

The report was prepared by Dom Maklerski BDM at the request of the WSE as part of the Exchange's Analytical Coverage Support Programme

			2023	2024	2025F	
Price [PLN]	5.0	P/E	74.3	47.0	37.5	Analyst: Anna Tobiasz anna.tobiasz@bdm.pl tel.: (+48) 666 073 972
MC [mln PLN]	352.0	EV/EBITDA	27.6	30.5	13.4	
		EV/EBIT	48.7	34.9	29.4	
		P/BV	3.1	2.9	2.7	

Last recommendation BDM: BUY with target price 6.1 PLN/share (2025/01/30) [LINK](#)

4Q'24 results a positive surprise

BCG segment

2024 was an intensive time of investment in BCG's production lines. The company implemented innovations not only in the new production facility and CBR, but also to increase capacity, improve profitability and change direct packaging from ampoule to vial in the existing department. These improvements allowed capacity to increase from 50,000 units (ampoules/vials) per year to 75,000. This allowed Onko BCG sales to increase significantly, both in value and volume terms (a vial is sold at a higher price). Sales volume of the vaccine was lower than we had anticipated, which was probably due to strong demand for Onko, which is produced on the same line, but we assume that this volume has been carried forward to Q1'25.

Traditional segment

Revenue from sales of Disteptase and Gamma Anty D also surprised very positively. We rated our forecasts as quite ambitious, and yet the company significantly beat our expectations. On the other hand, these increases were offset by lower revenues from sales of other products. We expected a strong Q4'24 in the "other" category, but sales showed q/q declines after a strong Q3'24.

Gross margin on sales increased from 63.8% in Q4'23 to 64.8% in Q4'24. General and administrative expenses increased from PLN 4.5m to PLN 7.8m, in line with our forecasts. In our view, maintenance costs for new buildings that are not yet in commercial operation are mainly responsible for the significant increase. Finance costs amounted to PLN 1.0m vs. our forecast of PLN 0.8m.

BDM's comment: Q4'24 results clearly beat our forecasts, both in terms of revenue and profit. The significant increase in sales allowed us to cover the high operating costs associated with maintaining the new buildings, while allowing us to generate the highest net profit since Q4'17 (the result was then significantly boosted by a one-off event). However, the increased investments caused liquidity problems, which were accentuated in Q1'25. The main reason for the turbulence was the increase in the price of Onko BCG in a vial versus an ampoule, which caused difficulties in the regulation of liabilities by one of the key customers. The need to build a stockpile and the participation in new tenders for the product in vial and the associated longer procedures resulted in postponements in deliveries to the end customer, so the company had to extend the due date. In our opinion, these problems are temporary and should not significantly affect the company's liquidity situation in the long term.

Q4'24 results [PLNm]

	Q4'23	Q4'24	y/y	Q4'24 BDM	div.	2023	2024	y/y
Sales	20.1	29.2	45.2%	26.4	10.6%	58.6	71.8	22.4%
BCG 10 anti-tuberculosis vaccine	4.0	1.9	-53.4%	2.4	-21.2%	9.2	9.8	6.4%
Onko BCG	6.8	13.7	102.5%	9.8	39.3%	17.0	26.8	57.5%
Distreptaza	6.9	9.0	31.1%	6.8	32.4%	22.5	24.5	8.7%
Gamma Anty D	1.6	3.7	137.9%	1.7	122.8%	4.8	6.2	29.4%
Lakcid	0.0	0.0		0.0		2.0	0.5	-75.0%
Other	1.0	1.0	3.8%	5.6	-82.0%	3.0	3.9	30.4%
Gross profit	12.9	19.0	47.5%	16.4	15.5%	35.2	44.3	25.8%
EBIT	6.2	9.4	52.5%	6.7	41.5%	8.6	12.4	43.7%
EBITDA	7.8	11.9	51.5%	9.2	29.3%	15.3	14.2	-7.0%
Net profit	3.9	7.0	80.3%	4.4	58.0%	4.8	7.6	58.7%
Gross margin	63.8%	64.8%		62.1%		60.0%	61.7%	
EBIT margin	30.8%	32.3%		25.3%		14.8%	17.3%	
EBITDA margin	38.9%	40.6%		34.7%		26.1%	19.8%	
Net margin	19.2%	23.8%		16.7%		8.1%	10.5%	

Source: BDM S.A., company

RESEARCH DEPARTMENT:

Maciej Bobrowski

Director

Investment Adviser

tel. (032) 208 14 12

e-mail: maciej.bobrowski@bdm.pl

Strategy, industry, media/entertainment, TMT

Krzysztof Pado

Deputy Director

Investment Adviser

tel. (032) 208 14 32

e-mail: krzysztof.pado@bdm.pl

oil&gas, construction, building materials, real estate

Anna Tobiasz

Junior analyst

Investment Adviser

tel. (032) 208 14 35

e-mail: anna.tobiasz@bdm.pl

Andrzej Wodecki

Junior analyst

Investment Adviser

tel. (032) 208 14 39

e-mail: andrzej.wodecki@bdm.pl

INSTITUTIONAL SALES DEPARTMENT:

Leszek Mackiewicz

Director

tel. (022) 62-20-848

e-mail: leszek.mackiewicz@bdm.pl

Maciej Fink-Finowicki

tel. (022) 62-20-855

e-mail: maciej.fink-finowicki@bdm.pl

Tomasz Grzeszczyk

tel. (022) 62-20-854

e-mail: tomasz.grzeszczyk@bdm.pl

Piotr Komorowski

tel. (022) 62-20-851

e-mail: piotr.komorowski@bdm.pl

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

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.

Ratings and price targets history:

rating	price target	previous rating	previous target price	report date	report date (hour)	price	WIG
Buy	6.1	Buy	6.1	30.01.2025*	15:25 CET	4.73	87 148.74
Buy	6.1	Accumulate	6.1	06.11.2024*	07:55 CET	4.30	80 271.30
Accumulate	6.1	Buy	6.5	12.07.2024*	15:50 CEST	5.62	88 398.89
Buy	6.5	Buy	6.7	10.05.2024*	08:30 CEST	4.81	87 427.54
Buy	6.7	---	---	13.09.2023*	11:30 CEST	5.2	66 571.93

* The report was prepared by Dom Maklerski BDM at the request of the WSE as part of the Exchange's Analytical Support Programme.

Distribution of BDM's recommendations in Q2'25*:

, distribution of BDM's recommendations for the companies which BDM has supplied with investment banking services within the last 12 months

	number	%	number	%
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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