

## FLASH NOTE

# Novavis Group - Buy

Target Price: PLN 2.08 | Close as of 06/03/2025: PLN 1.38

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**Preliminary revenues for 2024**

The company has provided revenue estimates for 2024.

- **Consolidated revenues** from operations realized in 2024 amounted to PLN 4,043tsd vs. PLN 10,623tsd in 2023. - a 61.9% year-on-year decrease;

- **Unconsolidated operating** income realized in 2024 amounted to PLN 7,298tsd vs. PLN 12,115tsd in 2023 - a decrease of 39.8% y/y.

The company notes that the significantly lower standalone and consolidated results are a derivative of the **difficulties in obtaining terms and conditions for connection to the power grid faced by the entire photovoltaic project development industry in Poland. The scale of refusals to issue grid connection conditions has exceeded 99%.** Development contracts are settled on the basis of so-called milestones, where the key and percentage of the largest milestone is just obtaining a decision on connection conditions. In 2024, the Issuer has obtained connection conditions only for two small photovoltaic projects with a total capacity of about 3 MW. In the near future, the **Company expects to obtain connection conditions for projects with a total capacity of several tens of MW**, which will have a very significant impact on the Group's revenues and results.

**OPINION: SLIGHTLY POSITIVE**

*We have not yet published Novavis' forecast estimates for 4Q24. The data imply that consolidated revenues in 4Q24 amounted to PLN 0.58mn.*

*On the other hand, there is interesting information regarding possible connection conditions for a wind farm with a capacity of several tens of MW, which we believe could translate into a marked improvement in IH'25 results.*

In this document we are not changing our recommendation, forecasts, or price target for Novavis.

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