

29/2025/GPW (73) September 3, 2025

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program 5.0.

Atrem

Investment summary	2
Recent events	2
Upcoming events	2
Catalysts	3
Risk factors	3
Competitive advantages	3
Disclaimer	4

29/2025/GPW (73) September 3, 2025

Analyst: Maciej Wewiórski, Michał Zamel

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program. 5.0.
This is an excerpt from the Polish version of DM BOŚ SA's research report.

Atrem

Sector: Construction
Fundamental rating: Buy (-)
Market relative: Overweight (-)
Price: PLN 42.00
12M EFV: PLN 51.8 (-)

Market Cap: US\$ 106 m
Bloomberg code: ATR PW
Av. daily turnover: US\$ 0.14 m
12M range: PLN 10.70-46.80
Free float: 23%

Investment summary

Atrem is a seasoned engineering company highly specialized in industrial automation, electricity and technological infrastructure that has been operating on the Polish market since 1999. In our view, Atrem has an attractive investment profile resulting from both the growing market potential and strong operating foundations of the Company itself.

First, the most vital growth catalyst will be record-high investments coming in Poland's utilities sector, especially in modernization and development of transmission networks and high/ medium voltage infrastructure. According to national investment plans, spending in this area should reach c. PLN 200 billion in total. Atrem's high specialization in the construction of HV/ MV substations and electric installations coupled with references confirmed by inter alia Energa, Enea, GazSystem makes the Company a direct beneficiary of these future developments.

Another key catalyst is the constantly expanding backlog. Atrem is currently carrying out, among others, a prestigious contract with Orlen under the Olefins III project, as well as modernizing measurement systems for Wody Polskie and constructing power substations for Enea Operator. The Company has an exquisite ability to acquire high-margin and technologically complex contracts, also in the EPC formula.

Diversification of the Company's revenue sources is also worth mentioning, including the exposure to the renewable energy sources (RES) market (biogas, PV, co-generation) and the defense sector, where Atrem has been winning numerous public tenders recently.

Guide to adjusted profits

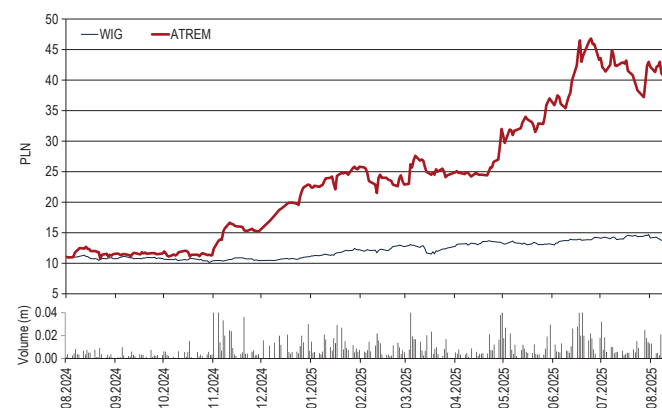
No factors necessitating adjustments.

Key data

IFRS consolidated		2024	2025E	2026E	2027E
Sales	PLN m	187.4	234.3	281.1	337.4
EBITDA	PLN m	21.7	31.0	36.6	43.5
EBIT	PLN m	19.7	28.4	34.0	40.8
Net income	PLN m	15.6	24.4	29.4	35.6
EPS	PLN	1.69	2.64	3.19	3.86
EPS yoy chg	%	162.2	56.3	20.6	21.0
Net debt	PLN m	-31.7	-41.9	-53.5	-67.6
P/E	x	24.8	15.9	13.2	10.9
P/CE	x	22.0	14.4	12.1	10.1
EV/EBITDA	x	16.4	11.2	9.1	7.4
EV/EBIT	x	18.1	12.2	9.8	7.8
EV/Sales	x	1.9	1.5	1.2	0.9
Gross dividend yield	%	1.2	4.0	5.7	6.8
DPS	PLN	0.49	1.69	2.38	2.87
No. of shares (eop)	m	9.2	9.2	9.2	9.2

Source: Company, DM BOŚ SA estimates

Stock performance



Source: Bloomberg

Recent events

1. FY24 financial results release: March 24
2. 1H25 financial results release: May 22
3. Ex-dividend day: August 11
4. 1H25 financial results release: August 27

Upcoming events

1. 3Q25 financial results release: November 1

Such a vast operating profile ensures resilience to cyclical changes in particular market segments.

The shareholder structure (with GK Immobile holding a 71.7% controlling stake) secures both operating stability and access to additional synergies within the Group. Atrém's operating model is characterized by low debt, which leaves room for raising capital to realize a growing number of projects without excessive financial risk.

Among risks we identify especially (i) dependence on public contracts (extended payment periods, schedule changes, political risk), (ii) pressure on costs from subcontractors amid high inflation tensions, and (iii) loss of key employees in the event of deluge of contracts. Still, the Company's expertise in contract management, focus on employee career planning, and its selective bidding approach constitute efficient tools for mitigating these risks.

Finally, we would like to emphasize the Company's dividend policy and regular pay-outs from 2022. This year a record-high dividend (DPS at PLN 1.69 per share) from FY24 profits was approved which - given low investment needs for fixed assets - makes the Company an interesting bid for dividend investors as well.

All in all, we perceive Atrém as a company with solid foundations, high growth potential bolstered by the market environment, attractive income profile, and good operating execution skills. All these factors speak in favor for positive investment opinion and justify the Company's inclusion in an investment portfolio by medium- and long-term investors focused on growth and stable income sources.

We initiate the coverage of Atrém with LT fundamental Buy recommendation, ST relative Overweight rating and 12M EFV at PLN 51.8 per share.

Catalysts

1. Huge investments in the energy sector, especially in electricity transmission networks
2. Significant investments in defense
3. Regular contract acquisition
4. Dividend payouts (despite the expected increasing demand for capital)

Risk factors

1. Shortage/ loss of labor force
2. High raw materials prices
3. Pressure on prices from subcontractors
4. Financial liquidity deterioration
5. Volatile economic growth in Poland
6. Providing services for entities controlled by the State Treasury

Competitive advantages

1. Complete business model (from the project design to their maintenance)
2. Expert know-how and certificates in automation and military sector
3. Strong presence in key sectors such as utilities, gas, and renewable energy sources
4. Rising revenues, costs under control, and growing margins
5. Transparent and WSE-listed company
6. Innovations and engagement in RES and biomethane

BASIC DEFINITIONS

A/R turnover (in days) = $365/(\text{sales}/\text{average A/R})$

Inventory turnover (in days) = $365/(\text{COGS}/\text{average inventory})$

A/P turnover (in days) = $365/(\text{COGS}/\text{average A/P})$

Current ratio = $(\text{current assets} - \text{ST deferred assets})/\text{current liabilities}$

Quick ratio = $(\text{current assets} - \text{ST deferred assets} - \text{inventory})/\text{current liabilities}$

Interest coverage = $(\text{pre-tax profit before extraordinary items} + \text{interest payable})/\text{interest payable}$

Gross margin = gross profit on sales/sales

EBITDA margin = EBITDA/sales

EBIT margin = EBIT/sales

Pre-tax margin = pre-tax profit/sales

Net margin = net profit/sales

ROE = net profit/average equity

ROA = $(\text{net income} + \text{interest payable})/\text{average assets}$

EV = market capitalization + interest bearing debt – cash and equivalents

EPS = net profit/ no. of shares outstanding

CE = net profit + depreciation

Dividend yield (gross) = pre-tax DPS/stock market price

Cash sales = accrual sales corrected for the change in A/R

Cash operating expenses = accrual operating expenses corrected for the changes in inventories and A/P, depreciation, cash taxes and changes in the deferred taxes

DM BOŠ S.A. generally values the covered non bank companies via two methods: comparative method and DCF method (discounted cash flows). The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the DCF method is its independence from the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation. Please note that we also resort to other valuation techniques (e.g. NAV-, DDM- or SOTP-based), should it prove appropriate in a given case.

KEY TO INVESTMENT RANKINGS

This is a guide to expected price performance in absolute terms over the next 12 months:

Buy – fundamentally undervalued (upside to 12M EFV in excess of the cost of equity) + catalysts which should close the valuation gap identified;

Hold – either (i) fairly priced, or (ii) fundamentally undervalued/overvalued but lacks catalysts which could close the valuation gap;

Sell – fundamentally overvalued (12M EFV < current share price + 1-year cost of equity) + catalysts which should close the valuation gap identified.

This is a guide to expected relative price performance:

Overweight – expected to perform better than the benchmark (WIG) over the next quarter in relative terms

Neutral – expected to perform in line with the benchmark (WIG) over the next quarter in relative terms

Underweight – expected to perform worse than the benchmark (WIG) over the next quarter in relative terms

The recommendation tracker presents the performance of DM BOŠ S.A.'s recommendations. A recommendation expires on the day it is altered or on the day 12 months after its issuance, whichever comes first.

Relative performance compares the rate of return on a given recommended stock in the period of the recommendation's validity (i.e. from the date of issuance to the date of alteration or – in case of maintained recommendations – from the date of issuance to the current date) in a relation to the rate of return on the benchmark in this time period. The WIG index constitutes the benchmark. For recommendations that expire by an alteration or are maintained, the ending values used to calculate their absolute and relative performance are: the stock closing price on the day the recommendation expires/ is maintained and the closing value of the benchmark on that date. For recommendations that expire via a passage of time, the ending values used to calculate their absolute and relative performance are: the average of the stock closing prices for the day the recommendation elapses and four directly preceding sessions and the average of the benchmark's closing values for the day the recommendation expires and four directly preceding sessions.

Distribution of DM BOŠ's current recommendations

	Buy	Hold	Sell	Suspended	Under revision	Not rated
Numbers	40	31	5	5	0	5
Percentage	47%	36%	6%	6%	0%	6%

Distribution of DM BOŠ's current market relative recommended weightings

	Overweight	Neutral	Underweight	Suspended	Under revision	Not rated
Numbers	26	37	13	5	0	5
Percentage	30%	43%	15%	6%	0%	6%

Banks

Net Interest Margin (NIM) = net interest income/average assets

Non interest income = fees&commissions + result on financial operations (trading gains) + FX gains

Interest Spread = $(\text{interest income}/\text{average interest earning assets})/(\text{interest cost}/\text{average interest bearing liabilities})$

Cost/Income = $(\text{general costs} + \text{depreciation})/(\text{profit on banking activity} + \text{other net operating income})$

ROE = net profit/average equity

ROA = net income/average assets

Non performing loans (NPL) = loans in 'basket 3' category

NPL coverage ratio = loan loss provisions/NPL

Net provision charge = provisions created – provisions released

DM BOŠ S.A. generally values the covered banks via two methods: comparative method and fundamental target fair P/E and target fair P/BV multiples method. The advantage of the former is the fact that it incorporates the current market assessment of the value of the company's peers. The weakness of the comparative method is the risk that the valuation benchmark may be mispriced. The advantage of the fundamental target fair P/E and target fair P/BV multiples method is its independence of the current market valuation of the comparable companies. The weakness of this method is its high sensitivity to undertaken assumptions, especially those related to the residual value calculation. Assumptions used in valuation can change, influencing thereby the level of the valuation. Among the most important assumptions are: GDP growth, forecasted level of inflation, changes in interest rates and currency prices, employment level and change in wages, demand on the analysed company products, raw material prices, competition, standing of the main customers and suppliers, legislation changes, etc. Changes in the environment of the analysed company are monitored by analysts involved in the preparation of the recommendation, estimated, incorporated in valuation and published in the recommendation whenever needed.

Distribution of DM BOŠ's current recommendations for the companies which DM BOŠ has supplied with material investment services within the last 12 months

	Buy	Hold	Sell	Suspended	Under revision	Not rated
Numbers	4	4	0	1	0	2
Percentage	36%	36%	0%	9%	0%	18%

Distribution of DM BOŠ's current market relative recommended weightings for the companies which DM BOŠ has supplied with material investment services within the last 12 months

	Overweight	Neutral	Underweight	Suspended	Under revision	Not rated
Numbers	4	3	1	1	0	2
Percentage	36%	27%	9%	9%	0%	18%

LT fundamental recommendation tracker

Analyst	Recommendation		Report date	Reiteration date	Distribution date	Expiry date	Performance	Relative performance	Price at issue/ reiteration*	EFV (12 months)
Atrem										
Maciej Wewiórski/ Michał Zamel	Buy	-	03.09.2025	-	03.09.2025	Not later than 03.09.2026	-	-	42.00	51.80 -

* prices at issue/reiteration are the closing prices at the report or reiteration date

Market-relative recommendation tracker

Analyst	Relative Recommendation		Report date	Reiteration date	Distribution date		Expiry date	Price at issue/ reiteration*	Relative performance
Atrem									
Maciej Wewiórski/ Michał Zamel	Overweight	-	03.09.2025	-	03.09.2025	Not later than 03.09.2026		42.00	-

* prices at issue/reiteration are the closing prices at the report or reiteration date

This report has been prepared by Dom Maklerski Banku Ochrony Środowiska SA registered in Warsaw (hereinafter referred to as DM BOŚ SA) and commissioned by the Warsaw Stock Exchange SA (hereinafter referred to as WSE SA) pursuant to the agreement on the research report preparation between DM BOŚ SA and WSE SA within the framework of the Analytical Coverage Support Program 5.0 described on the WSE SA website: <https://www.gpw.pl/gpwpa> (hereinafter referred to as the Agreement). DM BOŚ SA will receive a remuneration for the research report in accordance with the Agreement.

The production of the report was completed on September 3, 2025 at 6.00 p.m.
The report was distributed on September 3, 2025 at 6.10 p.m.

The report is an investment research within the meaning of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.

This report constitutes a recommendation within the meaning of Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest. This report is for information purposes only.

This report constitutes neither investment advice nor provides investment service as referred to in Article 76 of the Act on Financial Instruments Trading as of 29 July 2005 (Journal of Laws, 2018, Item 2286 as amended), hereinafter referred to as the Act on Trading; it does not constitute any legal or tax advice, neither does it constitute an indication whether an investment is suitable or appropriate in an individual situation of an investor. In particular this report is not a personal recommendation based on any individual needs or situation of any investor. DM BOŚ SA informs that the investment advice services exclusively consist in the preparation of a personal recommendation based on individual needs and situation of a given client and transferring it to them. To receive this type of a recommendation an agreement on providing investment advice services must be signed with an investments company offering these services.

Neither the information nor the opinions expressed in the report constitute a solicitation or an offer to buy or sell any securities referred herein. The opinions expressed in the report reflect independent, current judgment of DM BOŚ SA.

This report was prepared with due diligence and scrutiny. The information used in the report is based on all public sources such as press and branch publications, company's financial statements, current and periodic reports, as well as meetings and telephone conversations with company's representatives prior to the date of report's release. We believe the above mentioned sources of information to be reliable, however we do not guarantee their accuracy and completeness. All estimates and opinions included herein represent our judgment as of the date of the issue. All opinions, forecasts, calculations and estimates herein constitute the author's subjective assessment as of the date of the issue and can be modified at any time without prior notice. DM BOŚ SA informs that this report will be updated in the manner as referred to in the Agreement, at least once a year.

DM BOŚ SA is an investment firm within the meaning of the Act on Financial Instruments Trading. The legal entity supervising DM BOŚ SA is Polish Financial Supervision Authority in Warsaw (Komisja Nadzoru Finansowego, KNF in Polish abbreviation).

DM BOŚ SA, its management and supervisory bodies and employees do not take any responsibility for decisions taken on the basis of this report and opinions stated herein. Investors bear all responsibility for investment decisions taken on the basis of the contents of this report. The report is intended solely for private use of investors.

Copyrights to this report belong to the WSE. The rules for use of this report have been specified in the Agreement. This report mustn't be redistributed, reproduced or conveyed in any manner or form conflicting with the rules defined in the Agreement.

This report is made available on the day of its issue in the public domain on the website <https://bossa.pl/analizy/wsparcie-pokrycia-analitycznego-gpw#atrem>.

DM BOŚ SA is entitled to conveying or translation of the report into foreign languages on behalf of their clients and this shall not be sooner than making the report available on its website <https://bossa.pl/analizy/wsparcie-pokrycia-analitycznego-gpw#atrem>.

DM BOŚ SA follows internal regulations for handling of conflicts of interest which include in particular internal organizational and administration arrangements as well as information barriers established for prevention and avoidance of conflicts of interest related to recommendations. A special organizational arrangement that constitutes an information barrier is so called Chinese walls prohibiting an uncontrolled flow of information among particular organizational units or employees of DM BOŚ SA. Where justified, DM BOŚ SA can create Chinese walls upon the realization of a particular project. Potential conflicts of interests referring to a specific recommendation which is made available to the public or to a wide range of persons are disclosed either in the recommendation or in the document attached. The person(s) preparing this report receive(s) variable compensation indirectly based upon the financial results of DM BOŚ SA which in turn depend – among other factors – on the result on the brokerage activity.

DM BOŚ SA has not held any long or short position net exceeding 0.5% of the issuer's basic capital in total with respect to the company/companies indicated.

Apart from the mentioned above cases, there are neither ties of any kind between DM BOŚ SA, the analyst/ analysts involved in the preparation of the report and the issuer(s) of securities as referred to in the report nor circumstances that can justifiably be expected to have a negative impact on objectivity of the recommendation with regard to interests or conflicts of interests on their part or on the part of any natural person or legal entity which pertains to the financial instrument or the issuer.

The report was not shown to the analyzed company before the distribution of the report.

The history of all recommendations issued by DM BOŚ SA in the last 12 months can be found at the following link: <https://bossa.pl/analizy/rekomendacje>

Stockbrokers

Piotr Kalbarczyk
tel.: +48 (22) 504 32 43
p.kalbarczyk@bossa.pl

Research

Sobiesław Pająk, CFA
(Equity strategy, TMT)

Sylvia Jaśkiewicz, CFA
(Construction materials,
Consumer discretionary,
Health care & biotechnology)

Tomasz Rodak, CFA
(Consumer discretionary, Video games)

Łukasz Prokopiuk, CFA
(Commodities (Chemicals, Energy, Mining))

Michał Sobolewski, CFA, FRM
(Financials)

Jakub Viscardi
(Telco, Consumer staples & discretionary,
IT – hardware distribution)

Maciej Wewiórski
(Residential construction,
Construction, Real estate)

Mikołaj Stepien
(Consumer staples & discretionary, TMT)

Michał Zamel
Junior Analyst

Copyright © 2025 by DM BOŚ S.A.

**Dom Maklerski Banku Ochrony
Środowiska Spółka Akcyjna**
ul. Marszałkowska 78/80
00-517 Warszawa
bossa.pl
Information: (+48) 0 801 104 104