b>Discounted cash flow</b>	<b>3</b>	<b>2</b>	<b>17</b>	<b>15</b>	<b>7</b>	<b>5</b>
Terminal value growth	2.0%					
Terminal value	105					
Discounted FCF	43					
<b>Enterprise value</b>	<b>104</b>					
Minorities	1					
Net debt	-3					
Other adjustments	0					
<b>Equity value</b>	<b>105</b>					
Number of shares (mn)	35					
Cost of equity	5.6%					
<b>12M target price per share (PLI)</b>	<b>3.16</b>					
Up/Downside	59%					



■ PV of detailed period  
■ PV of terminal value

**Terminal value growth**

	0.0%	1.0%	2.0%	3.0%	5.0%
+1,0 p.p.	2.6	2.7	2.9	3.0	3.5
+0,5 p.p.	2.7	2.9	3.0	3.2	3.7
+0,0 p.p.	2.8	3.0	<b>3.2</b>	3.4	4.0
-0,5 p.p.	3.0	3.1	3.3	3.6	4.3
-1,0 p.p.	3.1	3.3	3.5	3.8	4.7

## 2Q24 forecast

We assume low **sales** in 2Q24 due to the lack of decisions on the part of the DSO in connection with the granting of new grid connection rights. We assume 2Q24 **sales revenues** will be only PLN 0.5mn and **EBITDA** will record a loss of PLN 0.4mn, with a **net loss** of PLN 0.5mn.

(mn PLN)	Q2'24e	Q2'23	y/y	2024e	YTD
Revenues	0.5	2.6	-81%	18	18%
EBITDA	-0.4	1.8	-123%	11	13%
EBITDA margin	-80.0%	67%		61%	
EBIT	-0.5	1.7	-126%	11	13%
Net income	-0.5	1.4	-134%	9	13%

## Updated financial forecasts

We are lowering our revenue forecasts for the longer term (2026-27), due to the observed decline in the value of PV projects in the market prepared for development. The contract with Iberdrola is still in force, and the prices guaranteed therein do not change. However, we need to adjust downward the potential value of projects developed outside Iberdrola.

	2024e	2025e	2026e	2027e
Revenues	0.0%	-1.0%	-5.4%	-10.9%
EBITDA	0.0%	-1.1%	-6.0%	-13.4%
Net profit	+2.2%	-1.0%	-5.9%	-13.3%
DPS	+5.0%	+2.2%	-1.0%	-19.4%

<b>Income statement</b> <b>(mn PLN)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
<b>Net sales</b>	<b>10</b>	<b>9</b>	<b>11</b>	<b>18</b>	<b>65</b>	<b>59</b>
Current projects			10	17	59	46
Future projects			0	13	24	27
<b>Costs</b>			<b>4</b>	<b>7</b>	<b>36</b>	<b>33</b>
Depreciation			0	0	0	0
Materials and energy			0	0	0	0
External services			2	5	33	30
Salaries	-1	3	6	11	30	26
Other costs	0	-2	0	0	0	0
EBIT	-1	3	6	11	30	26
Net financials	0	1	2	2	6	5
	0	0	0	0	0	0
Gross profit	-1	3	6	11	30	26
CIT	0	1	2	2	6	5
Minorities	0	0	0	0	0	0
Net Income after minorities	-1	2	5	9	24	21
<b>adj. EBITDA</b>	<b>-2</b>	<b>5</b>	<b>7</b>	<b>11</b>	<b>30</b>	<b>26</b>
<b>adj. Net profit</b>	<b>-1</b>	<b>2</b>	<b>5</b>	<b>9</b>	<b>24</b>	<b>21</b>

Source: Novavis Group, estimates Erste Group Research

<b>Balance sheet</b> <b>(mn PLN)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
<b>Fixed assets</b>	<b>4</b>	<b>11</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>22</b>
Tangible assets	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0
Deferred charges and accruals	3	11	22	22	22	22
<b>Current assets</b>	<b>5</b>	<b>7</b>	<b>9</b>	<b>13</b>	<b>33</b>	<b>42</b>
Inventories	0	0	0	0	0	0
Receivables	3	2	5	9	30	27
Cash	1	2	2	3	1	13
<b>Equity</b>	<b>1</b>	<b>4</b>	<b>8</b>	<b>15</b>	<b>35</b>	<b>44</b>
Minorities	3	2	1	1	1	1
<b>Long term liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Debt	0	0	0	0	0	0
<b>Short term liabilities</b>	<b>4</b>	<b>12</b>	<b>21</b>	<b>19</b>	<b>19</b>	<b>19</b>
Debt	1	0	0	0	0	0
Trade liabilities	2	12	21	19	19	19
<b>Net Debt</b>	<b>1</b>	<b>-2</b>	<b>-2</b>	<b>-3</b>	<b>-1</b>	<b>-13</b>
DN/EBITDA	-0.3	-0.4	-0.3	-0.2	0.0	-0.5
DN/adjusted EBITDA	-0.3	-0.4	-0.3	-0.2	0.0	-0.5

Source: Novavis Group, estimates Erste Group Research

Cash flow (mn PLN)	2021	2022	2023	2024e	2025e	2026e
<b>Cash flow from operating activities</b>	<b>-1</b>	<b>4</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>24</b>
Working capital	0	2	-7	-6	-21	3
<b>Cash flow from investing activities</b>	<b>1</b>	<b>-4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
CAPEX	0	0	0	0	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>-2</b>	<b>-4</b>	<b>-12</b>
Dividend	0	0	0	-2	-5	-12
<b>Cash flow</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>-2</b>	<b>12</b>
CFO/EBITDA	52%	87%	2%	26%	8%	91%
FCFF	-1	4	0	3	2	24
<b>FCFF/EV</b>	<b>-1%</b>	<b>6%</b>	<b>0%</b>	<b>4%</b>	<b>4%</b>	<b>41%</b>
FCFE	-1	4	0	3	2	24
<b>FCFE/MCAP</b>	<b>-2%</b>	<b>6%</b>	<b>0%</b>	<b>4%</b>	<b>3%</b>	<b>34%</b>
DPS	0.00	0.00	0.00	0.06	0.13	0.34
Dividend payment ratio	-	0%	0%	42%	50%	50%
<b>DYield</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>3.0%</b>	<b>6.5%</b>	<b>17.1%</b>
<b>Ratios</b>						
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
P/E	-55.4	31.9	13.8	7.7	2.9	3.3
<b>P/E adj.</b>	<b>-55.4</b>	<b>31.9</b>	<b>13.8</b>	<b>7.7</b>	<b>2.9</b>	<b>3.3</b>
EV/EBITDA	-40.2	14.8	10.6	6.1	2.4	2.2
<b>EV/EA adj.</b>	<b>-40.2</b>	<b>14.8</b>	<b>10.6</b>	<b>6.1</b>	<b>2.4</b>	<b>2.2</b>
P/S	6.8	7.4	6.6	3.8	1.1	1.2
P/BV	55.8	19.7	8.4	4.6	2.0	1.6
<b>EBITDA margin</b>	<b>-17.8%</b>	<b>49.7%</b>	<b>61.5%</b>	<b>60.9%</b>	<b>45.7%</b>	<b>44.8%</b>
EBITDA t/r change	-	-359%	38%	72%	166%	-11%
Net income margin	-12.3%	23.1%	47.8%	49.0%	36.6%	35.8%
<b>EPS y/y change</b>	<b>-</b>	<b>-274%</b>	<b>132%</b>	<b>78%</b>	<b>165%</b>	<b>-11%</b>
Share price (PLN)	1.99	1.99	1.99	1.99	1.99	1.99
Number of shares (mn)	35.0	35.0	35.0	35.0	35.0	35.0
MCap	70	70	70	70	70	70
EV	73	70	69	68	70	58

Source: Novavis Group, estimates Erste Group Research



<b>Income Statement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
(IAS, PLN mn, 31/12)	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026
<b>Net sales</b>	<b>10.19</b>	<b>9.45</b>	<b>10.58</b>	<b>18.39</b>	<b>65.22</b>	<b>59.00</b>
Cost of goods sold	8.12	4.75	4.08	7.22	35.51	32.68
<b>Gross profit</b>	<b>2.08</b>	<b>4.70</b>	<b>6.50</b>	<b>11.17</b>	<b>29.71</b>	<b>26.32</b>
SG&A						
Other operating revenues	3.90	0.05	0.04	0.00	0.00	0.00
Other operating expenses	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>-1.81</b>	<b>4.70</b>	<b>6.51</b>	<b>11.21</b>	<b>29.78</b>	<b>26.41</b>
Depreciation/amortization	0.00	0.05	0.05	0.04	0.07	0.08
<b>EBIT</b>	<b>-1.82</b>	<b>4.65</b>	<b>6.46</b>	<b>11.17</b>	<b>29.71</b>	<b>26.32</b>
Financial result	0.50	-1.65	-0.20	0.09	0.09	0.09
Extraordinary result	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBT</b>	<b>-1.32</b>	<b>2.99</b>	<b>6.26</b>	<b>11.26</b>	<b>29.81</b>	<b>26.41</b>
Income taxes	0.03	0.81	1.54	2.25	5.96	5.28
Result from discontinued operations						
Minorities and cost of hybrid capital	0.00	0.00	0.33	0.00	0.00	0.00
<b>Net result after minorities</b>	<b>-1.26</b>	<b>2.18</b>	<b>5.06</b>	<b>9.01</b>	<b>23.84</b>	<b>21.13</b>
<b>Balance Sheet</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
(IAS, PLN mn, 31/12)						
Intangible assets	0.16	0.13	0.08	0.14	0.17	0.18
Tangible assets	0.00	0.00	0.00	0.00	0.00	0.00
Financial assets	0.08	0.12	0.09	0.09	0.09	0.09
<b>Total fixed assets</b>	<b>3.61</b>	<b>11.17</b>	<b>22.33</b>	<b>22.39</b>	<b>22.42</b>	<b>22.43</b>
Inventories	0.00	0.00	0.00	0.00	0.00	0.00
Receivables and other current assets	0.00	0.00	0.00	0.00	0.00	0.00
Other assets	0.04	1.83	1.56	1.56	1.56	1.56
Cash and cash equivalents	0.82	2.01	2.05	2.89	0.75	12.82
<b>Total current assets</b>	<b>5.52</b>	<b>9.06</b>	<b>10.38</b>	<b>14.94</b>	<b>34.25</b>	<b>43.45</b>
<b>TOTAL ASSETS</b>	<b>9.09</b>	<b>18.40</b>	<b>31.15</b>	<b>35.77</b>	<b>55.11</b>	<b>64.32</b>
Shareholders'equity	1.25	3.53	8.29	15.20	34.54	43.75
Minorities	2.63	1.74	1.40	1.40	1.40	1.40
Hybrid capital and other reserves	0.00	0.00	0.00	0.00	0.00	0.00
Pension and other LT personnel accruals	0.00	0.00	0.00	0.00	0.00	0.00
LT provisions	0.00	0.00	0.00	0.00	0.00	0.00
Interest-bearing LT debts	0.09	0.13	0.10	0.10	0.10	0.10
Other LT liabilities	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total long-term liabilities</b>	<b>0.09</b>	<b>0.13</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>
Interest-bearing ST debts	1.45	0.13	0.02	0.00	0.00	0.00
Other ST liabilities	3.67	12.88	21.33	19.07	19.07	19.07
<b>Total short-term liabilities</b>	<b>3.92</b>	<b>11.82</b>	<b>21.15</b>	<b>19.02</b>	<b>19.02</b>	<b>19.02</b>
<b>TOTAL LIAB. , EQUITY</b>	<b>9.09</b>	<b>18.40</b>	<b>31.15</b>	<b>35.77</b>	<b>55.11</b>	<b>64.32</b>
<b>Cash Flow Statement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
(IAS, PLN mn, 31/12)						
Cash flow from operating activities	-0.95	4.08	0.10	2.97	2.37	24.01
Cash flow from investing activities	0.86	-3.50	0.27	-0.10	-0.10	-0.10
Cash flow from financing activities	0.28	0.60	-0.33	-2.03	-4.41	-11.83
<b>CHANGE IN CASH , CASH EQU.</b>	<b>0.19</b>	<b>1.19</b>	<b>0.05</b>	<b>0.84</b>	<b>-2.14</b>	<b>12.08</b>
<b>Margins &amp; Ratios</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Sales growth		-7.3%	12.0%	73.9%	254.6%	-9.5%
EBITDA margin	-17.8%	49.7%	61.5%	60.9%	45.7%	44.8%
EBIT margin	-17.8%	49.2%	61.0%	60.7%	45.6%	44.6%
Net profit margin	-12.3%	23.1%	47.8%	49.0%	36.6%	35.8%
ROE		91.4%	85.6%	76.7%	95.9%	54.0%
ROCE		106.3%	171.5%	111.2%	109.0%	67.6%
Equity ratio	-15.2%	9.7%	22.1%	38.6%	60.1%	65.8%
Net debt	0.7	-1.7	-1.9	-2.8	-0.6	-12.7
Working capital	1.6	-4.6	-12.3	-5.6	13.7	22.9
Capital employed	-0.7	0.1	5.0	11.0	32.5	29.6
Inventory turnover		nm	nm	nm	nm	nm

Source: Company data, Erste Group estimates

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