

WSE Research Coverage Support Program (PWPA 4.0)

BUY (Target Price PLN 4,95)

Analitik:

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ATM GROUP RESULTS FOR Q4 2024 AND OUR COMMENTARY

Q4 2024 results against our previous expectations [PLN m]

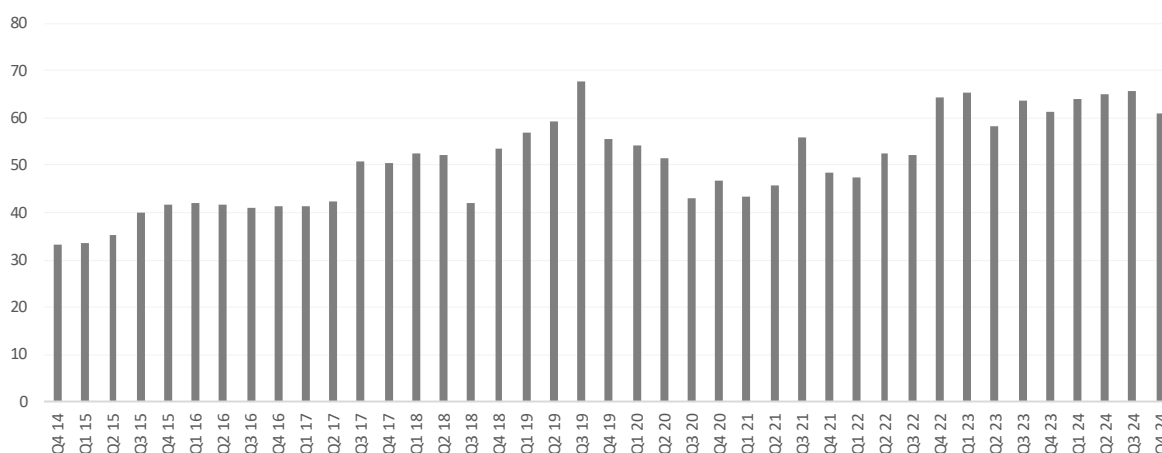
	Q4 23	Q4 24	y/y	2023	2024	y/y	Q4 24E	Q4 24 /Q4 24E
Revenues total	62,9	55,9	-11%	235,5	246,5	5%	58,1	96%
tv and movie production	39,3	33,9	-14%	148,3	153,4	3%	36,6	93%
fixed asset management	17,0	18,9	12%	70,7	80,4	14%	18,6	102%
real estate	6,3	2,8	-55%	15,3	11,6	-24%	2,6	111%
other activities	0,3	0,3	-10%	1,2	1,2	-2%	0,4	76%
EBITDA	16,1	11,1	-31%	61,3	60,9	-1%	11,8	95%
EBITDA adj.	14,9	10,3	-31%	55,7	56,3	1%	11,6	88%
tv and movie production	3,3	1,6	-52%	19,8	21,9	10%	3,3	47%
fixed asset management	7,6	7,6	-1%	31,8	33,0	4%	7,9	96%
real estate	2,2	1,6	-28%	4,4	2,1	-51%	0,6	244%
other activities	1,9	-0,4		-0,3	-0,7		-0,2	195%
EBIT	10,1	5,1	-50%	36,8	36,7	0%	5,0	101%
Financial income&costs	-0,5	-0,3		-2,3	-1,4		-0,4	92%
Results from associated companies	-0,5	-0,2		2,5	-0,4		-1,9	11%
Profit before tax	9,1	4,5	-50%	37,0	35,0	-6%	2,8	164%
Net profit for equity holders of the parent company	6,4	3,3	-48%	27,1	26,8	-1%	2,1	157%
Revenues:								
tv and movie production + fixed asset management	56,3	52,8	-6,2%	219,0	233,8	6,7%	55,2	96%
EBITDA:								
tv and movie production + fixed asset management	10,9	9,1	-16,1%	51,6	54,9	6,3%	11,2	82%

Source: Dom Maklerski BDM S.A., company data

ATM Grupa did not experience a successful end to 2024. The data presented showed weaker performance at the adjusted EBITDA and EBIT levels than our earlier expectations. The Q4 2024 report indicated a 31% year-on-year reduction in adjusted EBITDA compared to Q4 2023,. EBIT in Q4 2024 decreased from PLN 10.1m to PLN 5.1m (-50% year-on-year). The company has finally generated in Q4 2024 a net profit of PLN 3.3 million (-48% year-on-year).

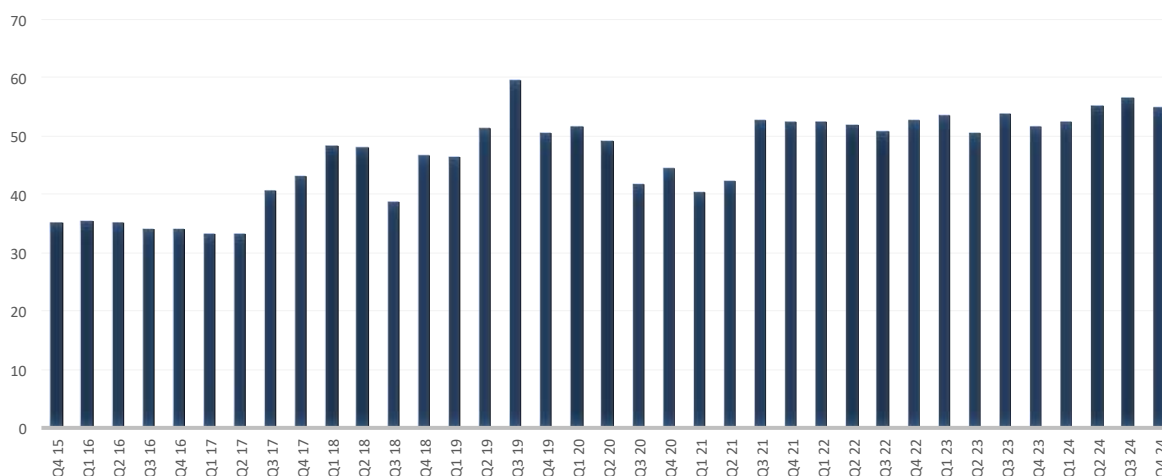
Of particular interest is the TV and film production division, which has historically been one of the weaker quarterly periods for ATM Grupa. In the fixed-asset management segment, the company demonstrated stability with a flat year-on-year reading in Q4 2024 at the level of adjusted EBITDA. The total adjusted EBITDA from the audiovisual business (the sum of the TV and film production segment and the fixed asset management segment) was PLN 9.1 million (-16.1% year-on-year). The total adjusted EBITDA from audiovisual activities in 2024 was PLN 54.9 million, representing a year-on-year increase of 6.3%.

Historical LTM EBITDA (last 4 quarters) [PLN m]



Source: Dom Maklerski BDM S.A., company data

Historical LTM EBITDA audiovisual operations (last 4 quarters) [PLN m]



Source: Dom Maklerski BDM S.A., company data

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Ratings and price targets history:

rating	price target	previous rating	previous target price	report date	report date (hour)	price	WIG
buy	4,95	buy	5,04	2025-04-25	18:03	3,85	100 157
buy	5,04	buy	4,91	2025-01-03	11:56	4,25	81 686
buy	4,91	buy	4,51	2024-04-22	10:35	3,20	83 515
buy	4,51	buy	4,95	2023-09-13	23:37	3,29	66 664
buy	4,95	buy	4,58	2023-05-22	11:23	3,45	65 398
buy	4,58	resume	---	2022-11-28	16:35	3,51	56 008
hold	4,00		4,75	16.10.2017	09:25	4,10	65 601
buy	4,75	hold	3,62	01.12.2016	09:17	3,93	48 619
hold	3,62	buy	3,92	16.02.2016		3,84	44 288
buy	3,92	accumulate	4,11	26.10.2015		3,3	51 157
accumulate	4,15	hold	3,62	01.07.2015		3,74	53 200
hold	3,62	buy	3,71	24.10.2014		3,66	53 582
buy	3,71	buy	3,54	11.06.2014		3,10	53 148
buy	3,54	accumulate	2,83	11.03.2014		3,03	51 230
accumulate	2,83	accumulate	2,06	21.10.2013		2,59	53 854
accumulate	2,06	hold	1,44	27.08.2013		1,86	49 410
hold	1,44	buy	1,43	08.04.2013		1,46	45 200
buy	1,43	buy	1,58	14.12.2012		0,93	46 653
buy	1,58	hold	2,00	12.09.2012		1,08	43 010
hold	2,00	buy	1,59	21.02.2012		2,01	42 047
buy	1,59	---	---	28.09.2011		1,16	37 826

Explanations of terminology:

EBIT - earnings before interest and tax
EBITDA — earnings before interest, taxes, depreciation, and amortization
Net debt – interest bearing debt minus cash and equivalents
WACC - weighted average cost of capital
CAGR - cumulative average annual growth
EPS - earnings per share
DPS - dividend per share
CEPS - net profit plus depreciation per share
EV – market capitalization plus interest bearing debt minus cash and equivalents
EV/S – market capitalization / sales
EV/EBITDA – EV / sales
P/EBIT – market capitalization / EBIT
MC/S – market capitalization / sales
P/E – market capitalization / net profit
P/BV – market capitalization / book value
P/CE - market capitalization / net profit plus depreciation
ROE – net profit / equity
ROA - net income / assets
Gross margin - gross profit on sales / sales
EBITDA margin – EBITDA / sales
EBIT margin – EBIT / sales
Net margin – net profit / sales

The strengths and weaknesses of the valuation methods used in the report:

DCF – the most popular and the most effective of the valuation methods - it is based on the discounting of future cash flows generated by the company. The disadvantage is the high sensitivity to changes in the basic financial parameters forecast in the model (interest rates, exchange rates, profits, residual value).

DDM – the method is based on discounting future cash flows from dividends. The advantage of the valuation is the inclusion of future financial results and cash flows from dividends. The main disadvantages are the high sensitivity to changes in the basic financial parameters forecasted in the model (capital cost, profits, residual value) and the risk of changing the dividend payment policy.

Comparative – the method is based on current and forecasted market multipliers of companies from the industry or related industries, which better than DCF shows the current market situation. The main disadvantages are the difficulty in choosing the right companies for comparison, the risk of ineffective valuation of companies compared at a given moment, as well as high volatility (along with price fluctuations).

Explanation of ratings:

Buy – we believe that the security will reach the target price in the recommended period, which significantly exceeds the current market price (at least + 15%);

Accumulate – we believe that the security will reach the target price in the recommended period, which exceeds the current market price (in the range of +5 to + 14.99%);

Hold – we believe that a security in the recommended period will fluctuate around the target price, which is close to the current market price (in the range from -4.99% to + 4.99%);

Reduce – we believe that the security will reach the target price in the recommended period, which is lower than the market price (range of decline from 5% to 14.99%);

Sell – we believe that a security in the recommended period will reach the target price, which is significantly lower than the market price (suggested erosion of the value exceeds 15%).

Target price – the theoretical price which, in our opinion, should reach a security in the recommended period; This price is the result of the company's value (eg based on DCF, comparative and other valuations), market conditions and the industry as well as other factors subjectively considered by the analyst.

Recommendations made by BDM are binding for 12 months from the issue date or until the target level is reached, unless they are updated during this period of time.

Distribution of BDM's recommendations in Q2 2025*:			, distribution of BDM's recommendations for the companies which BDM has supplied with investment banking services within the last 12 months	
	liczba	%	liczba	%
Buy	2	50%	0	0%
Accumulate	0	0%	0	0%
Hold	2	50%	0	0%
Reduce	0	0%	0	0%
Sell	0	0%	0	0%

* detailed list of all analytical reports (recommendations) published by BDM during the last 12 months is included at <https://www.bdm.pl/analizy-i-informacje/analizy/historia-rekomendacji>

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The report constitutes an investment research within the meaning of art. 36 §1 of Commission Delegated Regulation (EU) 2017/565.

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