

WSE Research Coverage Support Program (PWPA 4.0)

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BUY (PRICE TARGET: 76,6 PLN)

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Q1 2025 Enter Air result [mln PLN]

	Q1 24	Q1 25	y/y	Q1 2024 LTM	Q1 2025 LTM	y/y	Q1 25 E BDM	Q1 25/E BDM
Revenue	392,9	465,3	18%	2 705,0	2 998,7	11%	463,6	100%
Cost of goods sold	405,3	482,6	19%	2 492,4	2 684,1	8%	464,7	104%
Gross profit on sales	-12,4	-17,3	---	212,7	314,6	48%	-1,1	---
SG&A + operating balance	-13,5	-18,7	38%	-59,2	-62,5	6%	-17,3	---
EBITDA	35,1	40,2	14%	399,7	589,7	48%	59,5	67%
EBIT	-25,9	-35,9	---	153,4	250,7	63%	-18,5	---
Financial balance + JV	-49,4	76,2	---	31,1	-65,2	---	89,2	85%
FX differences	-16,6	101,4	---	85,8	54,4	-37%	112,7	90%
gross profit	-75,3	35,5	---	184,5	185,6	1%	70,7	50%
net profit	-64,3	27,1	---	148,6	157,0	6%	57,3	47%
net profit adj.	-47,7	-74,4	---	62,9	102,6	63%	-55,4	---
Gross sales margin	-3,2%	-3,7%	-0,6%	7,9%	10,5%	2,6%	-0,2%	-3,5%
EBITDA margin	8,9%	8,6%	-0,3%	14,8%	19,7%	4,9%	12,8%	-4,2%
EBIT margin	-6,6%	-7,7%	-1,1%	5,7%	8,4%	2,7%	-4,0%	-3,7%
net profit margin	-16,4%	5,8%	22,2%	5,5%	5,2%	-0,3%	12,4%	-6,5%
adj. net profit margin	-12,1%	-16,0%	-3,8%	2,3%	3,4%	1,1%	-11,9%	-4,0%
EPS adj*	-2,72	-4,24	---	3,58	5,85	63%	-3,16	---

Source: Dom Maklerski BDM S.A., Enter Air S.A.

BDM Comment:

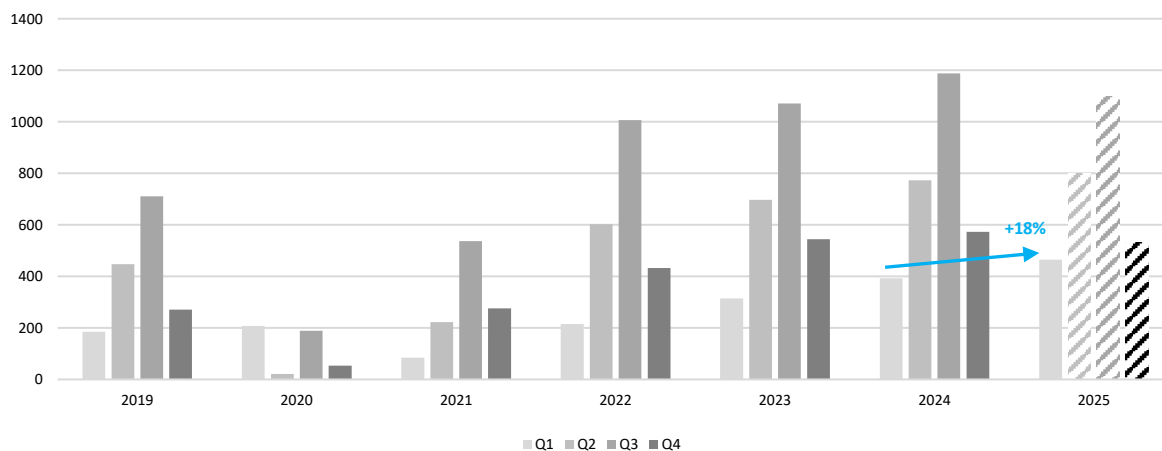
Enter Air recorded an increase in revenue to 465,3 mln PLN in Q1 2025, compared to 463,6 mln PLN BDM estimates and 392,9 mln PLN in the same period last year, representing an increase of +18% y/y. The comparable level of gross profit on sales was reflected in higher costs of materials and energy consumption of PLN 193,9 million (+12% y/y) and external services of PLN 182,6 million (+20,6%), which are a consequence of the greater number of operations performed by the carrier.

The EBITDA (IFRS 16) result for the reporting period was 40,2 mln PLN, compared to 35,1 mln PLN (+14% y/y), primarily due to higher depreciation costs, which amounted to 76,1 mln PLN in the reporting period compared to 61 mln PLN a year earlier. In LTM (last 12 months) terms, EBITDA reached PLN 589,7 million, compared to PLN 399,7 million (+48% y/y).

Excluding exchange rate differences, the carrier incurred a net loss of 74,4 mln PLN in Q1 of 2025 vs 47,7 mln PLN in Q1 24. On an LTM basis, the adjusted net result excluding exchange rate differences was 102,6 mln PLN (EPS = 5,85) in Q1 25, +63% year over year, compared to 62,9 mln PLN (EPS = 3,58) in Q1 24.

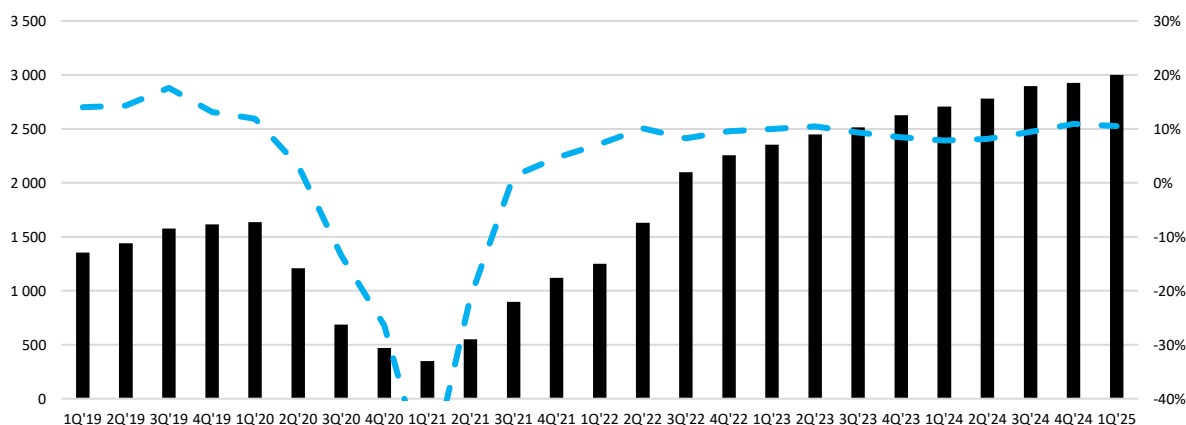
The management board noted that the work carried out in recent months prepared the ground for the upcoming high season, which promises to be "one of the strongest in the last decade." The board expects the Enter Air fleet to be supplemented with 3 new aircraft before the season begins, replacing the so-called wet leases and improving the group's profitability.

Historical revenues quarterly [mln PLN]



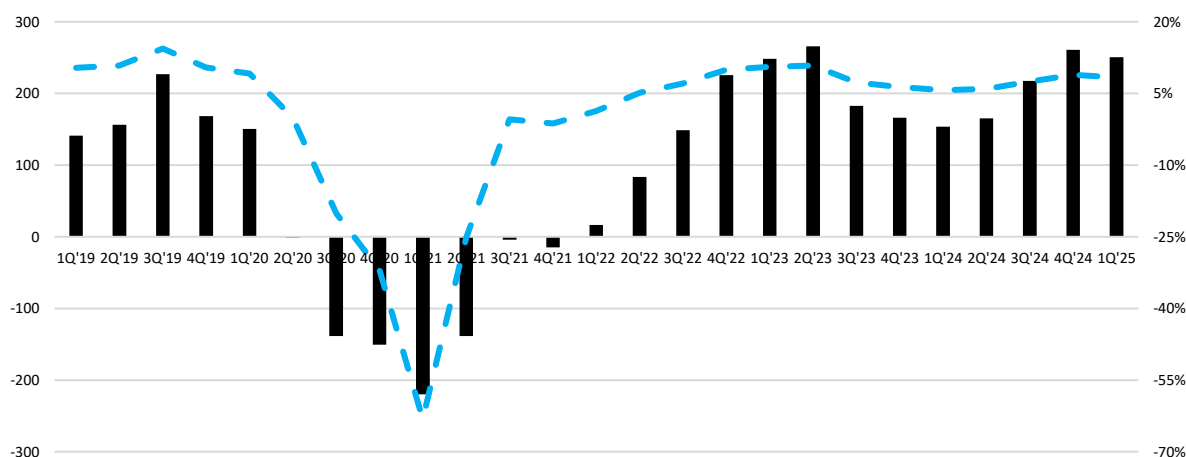
Source: Dom Maklerski BDM S.A., Enter Air S.A.

LTM revenues [mln PLN] and gross profit on sales LTM [%]



Source: Dom Maklerski BDM S.A., Enter Air S.A.

EBIT LTM [mln PLN] and EBIT margin LTM [%]



Source: Dom Maklerski BDM S.A., Enter Air S.A.

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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	76,6	Buy	69,5	20.05.2025	18:50 CEST	60,8	102700
Buy	69,5	Buy	71,0	13.12.2024*	13:35 CET	55,8	81670
Buy	71	Buy	77,5	29.10.2024*	08:50 CET	60	80763
Buy	77,5	Buy	59,8	10.06.2024*	13:30 CEST	62,3	84406
Buy	59,8	Accumulate	52,3	29.08.2023*	08:30 CEST	43,5	68722
Accumulate	52,3	Accumulate	24,0	23.05.2023*	11:55 CEST	46,2	65734
Accumulate	24	Accumulate	25,3	26.10.2022*	11:10 CET	21,5	48263
Accumulate	25,3	Buy	41,6	11.07.2022*	08:00 CET	22,9	54611
Buy	41,6	Hold	41,8	07.10.2021*	07:00 CEST	32,5	71789
Hold	41,8	Buy	28,3	13.05.2021*	07:00 CEST	41,2	62214
Buy	28,3	Accumulate	37,1	22.10.2020*	07:00 CEST	20,2	47912
Accumulate	37,1	Buy	52,2	12.06.2020*	08:00 CEST	33,6	51487
Buy	52,2	Buy	48,4	11.12.2019*	10:40 CEST	44,4	55530
Buy	48,4	Accumulate	41,0	09.10.2019*	14:35 CEST	37,5	56233
Accumulate	41	---	---	26.07.2019*	13:57 CEST	36,2	60151

The reports were developed by BDM on behalf of the WSE as part of the Exchange's Analytical Coverage Support Program.

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	
	numbers	%	numbers	%
Buy	8	62%	0	0%
Accumulate	1	8%	0	0%
Hold	4	31%	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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