

Monday, 16 June 2025 | update

Shoper: buy (reiterated)

SHO PW; SHO1.WA | e-Commerce, Poland

A New Beginning

Shoper stock has gained nearly 16% in the past month, outperforming the WIG index by more than 21 p.p. Despite the good performance, we still see upside potential in Shoper. The rise in stock price followed the publication of Q1 2025 results, showing sustained strong earnings momentum – sales in the quarter increased 17%, and Adjusted EBITDA grew nearly 24% y/y. We expect these trends to continue into the following quarters.

More importantly, in January 2025, Shoper entered a new phase of strategic development with the official acquisition of a 49.9% stake in its equity by cyber_Folks. The transaction, valued at PLN 547.5m, signals the beginning of a period of operational and product transformation, positioning Shoper as a key player in the broader e-commerce ecosystem that cyber_Folks is developing across Central and Eastern Europe. We believe Shoper is strategically positioned to capitalize on group-wide synergies. This would involve leveraging Vercom's communication tools to enable Shoper merchants to implement advanced marketing automation. This includes SMS, email, push notifications, and abandoned cart recovery.

Following the publication of Q1 2025 results, we have incorporated slightly lower sales estimates (mainly due to slower-than-expected growth in the take rate) but higher profitability forecasts. We estimate that Shoper will generate PLN 230m/79m in sales/EBITDA in 2025, which is ca. 3% below the Bloomberg consensus. We have also adjusted the RFR path and the equity risk premium (currently at 5.5%), and increased CAPEX expectations, as we anticipate that Shoper's new management will prioritize strengthening service capabilities in the short term. We set our new target price at PLN 57.10, and we maintain a 'buy' recommendation for Shoper. Please note that after the June quarterly adjustment, Shoper is the first company on the reserve list to the mWIG40 Index. Assuming Shoper keeps its level of growth, the path to the midcaps index is already paved.

Strong Q1'25 Results and good momentum expected in midterm

Shoper recorded an omnichannel GMV of PLN 4.1bn in Q1 2025, up 33% y/y. GMV for stores amounted to PLN 2.7bn in the quarter (+11% y/y). The GMV growth was achieved in great part due to the fantastic results of Apilo. Revenue in 1Q'25 increased 17% y/y, and adjusted EBITDA amounted to PLN 18.5m, driven by rapid business development and process efficiencies. The adjusted EBITDA margin was 35.8% after an increase from 33.8% a year ago.

Assuming an improvement in consumer sentiment in 2H, we expect the GMV for stores to increase by 12.0% in 2025 as a whole. The improvement in profitability should continue in midterm, as the new management is focused on developing high-margin products. We anticipate a level of 36.8% in 2025.

New Strategic Investor

Following the acquisition by cyber-Folks, Shoper underwent internal restructuring aimed at increasing product efficiency, reducing churn, and improving user experience. This included the recruitment of experienced UX and product specialists, and the introduction of autonomous product teams focused on accelerating innovation. The decision was also made to phase out the Stores platform, with all users being migrated to Shoper's unified environment, simplifying product architecture and long-term development.

(PLN m)	2023	2024	2025E	2026E	2027E
Revenue	152.6	192.8	220.8	260.7	301.2
EBITDA	45.3	61.3	78.8	96.0	110.9
EBITDA margin	29.7%	31.8%	35.7%	36.8%	36.8%
EBIT	31.4	45.0	61.1	77.2	90.3
Net profit	26.1	37.5	49.0	62.5	73.5
P/E	54.0	37.8	28.9	22.7	19.3
P/S	9.3	7.4	6.4	5.4	4.7
P/BV	25.3	19.2	15.1	12.4	10.5
EV/EBITDA	31.3	22.8	17.5	14.2	12.1
DPS (PLN)	0.01	0.67	1.03	1.48	1.89
DYield	0.0%	1.3%	2.0%	2.9%	3.7%

Current price*	PLN 50.40
Target price	PLN 57.10
mCap	PLN 1.44bn
Free float	PLN 0.72bn
ADTV (3M)	PLN 1.2m

*Price as of June 13, 2025, 5:00 PM

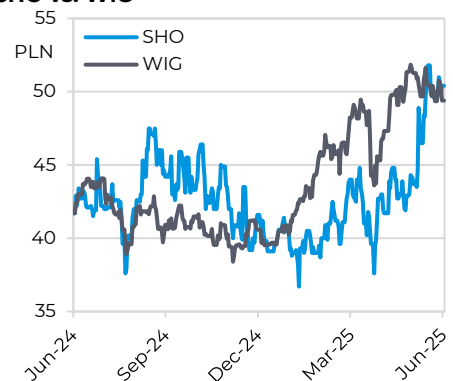
Ownership

Cyber_Folks	49.9%
TFI Allianz	5.1%
Others	45.0%

About Shoper

Shoper is a leading provider of Software-as-a-Service solutions for the e-commerce industry, focused mainly on small and medium enterprises. In addition, Shoper offers a wide range of other services to its merchants, from marketing to logistics and payments, as well as running the Shoper Appstore for e-retailers.

SHO vs. WIG



Company	Target Price		Recommendation	
	new	old	new	old
Shoper	57.10	55.70	buy	buy

Company	Current Price	Target Price	Upside
Shoper	50.40	57.10	+13.3%

Forecast Update	2025E	2026E	2027E
Revenue	-7.9%	-7.7%	-7.2%
EBITDA adj.	+1.3%	+1.6%	+2.1%
Net income	+4.9%	+1.9%	+3.0%

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List of abbreviations and ratios used by mBank:

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

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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 issued the following recommendations for Shoper in the 12 months prior to this publication:

Shoper (Pawel Szpigiel)

Rating	buy	buy
Rating date	2024-12-02	2024-09-02
Target price (PLN)	55,70	56,40
Price on rating day	43,50	47,10

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