

Thursday, 27 February 2025 | special comments

Artifex Mundi: February 2025 Revenue Estimate

Current price: PLN 19.00

ART PW; ARTP.WA | Gaming, Poland

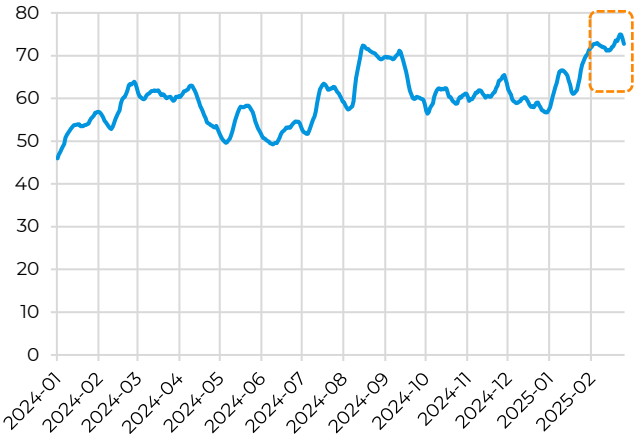
Analyst: Piotr Poniatowski +48 509 603 046

Our February 2025 revenue estimates for Artifex Mundi point to a small, 2% decline relative to January. It is worth remembering that February is three days shorter than January, and that seasonality will have shaved around 10% off the monthly sales. Also weighing slightly on February revenues was the USDPLN exchange rate. A comparison of average daily sales points to an 8% sales rebound in February compared to January, which makes the current month's results look promising.

The 7-day moving average is on a rising trajectory, and, despite a slight dip this week, the current momentum bodes well for March. In addition, March seasonality will be supportive for sales as there will be three more days than in February.

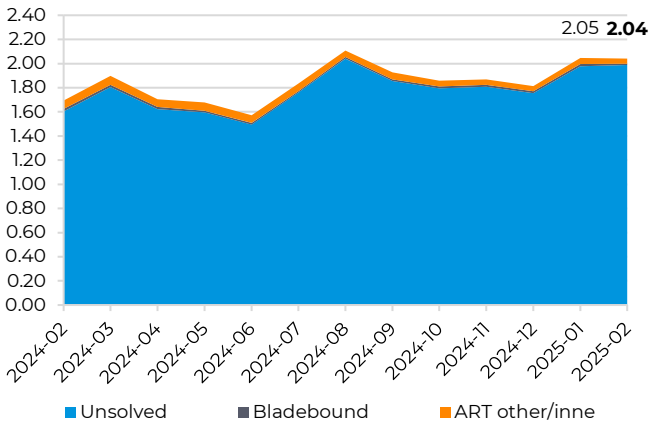
We attribute February's strong sales performance to Artifex Mundi raising its marketing expenses in January, which probably continued in February. We expect ART to achieve the highest monthly revenue in February among Polish mobile developers.

7-day moving average of revenue estimates for Artifex Mundi (\$1,000)



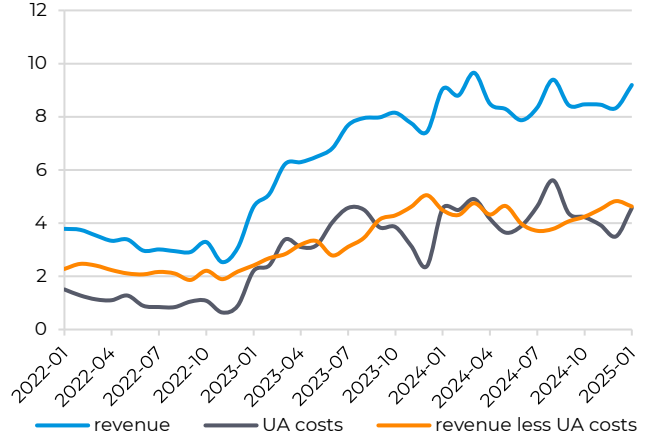
Source: AppMagic, mBank

Estimated monthly net revenue of Artifex Mundi (\$ million)



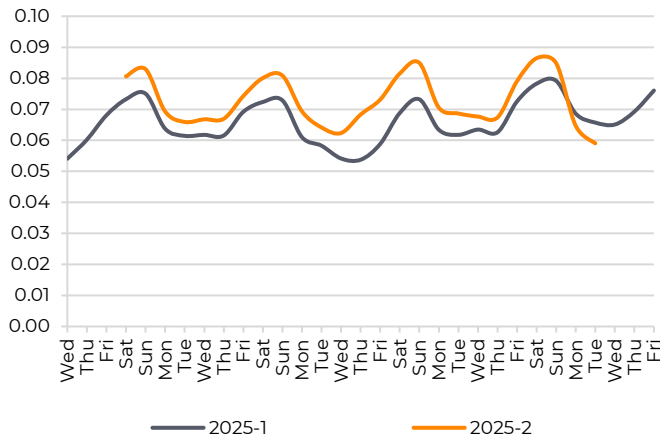
Source: AppMagic, mBank

Reported Artifex Mundi monthly revenue and user acquisition expenses (PLN m)



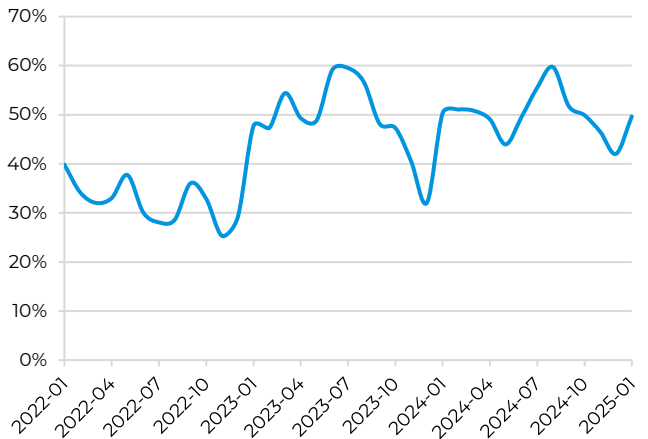
Source: AppMagic, mBank

Comparison of estimated daily net revenue of Artifex Mundi – current vs previous month (\$ million)



Source: AppMagic, mBank

Unsolved user acquisition expenses/revenue ratio



Source: AppMagic, mBank

List of abbreviations and ratios contained in the report:

EV (Enterprise Value) – Equity Value + Net Debt; **EBIT** – Earnings Before Interest and Taxes; **EBITDA** – EBIT + Depreciation & Amortisation; **Net Debt** – Borrowings + Debt Securities + Interest-Bearing Loans - Cash and Cash Equivalents; **P/E** (Price/Earnings) – Price Per Share Divided by Earnings Per Share; **P/CE** (Price to Cash Earnings) – Price Per Share Divided by Earnings + Depreciation & Amortisation; **P/B** (Price to Book Value) – Price Per Share Divided by Book Value Per Share; **P/CF** (Price to Cash Flow) – Price Divided by Cash Flow from Operations; **ROE** (Return on Equity) – Earnings Divided by Shareholders' Equity; **ROCE** (Return on Capital Employed) – EBIT x (Average Assets - Current Liabilities); **ROIC** (Return on Invested Capital) – EBIT x (1-Tax Rate) / (Average Equity + Minority Interest + Net Debt); **FCFF** (Free Cash Flow to Firm) – Cash Flow from Operations - CAPEX - Lease Payments; **FCFE** (Free Cash Flow to Equity) – Free Cash Flow to Firm - Net Interest Expense (incl. Debt + Leases); **EBITDA margin** – EBITDA/Sales

OVERWEIGHT (OW) – a rating which indicates that we expect a stock to outperform the broad market

NEUTRAL (N) – a rating which indicates that we expect the stock to perform in line with the broad market

UNDERWEIGHT (UW) – a rating which indicates that we expect the stock to underperform the broad market

Recommendations of Biuro maklerskie mBanku:

A recommendation is valid for a period of 12 months, unless a subsequent recommendation is issued in this period. Expected returns from individual recommendations are as follows:

BUY – we expect that the rate of return from an investment will be at least 10%

HOLD – we expect that the rate of return from an investment will range from 0% to +10%

SELL – we expect that an investment will bear a loss

The foregoing principle may be waived where circumstances warrant, including but not limited to periods of increased share price volatility experienced by the company that is the subject of a recommendation immediately preceding the time the recommendation is issued.

Recommendations are updated at least once every twelve months.

mBank S.A. with its registered office in Warsaw at Prosta 18 renders brokerage services via a dedicated organisational unit, the Brokerage Bureau, which uses the Polish name Biuro maklerskie mBanku.

mBank S.A. as part of the Exchange's Analytical Coverage Support Programme ("Programme", <https://www.gpw.pl/eacsp>) prepares analytical reports for Sygnty. These documents are prepared at the request of Gielda Papierów Wartościowych w Warszawie S.A. (WSE), which is entitled to copyrights to these materials. mBank S.A. receives remuneration from the WSE for the preparation of the reports. All documents prepared for the Programme are available at:

https://www.mdm.pl/ui-pub/site/market_and_analysis/analysis_and_recommendations/analytical_coverage_support_programme

This document has been created and published by Biuro maklerskie mBanku. The present report expresses the knowledge as well as opinions of the authors on day the report was prepared. The opinions and estimates contained herein constitute our best judgment at this date and time, and are subject to change without notice. The present report was prepared with due care and attention, observing principles of methodological correctness and objectivity, on the basis of sources available to the public, which Biuro maklerskie mBanku considers reliable, including information published by issuers, shares of which are subject to recommendations. However, Biuro maklerskie mBanku, in no case, guarantees the accuracy and completeness of the report, in particular should sources on the basis of which the report was prepared prove to be inaccurate, incomplete or not fully consistent with the facts. mBank S.A. bears no responsibility for investment decisions taken on the basis of the present report or for any damages incurred as a result of investment decisions taken on the basis of the present report.

This document does not constitute an offer or invitation to subscribe for or purchase any financial instruments and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. It is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. This document does not constitute investment, legal, accounting or other advice, and mBank is not liable for damages resulting from or related to the use of data provided in the documents. This document may not be copied, duplicated and/or be directly or indirectly distributed in the United States, Canada, Australia or Japan, nor transferred to citizens or residents of a state where its distribution may be legally restricted, which does not limit the possibility of publishing materials prepared for the Programme on Sygnty, mBank or WSE websites. Persons who disseminate this document should be aware of the need to comply with such restrictions.

Recommendations are based on essential data from the entire history of a company being the subject of a recommendation, with particular emphasis on the period since the previous recommendation.

Investing in shares is connected with a number of risks including, but not limited to, the macroeconomic situation of the country, changes in legal regulations as well as changes on commodity markets. Full elimination of these risks is virtually impossible.

mBank S.A. bears no responsibility for investment decisions taken on the basis of the present report or for any damages incurred as a result of investment decisions taken on the basis of the present report.

It is possible that mBank S.A. in its brokerage activity renders, will render or in the past has rendered services for companies and other entities mentioned in the present report.

BM, as a separate organisational unit of the Bank, may buy or sell (or may have bought or sold in the past) the financial instruments discussed herein in the name and on behalf of clients subject to powers of attorney granted by the clients.

mTFI may hold (or may have held in the past) positions in the financial instruments discussed herein, or in related instruments, held in the investment portfolios of funds operated or managed by mTFI.

The Bank may hold (or may have held in the past) positions in the financial instruments discussed herein, or in related instruments, held in the trading portfolios or banking portfolios managed by the Bank.

The Bank and other members of the Bank's group of companies may hold (or may have held in the past) positions in the financial instruments discussed herein, or in related instruments, held in portfolios they manage.

mBank S.A. does not rule out offering brokerage services to an issuer of securities being the subject of a recommendation.

Biuro Maklerskie mBanku S.A. ("BM") has put in place internal regulations governing the active management of conflicts of interest, which establish internal organizational and administrative frameworks and information barrier protocols to prevent and avoid conflicts of interest in connection with recommendations. Different types of brokerage activities are separated from each other within BM's internal organizational structure, including the equity research department, which is separated from other brokerage activities. Information barriers, called "Chinese walls," have been created to restrict the exchange of information between different organizational units and employees of BM.

Information about any conflicts of interest that may arise in connection with the issuance of recommendations (should such a conflict exist) is provided below, and it is valid as of the date of the most recent *Monthly Report* published by Biuro maklerskie mBanku or as of the date of the most recent recommendation issued for an Issuer, as applicable.

This document was not transferred to the issuers prior to its publication.

Alior Bank SA, Amica SA, Answear.com SA, Bank Handlowy w Warszawie SA, Bank Millennium SA, Bank Polska Kasa Opieki SA, BNPP Bank Polska SA, Captor Therapeutics, CD Projekt SA, Cyber Folks SA, Develia, Erste Group Bank AG, ING Bank Śląski SA, KRUK SA, NEUCA, Powszechna Kasa Oszczędności Bank Polski SA, Powszechny Zakład Ubezpieczeń SA, Raiffeisen Bank International, Santander Bank Polska SA, Sygnty SA, UNIMOT, Wirtualna Polska Holding SA, XTB SA, ZABKA GROUP SOCIÉTÉ ANONYME are clients of Biuro maklerskie mBanku.

Alior Bank SA, Amica SA, Answear.com SA, Asseco Poland SA, Atal, Bank Handlowy w Warszawie SA, Bank Millennium SA, Bank Ochrony Środowiska SA, Bank Polska Kasa Opieki SA, BENEFIT SYSTEMS, BNPP Bank Polska SA, Captor Therapeutics, CCC SA, CD Projekt SA, Ciech SA, ComArch SA, Cyber Folks SA, Cyfrowy PolSat SA, Develia, Dino Polska SA, Dom Development, Enea SA, Eurocash SA, Forte SA, Gielda Papierów Wartościowych w Warszawie SA, Grupa Azoty SA, Grupa Kęty SA, Grupa Pracuj SA, ING Bank Śląski SA, Inter Cars SA, Jastrzębska Spółka Węglowa SA, KGHM Polska Miedź SA, Komercyjny Bank AS, KRUK SA, LPP SA, Mabion, Mo-BRUK SA, Orange Polska SA, ORLEN SA, OTP Bank Nyrt, PGE Polska Grupa Energetyczna, Photon Energy NV, Polenergia SA, Powszechna Kasa Oszczędności Bank Polski SA, Powszechny Zakład Ubezpieczeń SA, Raiffeisen Bank International, Sanok Rubber Company SA, Santander Bank Polska SA, Selvita, Shoper SA, Tauron Polska Energia SA, TEXT, UNIMOT, Vercom SA, VRG SA, Wirtualna Polska Holding SA, XTB SA are clients of mBank S.A.

11 bit studios SA, BIOCELTIX, Murapol SA, TEN Square Games SA were clients of Biuro maklerskie mBanku/mBank S.A. in the last 12 months.

Alior Bank SA, Amica SA, Answear.com SA, Asseco Business Solutions SA, Asseco Poland SA, Atal, Bank Handlowy w Warszawie SA, Bank Millennium SA, Bank Ochrony Środowiska SA, Bank Polska Kasa Opieki SA, BENEFIT SYSTEMS, BIOCELTIX, BNPP Bank Polska SA, Captor Therapeutics, CCC SA, CD Projekt SA, Ciech SA, ComArch SA, Cyber Folks SA, Cyfrowy PolSat SA, Develia, Dino Polska SA, Dom Development, Enea SA, Erste Group Bank AG, Eurocash SA, Forte SA, Gielda Papierów Wartościowych w Warszawie SA, Grupa Azoty SA, Grupa Kęty SA, Grupa Pracuj SA, HUUUGE Inc, ING Bank Śląski SA, InPost SA, Inter Cars SA, Jastrzębska Spółka Węglowa SA, KGHM Polska Miedź SA, KRUK SA, LPP SA, Mabion, Mo-BRUK SA, Murapol SA, NEUCA, Orange Polska SA, ORLEN SA, PCF Group SA, PGE Polska Grupa Energetyczna, Photon Energy NV, PlayWay SA, Polenergia SA, Powszechna Kasa Oszczędności Bank Polski SA, Powszechny Zakład Ubezpieczeń SA, Raiffeisen Bank International, Rytu Therapeutics SA, Sanok Rubber Company SA, Santander Bank Polska SA, Selvita, Shoper SA, Sygnty SA, Tauron Polska Energia SA, TEN Square Games SA, TEXT, UNIMOT, Vercom SA, VRG SA, Wirtualna Polska Holding SA, XTB SA, ZABKA GROUP SOCIÉTÉ ANONYME are counterparties to mBank S.A.

The author of this recommendation or another individual who belongs to the same group as the author of this recommendation in the last 12 months has been in charge of managing or co-managing a public offering of Amica SA, Develia, Dino Polska SA, Dom Development, KRUK SA, Santander Bank Polska SA.

mBank S.A. acts as market maker for Develia, Kruk.

mBank S.A., its shareholders and employees may hold long or short positions in the issuers' shares or other financial instruments related to the issuers' shares. mBank, its affiliates and/or clients may conduct or may have conducted transactions for their own account or for account of another with respect to the financial instruments mentioned in this report or related investments before the recipient has received this report.

Copying or publishing the present report, in full or in part, or disseminating in any way information contained in the present report requires the prior written agreement of mBank S.A. Recommendations are addressed to all Clients of Biuro maklerskie mBanku.

Recommendations are addressed to all Clients of Biuro maklerskie mBanku.

All investment recommendations and strategies issued by mBank S.A. over the last 12 months are available at: <https://mdm.pl/bm/analizy>

The activity of mBank S.A. is subject to the supervision of the Polish Financial Supervision Commission.

Individuals who did not participate in the preparation of recommendations, but had or could have had access to recommendations prior to their publication, are employees of Biuro maklerskie mBanku authorised to access the premises in which recommendations are prepared and/or individuals having to access to recommendations based on their corporate roles, other than the analysts mentioned as the authors of the present recommendations.

This publication constitutes investment research within the meaning of Art. 36.1 of Commission Delegated Regulation (EU) 2017/565.

The compensation of the research analysts responsible for preparing investment research is determined independently of and without regard to the compensation of or revenue generated by any other employee of the Bank, including but not limited to any employee whose business interests may reasonably be considered to conflict with the interests of the persons to whom the investment research prepared by the Research Department of Biuro maklerskie mBanku is disseminated. With that being said, since one of the factors taken into consideration when determining the compensation of research analysts is the degree of fulfillment of annual financial targets by customer service functions, there is a risk that the adequacy of compensation offered to persons preparing investment research will be questioned by a competent oversight body.

For U.S. persons only: This research report is a product of mBank S.A. which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by mBank S.A. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, mBank S.A. has entered into an agreement with a U.S. registered broker-dealer, Cabrera Capital Markets, ("Cabrera"). Transactions in securities discussed in this research report should be effected through Cabrera or another U.S. registered broker dealer.

Strong and weak points of valuation methods used in recommendations:

DCF – acknowledged as the most methodologically correct method of valuation; it consists in discounting financial flows generated by a company; its weak point is the significant susceptibility to a change of forecast assumptions in the model.

Relative – based on a comparison of valuation multipliers of companies from a given sector; simple in construction, reflects the current state of the market better than DCF; weak points include substantial variability (fluctuations together with market indices) as well as difficulty in the selection of the group of comparable companies.

Economic profits – discounting of future economic profits; the weak point is high sensitivity to changes in the assumptions made in the valuation model.

Discounted Dividends (DDM) – discounting of future dividends; the weak point is high sensitivity to changes in the assumptions as to future dividends made in the valuation model.

NAV – valuation based on equity value, one of the most frequently used method in case of developing companies; the weak point of the method is that it does not factor in future changes in revenue/profits of a company.

mBank S.A.

Prosta 18
00-850 Warszawa
<http://www.mbank.pl/>

Research Department

Kamil Kliszcz
director
+48 667 770 837
kamil.kliszcz@mbank.pl
energy, power generation

Michał Konarski
+48 515 025 640
michal.konarski@mbank.pl
banks, financials

Janusz Pięta
+48 506 065 659
janusz.pieta@mbank.pl
retail, e-commerce

Mateusz Krupa, CFA
deputy director
+48 571 608 973
mateusz.krupa@mbank.pl
strategy

Mikołaj Lemańczyk, CFA
+48 501 663 511
mikolaj.lemanczyk@mbank.pl
banks, financials, property developers

Beata Szparaga-Waśniewska, CFA
+48 510 929 021
beata.szparaga-wasniewska@mbank.pl
biotechnology, healthcare

Paweł Szpigiel
+48 509 603 258
pawel.szpigiel@mbank.pl
media, IT, telco, e-commerce

Piotr Poniatowski
+48 509 603 046
piotr.poniatowski@mbank.pl
gaming, leisure

Jakub Sargsyan
+48 519 419 895
marlen.sargsyan@mbank.pl
industrials, mining

Sales and Trading**Traders**

Piotr Gawron
director
+48 698 832 853 | +48 22 697 48 95
piotr.gawron@mbank.pl

Andrzej Kowalczyk
+48 789 868 634 | +48 22 697 47 44
andrzej.kowalczyk@mbank.pl

Karol Kułaj
+48 509 602 984 | +48 22 697 49 85
karol.kulaj@mbank.pl

Sales, Foreign Markets

Marzena Łempicka-Wilim
deputy director
+48 696 427 249 | +48 22 697 48 82
marzena.lempicka-wilim@mbank.pl

Private Client Sales

Maciej Sokołowski
director
maciej.sokolowski@mbank.pl

Paweł Cyłkowski
+48 503 684 130 | +48 22 697 47 31
pawel.cylkowski@mbank.pl

Andrzej Sychowski
+48 605 848 003 | +48 22 697 48 46
andrzej.sychowski@mbank.pl

Jarosław Banasiak
deputy director
jaroslaw.banasiak@mbank.pl

Piotr Brożyna
+48 512 756 702 | +48 22 697 48 47
piotr.brozyna@mbank.pl

Łukasz Płaska
+48 784 449 962 | +48 22 697 47 90
lukasz.plaska@mbank.pl