Bank Pekao
Biuro Maklerskie

Program Wsparcia Pokrycia Analitycznego GPW

Company report | **IT** | Poland | **2 December 2024**

Atende

Continuing pressure on profitability

We are downgrading our recommendation to SELL (previously: BUY) with a 12-month target price of PLN 2.3 (previously PLN 3.7).

- **Atende S.A. Group reported 3Q'24 revenue of PLN 93.8mn vs. PLN 63.2mn of our assumptions (-14% y/y).** The highest sales were to the public sector (PLN 29mn, 31% of consolidated revenues, +29% y/y). The second highest sales were to the energy sector, where it increased to PLN 24mn from PLN 5mn a year earlier (due to the delivery of data centre infrastructure to an energy operator). Once again, sales to the TMT sector showed weakness (-13% y/y, PLN 21mn).
- **Consolidated gross profit margin was at the level of 19.5% vs. 22.5% a year earlier.** The y/y decrease was due to, among other things, the continued negative A2CC contribution from the PGE contract and a one-off large sale to a public sector customer at a lower margin. **SG&A expenses were above our assumptions at PLN 15mn, implying double-digit growth for the first time since 4Q'23.** As reported by management, this was a consequence of increased staff costs related to research work carried out at subsidiaries.
- **While we assume a slight increase in revenues in '25e to a level similar to that of '23, prolonged work on the PGE contract and persistently high SG&A costs will negatively impact the group's profitability, consequently burdening the operating margin (we assume 1.5% vs. 3.0% previously).** We forecast that subsequent periods will see a recovery in profitability due to the larger share of proprietary services in the group's portfolio and the absence of the negative impact of the PGE contract on earnings (target 3.2% in 27e).

Key financial information

PLN mn	2021	2022	2023	2024	2025	2026	2027
Revenues	205.3	225.6	328.1	316.4	326.8	340.2	354.1
EBITDA	9.9	12.9	22.4	16.9	15.9	17.1	20.3
EBIT	0.1	3.0	11.8	5.6	4.8	7.4	11.2
Net income	-1.2	1.8	7.4	2.8	2.2	4.1	7.0
EPS	0.0	0.0	0.2	0.1	0.1	0.1	0.2
DPS	1.0	0.0	0.0	0.1	0.0	0.0	0.0
DY	38.0%	0.0	0.0	5.3%	0.0%	0.0%	0.0%
P/E	neg.	52.7	12.9	33.7	44.4	23.2	13.6
EV/EBITDA	10.3	7.2	3.7	6.0	6.0	5.3	4.1

Source: Atende ('21-'23), Pekao Equity Research

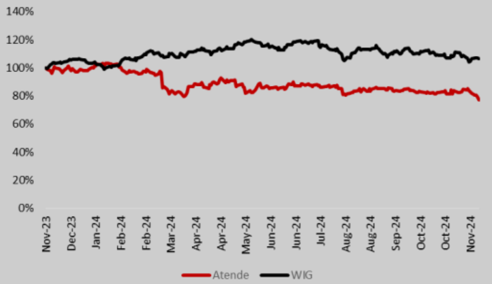
SELL (prev. BUY)

Target price | **PLN 2.3**

Upside to TP | **-12.7%**
Price on 29 November 2024 | PLN 2.6

ESG Rating | **C**
ESG Score | **0.69**

Relative share price performance vs. WIG Index



UPCOMING EVENTS

FY'24 report	03.25e

STOCK DATA

Bloomberg	ATD PW
Free float (%)	40.5
Market cap (PLNmn)	95.6
No. of shares	36.3

Shareholders: Spinoza Family Foundation 32.9%, OFE NN 16.8%, OFE PKO BP Bankowy 10.0%

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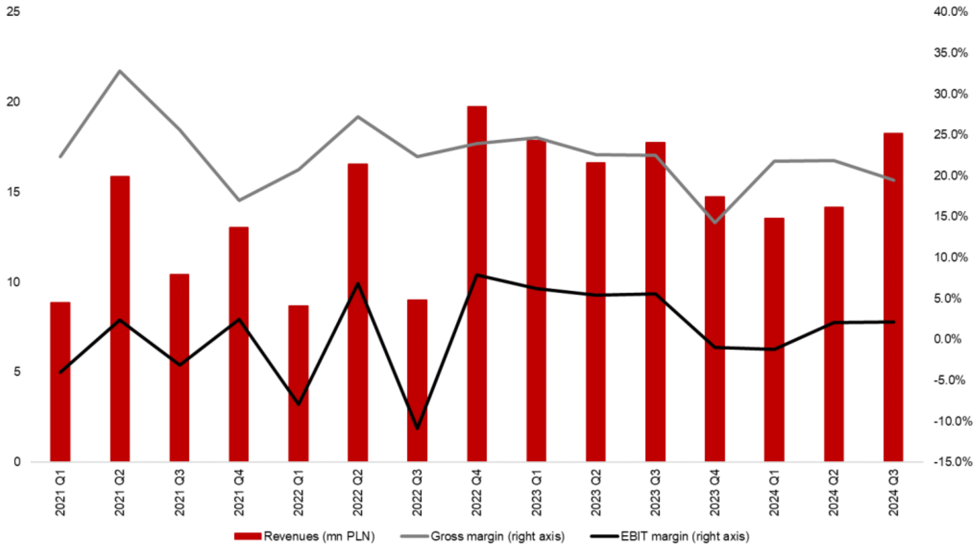
Recent developments

3Q'24 results

Atende S.A. Group reported 3Q'24 revenue of PLN 93.8mn vs. PLN 63.2mn of our assumptions (-14% y/y). The highest sales were to the public sector (PLN 29mn, 31% of consolidated revenues, +29% y/y). The second highest sales were to the energy sector, where it increased to PLN 24mn from PLN 5mn a year earlier (due to the delivery of data centre infrastructure to an energy operator). Once again, sales to the TMT sector showed weakness (-13% y/y, PLN 21mn).

Consolidated gross profit margin was at the level of 19.5% vs. 22.5% a year earlier. The y/y decrease was due to, among other things, the continued negative A2CC contribution from the PGE contract and a one-off large sale to a public sector customer at a lower margin. SG&A expenses were above our assumptions at PLN 15mn, implying double-digit growth for the first time since 4Q'23. As reported by management, this was a consequence of increased staff costs related to research work carried out at subsidiaries.

Consolidated OCF was at the level of PLN +14.5mn vs. +2.8mn a year earlier, mainly due to the positive impact of the change in working capital (+7.9mn vs. +1.0mn a year earlier). Cash levels fell at the consolidated level to PLN 13.1mn and at the standalone level to PLN 8.8mn



Source: Atende, Pekao Equity Research

IT security incident

On 4.10.24, the company's management became aware of an IT security incident and data leakage from the company network. According to the management's position, the incident does not affect the company's operational performance and no claims have been received from customers in this regard to date.

Another extension of the contract with PGE

In November '24, the company announced a further change in the schedule for the pilot implementation in the billing and CRM system integration project for PGE Obrót S.A. and PGE Dystrybucja S.A., carried out by the company and A2 CC. Due to delays, the implementation of the pilot phase is now planned for February '25e.

Valuation

Valuation method

Our valuation is based 100% on the DCF method, and a comparative valuation is presented for informational purposes only (0% weighting). We also decided to mark to market minority interests in Omnichip and Phoenix Systems, whose profile is different in nature from the group's core business.

Atende: Summary

Method	Price (PLN)	Weight (%)
12M DCF method	2.3	100%
12M peers valuation	4.0	0%
12M cena docelowa	**2.3**	
Current price	2.6	
Upside/downside (%)	-12.7%	

Source: Pekao Equity Research.

Peers valuation

		P/S			EV/EBITDA			P/E		
Compay name	**Ticker**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**
Capgemini SE	CAP FP Equit	1.2	1.2	1.1	8.8	8.5	8.0	12.9	12.8	11.8
Tieto OYJ	TIETO NO Equ	0.7	0.7	0.7	6.9	6.5	6.3	8.7	8.3	7.8
Sopra Steria Group	SOP FP Equit	0.6	0.6	0.6	7.3	7.0	6.7	9.9	9.2	8.5
Computacenter PLC	CCC LN Equit	0.4	0.3	0.3	6.5	6.1	5.7	13.6	12.4	11.6
Accenture PLC	ACN US Equit	3.5	3.3	3.1	18.5	17.0	15.8	30.3	28.3	25.8
Asseco Poland	ACP PW Equi	0.4	0.4	0.4	5.1	4.8	4.5	15.3	13.0	11.4
Asseco BS	ABS PW Equi	4.3	N/A	3.6	11.6	N/A	N/A	N/A	N/A	N/A
Cognizant	CTSH US Equ	2.0	1.9	1.8	11.3	10.4	9.7	17.3	16.2	14.8
Mediana		**1.0**	**0.7**	**0.9**	**8.0**	**7.0**	**6.7**	**13.6**	**12.8**	**11.6**
Atende		**0.3**	**0.3**	**0.3**	**6.0**	**6.0**	**5.3**	**33.7**	**44.4**	**23.2**
Premium/discount		*215%*	*143%*	*222%*	*34%*	*17%*	*26%*	*-60%*	*-71%*	*-50%*
Implied value PLN		**8.3**	**6.4**	**8.5**	**3.6**	**3.1**	**3.3**	**1.1**	**0.8**	**1.3**

Source: Bloomberg, Pekao Equity Research

Shares in Omnichip

Our assumptions for the company's valuations:

PLN mn	2024e	2025e	2026e
Revenues	5.4	5.9	6.6
EBITDA	1.9	2.1	2.3
EBIT	1.5	1.7	1.9
Net income	1.2	1.4	1.5
Net debt	-2.5	-2.5	-2.5

Source: Pekao Equity Research

Peers valuation

			P/S			EV/EBITDA			P/E		
Company	**Krótki opis spółki**	**Ticker**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**
Realtek Semiconductor Corp	IC designer, tester and distributor	2379 TT Equit	2.1	1.9	1.7	11.9	10.6	9.0	16.2	14.7	12.6
Mediatek Inc	R&D, semiconductor manufacturing and sales	2454 TT Equit	3.8	3.4	2.9	15.1	13.5	11.5	19.1	17.7	15.1
AT&S	Manufacturer of PCBs and substrates for semiconductors	ATS AV Equit	0.3	0.3	0.2	7.7	8.4	4.6	N/A	N/A	16.4
Synopsys Inc	IP and software for chip manufacturing	SNPS US Equ	13.7	12.2	10.8	33.8	30.7	27.1	41.7	36.8	31.7
Cadence Design Systems Inc	IP, software, hardware for chip manufacturing	CDNS US Equ	18.0	15.9	14.2	41.5	34.7	29.7	51.4	44.4	38.5
Median			**3.8**	**3.4**	**2.9**	**15.1**	**13.5**	**11.5**	**30.4**	**27.2**	**16.4**
Omnichip (value mnPLN)			**20.6**	**20.0**	**19.1**	**31.7**	**30.8**	**28.7**	**37.4**	**37.1**	**24.8**
ATD share			*55%*	*55%*	*55%*	*55%*	*55%*	*55%*	*55%*	*55%*	*55%*
Omnichip - ATD share (mnPLN)			*11.34*	*11.02*	*10.49*	*17.44*	*16.91*	*15.79*	*20.60*	*20.41*	*13.65*
Omnichip - minorities ATD (mnPLN)			*9.28*	*9.02*	*8.59*	*14.27*	*13.84*	*12.92*	*16.85*	*16.70*	*11.17*
Omnichip - minorities (mnPLN)							**12.5**				

Source: Bloomberg, Pekao Equity Research

Shares in Phoenix Systems

Our assumptions for the company's valuations:

PLN mn	2024e	2025e	2026e
Revenues	5.9	6.5	7.1
EBITDA	1.9	1.0	1.1
EBIT	1.5	0.6	0.7
Net income	1.2	1.3	1.4
Net debt	0.4	0.4	0.4

Source: Pekao Equity Research

Peers valuation

			P/S			EV/EBITDA			P/E		
Company	**Description**	**Ticker**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**
Kontron AG	IoT solutions for business	KTN GY Equity	0.6	0.5	0.5	7.5	6.3	5.6	11.3	8.8	7.7
Cancom SE	IoT solutions for business	COK GR Equi	0.4	0.4	0.4	7.7	7.2	6.6	18.8	16.1	13.7
Seco SPA	IoT systems and solutions for various industries	IOT IM Equity	1.3	1.1	1.0	12.6	8.2	6.7	N/A	26.3	16.0
Alarm.com	Provides IoT solutions (i.a. home)	ALRM US Equ	3.4	3.2	3.1	17.3	16.0	14.3	29.3	28.2	25.6
Johnson Controls PLC	Provides IoT solutions (min. smart building)	JCI US Equity	2.0	2.4	2.2	14.4	16.3	14.9	22.8	24.0	20.3
Median total			**1.3**	**1.1**	**1.0**	**12.6**	**8.2**	**6.7**	**20.8**	**24.0**	**16.0**
Omnichip (value mnPLN)			**7.7**	**7.4**	**7.2**	**23.5**	**8.0**	**6.9**	**23.9**	**30.2**	**22.1**
ATD share			*51%*	*51%*	*51%*	*51%*	*51%*	*51%*	*51%*	*51%*	*51%*
Phoenix Systems - ATD share (mnPLN)			*3.92*	*3.78*	*3.68*	*11.96*	*4.06*	*3.50*	*12.20*	*15.39*	*11.25*
Phoenix Systems - minorities ATD (mnPLN)			*3.77*	*3.63*	*3.54*	*11.49*	*3.90*	*3.36*	*11.72*	*14.79*	*10.81*
Phoenix Systems - minorities (mnPLN)							**7.45**				

Source: Bloomberg, Pekao Equity Research

The key assumptions incorporated in our DCF valuation model are as follows:

- Risk-free rate of 5.6% from 2025-30e and 4.0% in the residual period.
- Capital risk premium of 6.0% from 2025-30e and 5.0% in the residual period.
- Beta ratio of 1.0.
- A credit margin of 2.5%.
- An effective income tax rate of 23.9%.
- Dynamic weighting of equity and debt capital in the calculation of the weighted cost of capital (WACC).
- Non-controlling interests based on market valuation of Omnichip and Phoenix Systems.
- Residual period growth rate of 2.0% - taking into account the capital reinvestment rate.

Rating ESG

TMT	E	S	G
Score	0.26	0.60	1.00
Sector weight	20%	40%	40%
Final ESG Score		**0.69**	
ESG Rating		**C**	

	score from:	to	Rating	WACC risk premium impact (% of RFR)
ESG Score	1.5	2	**A**	-15.00%
	1	1.5	**B**	-7.50%
	0.5	1	**C**	0%
	0	0.5	**D**	15.00%

WACC calculation

	2025e	2026e	2027e	2028e	2029e	2030e	Terminal Year
Risk free rate	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	4.0%
Equity risk premium	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	5.0%
ESG discount/premium	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Beta	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Cost of equity	**11.6%**	**11.6%**	**11.6%**	**11.6%**	**11.6%**	**11.6%**	**9.0%**
Cost of debt	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	6.5%
After-tax cost of debt	**6.2%**	**6.2%**	**6.2%**	**6.2%**	**6.2%**	**6.2%**	**4.9%**
Equity weight	77%	78%	79%	81%	82%	83%	83%
WACC	**10.4%**	**10.4%**	**10.5%**	**10.5%**	**10.6%**	**10.7%**	**8.3%**

DCF valuation

(PLN mn)	2025e	2026e	2027e	2028e	2029e	2030e	Terminal Year
Revenues	327	340	354	368	383	399	406
EBIT	4.8	7.4	11.2	11.7	12.1	12.6	12.9
Taxes on EBIT	-1.1	-1.8	-2.7	-2.8	-2.9	-3.0	-3.1
NOPAT	**3.6**	**5.6**	**8.5**	**8.9**	**9.2**	**9.6**	**9.8**
Depreciation and assets write-offs	11.1	9.7	9.1	8.8	8.9	9.1	9.1
Change in NWC	0.7	-0.8	-0.8	-0.8	-0.9	-0.9	-0.9
Capital expenditures	-7.9	-8.2	-8.6	-8.9	-9.3	-9.7	-10.1
FCFF	**7.5**	**6.3**	**8.2**	**8.0**	**8.0**	**8.1**	**7.8**
Terminal value growth							*2.0%*
Terminal value							126.0
Discount factor	*0.91*	*0.82*	*0.74*	*0.67*	*0.61*	*0.55*	*0.51*
Discounted free cash flow	6.8	5.1	6.1	5.3	4.8	4.5	*67.8*
Enterprise value	**100.5**						
Minorities (market value)	20.0						
Net debt (31.12.24)	5.1						
Other adjustments	0.0						
Equity value	**75.4**						
Number of shares (mn)	36.3						
12M target price per share (PLN)	**2.3**						
Share price as of 29.11.24 (PLN)	2.6						
Upside/Downside vs. current price	*-12.7%*						

Revenues growth	3%	4%	4%	4%	4%	4%	2.0%
EBIT margin	1.5%	2.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Tax rate	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%	23.9%
Capex/revenues	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.5%
Capex/depreciation	71.3%	85.0%	94.8%	100.9%	104.6%	106.6%	111.9%

Sensitivity of 12M target price per share to Terminal value growth & WACC

Terminal value growth/WACC	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
6.3%	2.5	2.7	3.0	3.3	3.7	4.2	4.9
7.3%	2.2	2.3	**2.5**	**2.7**	**3.0**	3.3	3.7
8.3%	1.9	2.0	**2.2**	**2.3**	**2.5**	2.7	3.0
9.3%	1.7	1.8	**1.9**	**2.0**	**2.2**	2.3	2.5
10.3%	1.6	1.6	1.7	1.8	1.9	2.0	2.2

Sensitivity of 12M target price per share to key drivers' of company earnings

TV EBIT margin/WACC in Terminal Year	0.2%	1.2%	2.2%	3.2%	4.2%	5.2%	6.2%
6.3%	0.3	3.2	2.5	3.2	4.0	4.8	5.6
7.3%	0.3	1.6	**2.0**	**2.7**	**3.4**	4.1	4.8
8.3%	0.3	1.2	**1.7**	**2.3**	**2.9**	3.5	4.1
9.3%	0.3	0.9	**1.5**	**2.0**	**2.6**	3.1	3.7
10.3%	0.3	0.8	1.3	1.8	2.3	2.8	3.3

Source: Pekao Equity Research

Risk factors

Economic environment risk. The company's business is dependent on the condition of the domestic and global economies, which affects the financial results and the amount of IT budgets of companies. Increase in economic uncertainty may also affect the amount of IT investments.

Currency risk. The Group imports IT equipment that is settled in foreign currencies (mainly EUR and USD), which implies currency risk. To mitigate the risk, the Company uses hedging instruments at a level of at least 90.0% of foreign currency transactions.

Risk of losing key employees. The company's operations include, among others, IT specialists, which means that their loss could expose the company to the risk of delays in the execution of contracts and the acquisition of new ones.

Delivery delays. The Group's business is based on IT equipment through which it is exposed to the risk of delays, loss of contracts and problems with acquiring new ones in the situation of disruptions in supply chains.

Competition risk. The Group operates in a highly fragmented market for ICT services, which may adversely affect financial performance and force continuous innovation.

Risk of losing a key customer and concentration of orders. The group sells services to large entities and public customers. In 2023, the share of two customers exceeded 10% of the parent company Atende's sales revenue. Revenues from a public sector client amounted to PLN 40.6 million, representing a 14% share of the Company's sales. Revenues from a telecommunications customer amounted to PLN 37.5 million, representing a 12.9% share of the Company's sales.

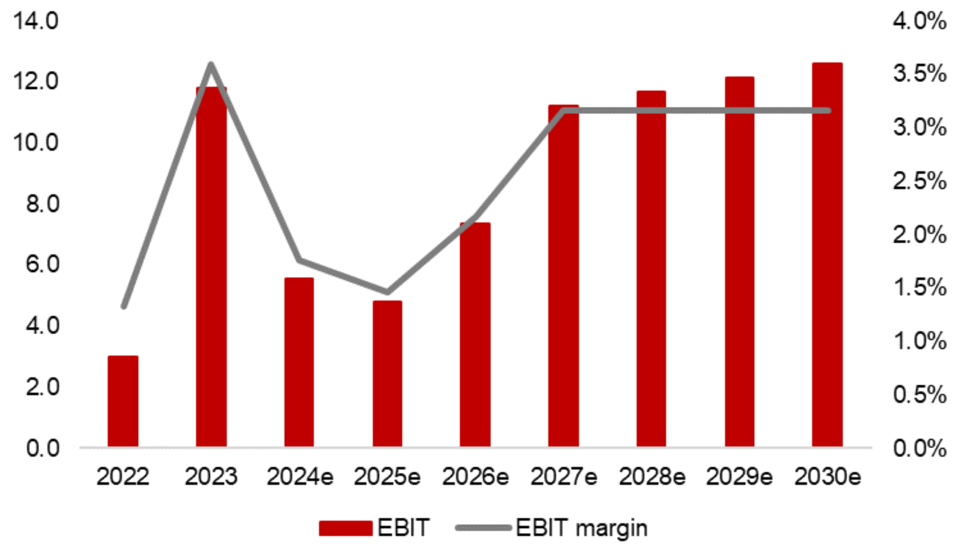
Risks associated with operations with defense customers. The Group sells a portion of its services, where the requirement is to have clearance to access classified information with the highest clauses. Loss of such clearances could expose the company to loss of customers and revenue from this area.

Risks associated with winning new contracts. The Group operates in a sector where the majority of contracts are awarded through tenders and competitive pricing pressures can result in loss of orders and have a negative impact on margins.

Cyber security risks. In the event of an IT security incident and data leakage, the group is exposed to compensation and reputational risks, which could lead to the loss of customers and a claim in this respect.

Update of forecasts

While we assume a slight increase in revenues in ‘25e to a level similar to that of ’23, prolonged work on the PGE contract and persistently high SG&A costs will negatively impact the group's profitability, consequently burdening the operating margin (we assume 1.5% vs. 3.0% previously). **We forecast that subsequent periods will see a recovery in profitability due to the larger share of proprietary services in the group's portfolio and the absence of the negative impact of the PGE contract on earnings (target 3.2% in 27e).**



Source: Pekao Equity Research

A summary of the changes to our forecasts vs. the initiating report is presented in the table below:

	2024e			2025e			2026e		
	Earlier	Now	change	Earlier	Now	change	Earlier	Now	change
Revenues	335.7	316.4	-5.7%	349.0	326.8	-6.4%	362.8	340.2	-6.2%
EBITDA	19.7	16.9	-14.3%	20.0	15.9	-20.4%	22.4	17.1	-23.7%
EBIT	9.3	5.6	-40.3%	11.2	4.8	-57.3%	14.4	7.4	-48.8%
Net income	5.7	2.8	-50.4%	7.2	2.2	-70.0%	9.6	4.1	-57.2%

Source: Pekao Equity Research

P&L (PLN mn)	2021	2022	2023	2024e	2025e	2026e	2027e
Revenues	**205**	**226**	**328**	**316**	**327**	**340**	**354**
Gross Profit	**48**	**54**	**67**	**66**	**72**	**79**	**86**
Other Operating Income/Cost	-48	-51	-55	-60	-67	-72	-75
EBITDA	**10**	**13**	**22**	**17**	**16**	**17**	**20**
EBIT	**0**	**3**	**12**	**6**	**5**	**7**	**11**
Financial Income/(Cost)	-1	-1	-1	-2	-2	-2	-2
Pretax Profit	**-1**	**-1**	**2**	**4**	**3**	**5**	**9**
Income Tax	0	0	-1	-1	-1	-1	-2
Net Income	**-1**	**2**	**7**	**3**	**2**	**4**	**7**
EPS (PLN)	**-0.03**	**0.05**	**0.20**	**0.08**	**0.06**	**0.11**	**0.19**

Balance Sheet (PLN mn)	2021	2022	2023	2024e	2025e	2026e	2027e
Total Current Assets	**117**	**109**	**153**	**137**	**124**	**132**	**141**
Cash and Equivalents	10	17	34	19	25	30	37
Other Current Assets	107	91	119	118	99	102	105
Total Fixed Assets	**61**	**55**	**65**	**67**	**64**	**62**	**62**
Tangible Assets	27	24	23	25	22	21	20
Other Fixed Assets	33	31	41	42	42	42	42
Total Assets	**178**	**164**	**218**	**204**	**188**	**194**	**203**
Stockholders` Equity	**73**	**75**	**82**	**80**	**82**	**86**	**93**
Long Term Liabilities	**19**	**13**	**25**	**22**	**22**	**22**	**22**
Long -Term Debt	8	4	7	9	9	9	9
Other Long - Term liabilities	12	9	18	14	14	14	14
Short Term Liabilities	**85**	**76**	**110**	**101**	**83**	**85**	**87**
Short -Term Debt	8	10	15	16	16	16	16
Other Current Liabilities	77	66	96	86	68	70	72
Total Equity & Liabilities	**178**	**164**	**218**	**204**	**188**	**194**	**203**
Net debt	7	-3	-12	5	-1	-6	-12

Cash Flow (PLN m)	2021	2022	2023	2024e	2025e	2026e	2027e
Net Profit	-1	2	7	3	2	4	7
Depreciation and Amortisation	10	10	11	11	11	10	9
Other (incl. WC)	-34	3	5	-12	5	3	3
Operating Cash Flows	**-25**	**15**	**23**	**3**	**18**	**17**	**19**
Capital Expenditures	-7	-6	-8	-8	-8	-8	-9
Other	2	0	-1	0	0	0	0
Cash Flows from Investing Activities	**-5**	**-6**	**-8**	**-8**	**-8**	**-8**	**-9**
Dividends paid	-36	0	0	-5	0	0	0
Other	-14	-2	3	-5	-4	-4	-4
Cash Flows from Financing Activities	**-51**	**-2**	**3**	**-10**	**-4**	**-4**	**-4**
Change in Cash	-81	8	17	-15	6	5	7
Cash at the end of period	**10**	**17**	**34**	**19**	**25**	**30**	**37**
DPS (PLN)	1.00	0.00	0.00	0.14	0.00	0.00	0.00
Y/Y growth ratios							
Revenues	-30%	10%	45%	-4%	3%	4%	4%
EBITDA	-71%	30%	74%	-25%	-6%	7%	19%
EBIT	-99%	1928%	293%	-53%	-14%	54%	52%
Net profit	-109%	-249%	310%	-62%	-24%	91%	71%
EPS	-109%	-249%	310%	-62%	-24%	91%	71%
Margins							
EBITDA	**4.8%**	**5.7%**	**6.8%**	**5.3%**	**4.9%**	**5.0%**	**5.7%**
EBIT Margin	0.1%	1.3%	3.6%	1.8%	1.5%	2.2%	3.2%
Net Margin	-0.6%	0.8%	2.3%	0.9%	0.7%	1.2%	2.0%
ROE	**-1.7%**	**2.4%**	**9.0%**	**3.5%**	**2.6%**	**4.8%**	**7.5%**
Balance Sheet Ratios							
BVPS (PLN)	2.0	2.1	2.3	2.2	2.3	2.4	2.6
Net debt/EBITDA	0.7	-0.2	-0.5	0.3	-0.1	-0.3	-0.6
Bank Debt/Equity	22.1%	18.9%	26.8%	30.2%	29.4%	28.0%	25.9%

Source: Pekao Equity Research

Key financial data

Tabela wskaźnikowa (PLN)	2021	2022	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e
EPS, GAAP	**-0.03**	**0.0**	**0.2**	**0.1**	**0.1**	**0.1**	**0.2**	**0.2**	**0.2**	**0.2**
Revenue	**205**	**226**	**328**	**316**	**327**	**340**	**354**	**368**	**383**	**399**
Gross Margin %	23.5%	24.0%	20.4%	20.8%	22.1%	23.3%	24.3%	24.3%	24.3%	24.3%
EBIT	**0.1**	**3.0**	**11.8**	**5.6**	**4.8**	**7.4**	**11.2**	**11.7**	**12.1**	**12.6**
EBITDA	**9.9**	**12.9**	**22.4**	**16.9**	**15.9**	**17.1**	**20.3**	**20.5**	**21.0**	**0.0**
Net Income, GAAP	**-1.2**	**1.8**	**7.4**	**2.8**	**2.2**	**4.1**	**7.0**	**7.4**	**7.7**	**8.1**
Net Debt	7	-3	-12	5	-1	-6	-12	-19	-25	-32
BPS	2.02	2.07	2.27	2.21	2.27	2.38	2.57	2.78	2.99	3.21
DPS	1.00	0.00	0.00	0.14	0.00	0.00	0.00	0.00	0.00	0.00
Return on Equity %	-1.7%	2.4%	9.0%	3.5%	2.6%	4.8%	7.5%	7.3%	7.1%	6.9%
Return on Assets %	-0.7%	1.1%	3.4%	1.4%	1.1%	2.1%	3.5%	3.5%	3.5%	3.5%
Depreciation	10	10	11	11	11	10	9	9	9	9
Amortization	0	0	0	0	0	0	0	0	0	0
Free Cash Flow	-33	9	15	-5	10	9	11	10	10	11
CAPEX	-7	-6	-8	-8	-8	-8	-9	-9	-9	-10

Source: Atende ('21-23), Pekao Equity Research

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Lukas Cinikas	Analyst	Atende	n.a.	n.a.	n.a.	n.a.

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Discount models are characterized by simultaneous and comprehensive consideration of key determinants of intrinsic value, e.g. operating cash flow, capex, cost of capital (WACC). They are theoretically appealing and provide a direct computation of intrinsic value. However, discount model valuations are highly sensitive to changes in assumptions, particularly the risk free rate and terminal growth rate. Moreover, projections cannot be stated with certainty; unforeseen future events can cause income or earnings projections to be invalid.

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EPS – „Earnings per Share", i.e. net profit per share.
BVPS – „Book Value per Share".
FWD – „Forward" - stands for the ratio (eg. P/E) calculated on the basis of the expected results.
DPS – „Dividend per Share".
DY – "Dividend Yield", a ratio calculated as dividends per share divided by the current share price.
EBIT – „Earnings Before Interest and Taxes".
EBITDA - „Enterprise Value / Earnings Before Interest, Taxes, Depreciation and Amortization".
EV/EBITDA – "Enterprise Value / Earnings Before Interest, Taxes, Depreciation and Amortization" is the company's market capitalization (price x number of shares) increased by the value of net financial debt and the value of minority shareholders divided by the operating result increased by the value of the company's asset depreciation.
AGM – Annual General Meeting