

PA Nova

Stable results and a chance on portfolio divestments

We initiate coverage of PA Nova with a BUY recommendation and set a FV of PLN 16.45 per share (upside of 34.5%). In current report, we point to the stable 2025E results and expected improvement in 2026E, driven by the expansion in the commercial portfolio and stable increase in backlog in the construction segment. The group will complete 2026E two retail parks and the construction division is likely to stabilize its profitability, after two years of decline, due to stabilization in construction materials' prices. Moreover, the board keeps its plans of disposal of the part of commercial assets (we do not include it in our model; in previous years, NVA quite regularly closed the transactions), and the proceeds could be used to accelerate the deleveraging, construction of other projects or higher dividend. We are positive on increasing dividend and we assume that the company will pay out PLN 0.80ps in 2026E, vs. PLN 0.75ps in 2025E. On our forecasts, the company currently trades at P/E ratios of 8.3x in 2025E, and 6.7x in 2026E, concurrently with a P/BV of 0.3x in 2025E-26E.

Stable 2025E results and improvement in 2026E. We assume that the developer will report quite stable results in 2025E, despite the fact that 2024 numbers were underpinned by the disposal of a retail project (we do not expect any transaction in 2025E). According to our assumptions, the company will reach revenues of PLN 257m, including PLN 159m in the construction segment, and PLN 20m in the net profit (vs. PLN 22m in 2024). NVA will complete two retail parks (Dzierzoniow, Nysa; total GLA of 18.6k sqm), and the construction division may slightly improve its results; thus, the revenues are likely to increase to PLN 271m and the net profit may arrive at PLN 25m.

Possible divestments in commercial division to boost cash position. We do not assume any disposal of shopping malls and retail parks in our model, but we stress out that the company aims to regularly dispose its assets (e.g. project in Klodzko was sold in 2024). Potential transaction, in our view, would let the group to pay the portion of debt (LtV stood at 41.8% as of end-2024; we predict 35.8% as of end-2025E), finance other projects (as of now, there are two projects under construction) or pay out higher dividend.

Recurrent dividend pay-outs. Since 2023, the company recurrently pays out the dividends and increases its DPS. We expect that this trend will be continued and we assume DPS of PLN 0.80 in 2026E and PLN 0.85 in 2027E, which implies DY's of approximately 5% (in our model, we apply DPR in the range of 30-35% in coming years; DPR is limited by the terms and conditions of bonds, which expire in 2027E; we highlight high FCF yields).

Figure 1. PA Nova – Financial summary (PLNm)

	2022	2023	2024	2025E	2026E	2027E
Revenues	206	351	284	257	271	275
EBITDA	48	64	55	52	54	53
EBIT	46	62	48	43	45	45
Net profit	23	35	22	20	25	26
P/E (x)	7.3	4.8	7.4	8.3	6.7	6.4
P/BV (x)	0.4	0.3	0.3	0.3	0.3	0.3
ROE (%)	5.2%	7.2%	4.5%	3.9%	4.7%	4.7%
DPS (PLN)	0.00	0.65	0.70	0.75	0.80	0.85
Div.yield (%)	0.0%	3.9%	4.2%	4.6%	4.9%	5.2%

Source: Company, IPOPEMA Research

Real Estate

PA Nova

BUY

FV PLN 22.13

34.5% upside

Price as of 8 September 2025 PLN 16.45

Initiation of coverage



Share data

Number of shares (m)	10.0
Market cap (EUR m)	38.7
12M avg daily volume (k)	1.2
12M avg daily turnover (EUR m)	0.004
12M high/low (PLN)	18.4/13.6
WIG weight	0.02%
Reuters	NVA.WA
Bloomberg	NVA PW

Total performance

1M	+4.1%
3M	+5.4%
12M	-2.9%

Shareholders

Budoprojekt	34.3%
Ewa & Grzegorz Bobkowsky	11.8%
Stanislaw & Katarzyna Lessaer	10.8%
Maciej Bobkowski	6.6%
PKO OFE	8.2%
Generali OFE	7.6%
Allianz OFE	6.5%
NN OFE	4.0%
Other	10.4%

Analyst

Adrian Górniak
adrian.gorniak@ipopema.pl
+ 48 514 995 073

PA Nova

BUY

FV PLN 22.13

Mkt Cap EUR 39m

Upside +34.5%

Valuation multiples	2023	2024	2025E	2026E	2027E
P/E (x)	4.8	7.4	8.3	6.7	6.4
EV/EBITDA (x)	6.8	8.0	7.7	7.0	6.7
EV/Sales (x)	1.2	1.5	1.6	1.4	1.3
P/BV (x)	0.3	0.3	0.3	0.3	0.3
FCF yield (%)	24%	15%	25%	18%	18%
DY (%)	4%	4%	5%	5%	5%

Per share	2023	2024	2025E	2026E	2027E
No. of shares (m units)	10.0	10.0	10.0	10.0	10.0
EPS (PLN)	3.5	2.2	2.0	2.5	2.6
BVPS (PLN)	47.9	49.7	51.3	53.0	54.7
FCFPS (PLN)	3.9	2.5	4.1	3.0	2.9
DPS (PLN)	0.65	0.70	0.75	0.80	0.85

Change y/y (%)	2023	2024	2025E	2026E	2027E
Revenues	70.1%	-19.0%	-9.6%	5.4%	1.6%
Gross profit	33.0%	-18.6%	-9.7%	11.0%	1.2%
EBITDA	33.6%	-15.0%	-4.7%	3.9%	-1.5%
EBIT	36.6%	-22.6%	-11.5%	4.8%	1.1%
Net profit	52.8%	-35.6%	-10.9%	24.1%	5.0%

Leverage and return	2023	2024	2025E	2026E	2027E
Gross margin (%)	21.1%	21.2%	21.2%	22.3%	22.2%
EBITDA margin (%)	18.3%	19.2%	20.3%	20.0%	19.4%
EBIT margin (%)	17.8%	17.0%	16.6%	16.5%	16.4%
Net margin (%)	9.9%	7.8%	7.7%	9.1%	9.4%
Net debt / EBITDA (x)	4.2	5.0	4.5	3.9	3.6
Net debt / Equity (x)	0.6	0.6	0.5	0.4	0.4
Net debt / Assets (x)	0.3	0.3	0.3	0.2	0.2
ROE (%)	7.2%	4.5%	3.9%	4.7%	4.7%
ROA (%)	3.8%	2.4%	2.1%	2.7%	2.8%
ROIC (%)	6.3%	4.3%	4.5%	4.6%	4.7%

Assumptions	2023	2024	2025E	2026E	2027E
Revenues (PLN m)	351	284	257	271	275
Rental	89	93	87	98	98
Construction	244	174	159	162	165
Other	17	17	11	11	11

FFO (PLN m)	43	31	24	30	32
Change y/y	38.9%	-29.5%	-21.4%	26.8%	5.0%
FFO yield (%)	432.4%	305.0%	239.7%	303.8%	318.9%

EPRA NAV (PLN m)	509	531	544	561	578
Change y/y	10.3%	4.2%	2.5%	3.1%	3.1%
EPRA NAV/share (PLN)	50.9	53.1	54.4	56.1	57.8

LtV (%)	42.8%	41.8%	35.8%	32.4%	29.2%
---------	-------	-------	-------	-------	-------

P&L (PLN m)	2022	2023	2024	2025E	2026E	2027E
Revenues	206	351	284	257	271	275
COGS	-151	-277	-224	-202	-210	-214
Gross profit	56	74	60	54	60	61
SG&A	-9	-10	-11	-10	-11	-12
Profit on sales	47	64	49	44	49	49
Other operating income(cost)	-1	-1	-1	-2	-4	-4
EBITDA	48	64	55	52	54	53
EBIT	46	62	48	43	45	45
Financial income (cost) net	-18	-19	-18	-19	-14	-13
Pre-tax profit	28	43	31	24	30	32
Income tax	-5	-8	-8	-4	-6	-6
Net profit	23	35	22	20	25	26

BALANCE SHEET (PLN m)	2022	2023	2024	2025E	2026E	2027E
Non-current assets	826	791	797	804	799	795
Investment properties	692	637	657	657	657	657
PP&E	18	45	26	39	33	29
Assets held for sale	86	81	80	80	80	80
Other non-current assets	29	29	33	28	28	28
Current assets	126	128	146	129	124	128
Inventories	1	0	0	0	0	0
Trade receivables	45	50	47	31	30	31
Cash and equivalents	57	65	60	79	75	78
Other current assets	22	13	39	18	18	18
Total assets	951	920	943	933	923	923
Equity	435	478	496	512	529	546
Minorities	-1	-1	-1	-1	-1	-1
Non-current liabilities	310	259	351	321	296	278
Loans and leasing	271	217	308	280	254	236
Other non-current liabilities	39	42	43	42	42	42
Current liabilities	208	184	98	101	100	100
Trade payables	63	53	62	58	57	57
Loans and leasing	134	120	27	34	34	34
Other current liabilities	11	10	9	9	9	9
Equity & liabilities	951	920	943	933	923	923
Gross debt (PLN m)	405	338	335	314	288	270
Net debt (PLN m)	347	273	275	235	213	192

CASH FLOW (PLN m)	2022	2023	2024	2025E	2026E	2027E
Operating cash flow	9	41	25	59	45	44
Net profit	23	35	22	20	25	26
D&A	2	2	6	9	9	8
Change in WC	72	-58	29	18	0	0
Other	-88	63	-32	12	11	10
Investment cash flow	-10	-2	0	-2	-4	-4
Change in inv.properties	0	0	0	0	0	0
Other	-10	-2	0	-2	-4	-4
Financial cash flow	-75	-32	-29	-38	-45	-37
Change in equity	0	0	0	0	0	0
Change in debt	-35	-28	-21	-14	-26	-18
Dividend	0	-6	-7	-8	-8	-9
Interest paid	-36	0	0	-16	-11	-10
Other	-4	2	-1	-1	0	0
Change in cash	-76	7	-4	19	-4	3
Cash as of eop	57	65	60	79	75	78

Source: Company data, IPOPEMA Research

Table of Contents

Valuation.....	4
SOTP valuation.....	4
DDM valuation	5
Peer comparison	5
Financial forecasts.....	6
Business model	9
Commercial segment.....	9
Construction division	10
Shareholder structure.....	12
Market outlook.....	13
Commercial market.....	13
Construction market	13
Risk factors	17
Key financial data	18

Valuation

We value PA Nova using the SOTP method (80% weight) and discounted dividend method (weight of 20%). We add a multiples valuation for presentation purpose only.

Figure 2. PA Nova – Valuation summary

Valuation method	Weight	FV (PLNps)	Upside (%)
SOTP valuation (PLN ps), incl.:	80%	25.08	52.4%
Construction and IT segment (DCF method, EV of the segment)		7.40	
Commercial (market value of existing projects)		45.15	
Net debt as of end-2024		-27.47	
DDM valuation (PLN ps)	20%	10.35	-37.1%
Peer valuation (PLN ps)	0%	49.42	200.4%
Fair value (PLN ps)		22.13	34.5%

Source: Company, IPOPEMA Research

SOTP valuation

SOTP method is, in our view, the most appropriate valuation approach in the case of PA Nova. We use a DCF valuation to estimate the construction and IT segments EV (see more details below). Regarding the commercial division, we calculate its value taking into consideration the market value of existing projects. We adjust the sum of values of both segments by 2024 net debt.

We base our DCF valuation of the construction and IT segments on our free cash flow forecasts for 2025E-34E (for more details please refer to the "Financial forecasts" section). We apply a risk-free rate of 5.0%, equity risk premium at 5.5% and beta of 1.0x and assume a terminal growth rate of 1.0%.

Figure 3. PA Nova – DCF valuation of construction and IT segments (PLNm)

DCF (PLNm; construction and IT)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal Year
Revenues	169.7	173.1	176.5	180.0	183.6	187.3	191.1	194.9	198.8	202.8	204.8
EBIT	4.7	4.3	4.4	4.5	4.6	4.7	4.9	5.0	5.1	5.2	5.7
Tax on EBIT	-0.8	-0.8	-0.8	-0.9	-0.9	-0.9	-0.9	-0.9	-1.0	-1.0	-1.1
NOPLAT	3.9	3.5	3.6	3.7	3.8	3.8	3.9	4.0	4.1	4.2	4.6
Depreciation	9.4	9.4	8.1	7.1	6.4	5.9	5.5	5.3	5.1	4.9	4.6
Capital expenditures	-3.2	-4.1	-4.1	-4.2	-4.3	-4.3	-4.4	-4.5	-4.5	-4.6	-4.6
Change in working capital	18.3	0.0	-0.4	-0.4	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5	-0.3
Free cash flow	28.4	8.8	7.1	6.2	5.5	5.0	4.6	4.3	4.2	4.0	4.3
Risk-free rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Equity risk premium	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Beta	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cost of equity	2.59	2.42	2.33	2.15	2.11	2.09	2.06	2.04	2.02	1.97	1.97
Cost of debt (pre-tax)	19.2%	18.3%	17.8%	16.8%	16.6%	16.5%	16.3%	16.2%	16.1%	15.9%	15.9%
Effective tax rate	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
After-tax cost of debt	17.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Weight of debt	7.8%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Weight of equity	65.6%	63.7%	62.2%	58.8%	57.8%	57.3%	56.8%	56.2%	55.7%	54.6%	54.6%
WACC	11.7%	11.5%	11.5%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%	11.4%
Discount factor	97%	87%	78%	70%	63%	56%	51%	45%	41%	37%	
PV of FCF	27.4	7.6	5.6	4.3	3.5	2.8	2.3	2.0	1.7	1.5	
Sum of FCF PV's	58.6										
FCF terminal growth rate	1.0%										
Terminal value	41.7										
PV of terminal value	15.3										
Enterprise value	74.0										
EV per share (PLN)	7.40										
DCF sensitivity (PLN)							WACC in terminal year				
Terminal growth							9.4%	10.4%	11.4%	12.4%	13.4%
0.0%							7.56	7.40	7.26	7.15	7.05
1.0%							7.76	7.56	7.40	7.26	7.15
2.0%							8.02	7.76	7.56	7.40	7.26

Source: Company, IPOPEMA Research

Figure 4. PA Nova – key assumptions in commercial segment valuation (PLNm)

Project	GLA (k sqm)	Rent (EUR/sqm)	Occupancy rate (%)	NOI (EURm)	NOI (PLNm)	Exit yield (%)	MV (EURm)	MV (PLNm)	Prob. of disposal*	MV adj. (PLNm)
Przemysl (Sanowa)	21.9	10.6	90.0%	2.5	10.7	8.50%	29.6	125.6	50%	62.8
Kluczbork (Miodowa)	10.3	7.6	90.0%	0.8	3.6	8.50%	9.9	42.2	50%	21.1
Kedzierzyn-Kozle (Odrzanskie Ogrody)	21.7	10.6	90.0%	2.5	10.6	8.50%	29.3	124.4	50%	62.2
Jaworzno (Galena)	31.3	10.6	90.0%	3.6	15.3	8.50%	42.2	179.5	50%	89.8
Raciborz	1.4	5.6	90.0%	0.1	0.4	9.50%	0.9	3.8	100%	3.8
Jaworzno	3.3	7.8	90.0%	0.3	1.2	9.50%	2.9	12.5	100%	12.5
Klodzko	9.7	8.0	90.0%	0.8	3.6	9.50%	8.9	37.7	100%	37.7
Biala Podlaska	8.8	7.8	90.0%	0.7	3.2	9.50%	7.8	33.2	100%	33.2
Pyskowice	7.9	7.8	90.0%	0.7	2.8	9.50%	7.0	29.8	100%	29.8
Dzierzoniow	8.3	7.8	90.0%	0.7	3.0	9.50%	7.4	31.3	100%	31.3
Nysa	10.3	7.8	90.0%	0.9	3.7	9.50%	9.1	38.9	100%	38.9
Rybnik	8.1	4.0	90.0%	0.4	1.5	8.50%	4.1	17.6	100%	17.6
Siechnice	2.5	4.0	90.0%	0.1	0.5	8.50%	1.3	5.4	100%	5.4
Rzeszow	2.5	4.0	90.0%	0.1	0.5	8.50%	1.3	5.4	100%	5.4
Total/Average	148.0	8.9	90.0%	14.2	60.3	8.77%	161.7	687.4		451.5

Source: Company, IPOPEMA Research; *we apply 50% probability of disposal for shopping malls (they are located in regional cities; the investment market remains demanding); retail parks are easier to dispose, taking into consideration recent trends) and we apply 100% probability of disposal

DDM valuation

We value PA Nova using the DDM method based on our financial forecasts and assumptions regarding the dividend payout ratio. After 3 years with no dividend, the developer started in 2023 to recurrently pay out the portion of its net profit. In our model, we assume that the group will continue regular payments with a dividend payout ratio of 30-35%.

Figure 5. PA Nova – DDM valuation (PLNm)

DDM	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	Terminal Year
DPS (PLN ps)	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	3.2
Cost of equity	19.2%	18.3%	17.8%	16.8%	16.6%	16.5%	16.3%	16.2%	16.1%	15.9%	15.9%
Discount multiple	95%	80%	68%	60%	52%	44%	38%	33%	29%	25%	
Discounted DPS (PLN ps)	0.7	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.3	0.3	
Sum of discounted DPS (PLN ps)											4.8
Terminal growth											1.0%
Discounted value of terminal DPS (PLN ps)											5.5
Fair Value (PLN ps)											10.35

Source: Company, IPOPEMA Research

Peer comparison

We present a multiples valuation by comparing PA Nova to general contractors and commercial developers, based on the P/E and P/BV multiples. In our analysis, we give 0% weight to the method. Given our forecasts for 2025E-27E, the company currently trades at a P/E multiple of 8.3/6.7/6.4x. In the case of the P/BV multiple, the average discount to its peers is close to 75%.

Figure 6. PA Nova – peer comparison

Company	mCap (PLNm)	P/E (x)			P/BV (x)		
		2025E	2026E	2027E	2025E	2026E	2027E
Echo Investment	2,385	66.3	7.3	5.6	0.9	1.4	1.4
GTC	2,354	57.7	52.1	43.8	n.a.	n.a.	n.a.
MLP Group	1,872	7.3	5.3	4.3	n.a.	n.a.	n.a.
CA Immobilien	2,426	17.8	12.3	14.2	1.0	0.9	0.9
TAG Immobilien	2,805	17.0	13.3	13.2	1.4	1.1	1.2
Budimex	13,771	20.6	17.6	15.2	11.4	10.9	9.7
Erbud	379	27.7	10.0	9.9	n.a.	n.a.	n.a.
Unibep	348	11.9	11.5	7.3	n.a.	n.a.	n.a.
Median		19.2	11.9	11.5	1.2	1.3	1.3
PA Nova	165	8.3	6.7	6.4	0.3	0.3	0.3
Premium/discount (%)		-57%	-44%	-45%	-73%	-76%	-77%
Implied FV/share (PLN)		38.10	29.28	29.84	60.87	68.06	70.37
Average implied FV/share (PLN)		49.42					

Source: Bloomberg, IPOPEMA Research

Financial forecasts

2Q25E predictions: We estimate that PA Nova will reach PLN 67m in revenues (-44% y/y) in 2Q25E, due to lower sales in its construction segment (we predict PLN 43m; we note that in 2Q24 the developer reported an extra-ordinary inflow from the disposal of the retail park in Klodzko, which underpinned the numbers). In commercial division, we forecast revenues of PLN 21m and in Other segment (IT and Projecting) PLN 3m. Given expected gross margin of 20.7% and stable SG&A costs, consolidated EBITDA may amount to PLN 14m (vs. PLN 20m in 2Q24 and PLN 13m in 1Q25) and the net profit may come in at PLN 4m (vs. PLN 10m in 2Q24).

2025E outlook: In full-year terms, we assume quite stable results in comparison with 2024, despite the disposal of the project in Klodzko in 2024. According to our expectations, the company will reach revenues of PLN 257m, including PLN 87m in commercial segment and PLN 159m in construction division. We forecast that EBITDA will arrive at PLN 52m and the net profit will reach PLN 20m. We point out that we do not include disposal of commercial asset in our model in 2025E, but the CEO, Mr. Tomasz Janik, stated in 2Q25 that the group may generate revenues of PLN 90-100m from such transactions.

Long-term perspectives: In commercial activity, we expect the revenues to increase to PLN 98m, due to the completion of retail parks in Dzierzoniow and Nysa. Concurrently, we do not assume any divestments in our model. Regarding construction segment, we anticipate that the backlog will increase by 2-3% y/y in coming years; however, we emphasize that the management board aims to deliver double-digit growth. In the case of the profitability, we predict the stabilization (main material prices are slightly lower, as of now, but, in contrary, the competition on the tenders is more intensive).

Dividend policy: In our model, we assume that PA Nova will recurrently pay out the dividends and the DPS will increase. As of now, we forecast that the company will pay out PLN 0.80ps in 2026E and PLN 0.85ps in 2027E (vs. PLN 0.75ps in 2025E).

Figure 7. PA Nova - results' estimates in 2Q25E-4Q25E (PLNm)

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Revenues, incl.:	50	41	38	77	98	113	74	65	43	105	60	75	60	67	59	71
Rental	22	20	25	23	22	23	22	22	23	23	22	25	23	21	21	21
Construction	24	18	9	49	72	86	48	39	16	78	34	46	34	43	35	47
Other	4	3	4	5	3	4	4	5	4	5	4	4	3	3	3	3
Gross profit	13	10	9	24	29	15	17	13	11	20	15	14	13	14	13	14
EBITDA	12	9	7	20	28	13	14	9	10	19	10	15	13	13	13	13
EBIT	11	8	6	20	28	12	14	9	9	18	11	10	11	11	10	11
EBT	8	4	2	13	24	7	9	3	4	12	7	7	7	5	5	6
Net profit	6	6	-1	12	19	6	7	2	4	10	4	5	7	4	4	5
gross margin	26.4%	24.2%	22.7%	30.8%	30.2%	13.1%	22.7%	19.3%	26.6%	18.9%	24.5%	18.6%	22.1%	20.7%	22.3%	19.9%
EBITDA margin	24.0%	21.1%	18.3%	26.5%	28.6%	11.5%	19.0%	14.0%	24.2%	18.3%	16.0%	20.3%	21.1%	20.0%	21.5%	18.7%
EBIT margin	22.8%	19.6%	16.5%	25.8%	28.2%	11.0%	18.3%	13.2%	20.6%	16.8%	18.8%	13.8%	18.8%	15.9%	17.0%	15.1%
net margin	11.1%	13.6%	n.a.	16.1%	19.8%	5.2%	9.4%	3.6%	8.5%	9.2%	7.3%	6.1%	10.8%	6.6%	7.0%	6.8%

Source: Company, IPOPEMA Research

Figure 8. PA Nova - results' estimates in 2025E-2034E (PLNm)

	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenues	200	206	351	284	257	271	275	280	284	289	294	298	303	308
Gross profit	49	56	74	60	54	60	61	62	63	63	64	65	66	67
EBITDA	43	48	64	55	52	54	53	53	53	53	53	53	52	53
EBIT	40	46	62	48	43	45	45	46	46	47	47	48	47	48
EBT	28	28	43	31	24	30	32	33	35	36	40	43	47	48
Net profit	23	23	35	22	20	25	26	27	28	29	32	35	38	39
gross margin	24.7%	26.9%	21.1%	21.2%	21.2%	22.3%	22.2%	22.1%	22.0%	21.9%	21.8%	21.7%	21.7%	21.6%
EBITDA margin	21.5%	23.3%	18.3%	19.2%	20.3%	20.0%	19.4%	18.9%	18.5%	18.2%	18.0%	17.8%	17.3%	17.1%
EBIT margin	20.1%	22.1%	17.8%	17.0%	16.6%	16.5%	16.4%	16.4%	16.3%	16.2%	16.1%	16.0%	15.6%	15.5%
net margin	11.7%	11.0%	9.9%	7.8%	7.7%	9.1%	9.4%	9.7%	10.0%	10.2%	10.9%	11.7%	12.4%	12.7%
Net debt	301	347	273	275	235	213	192	171	151	130	108	84	58	31
LtV net	0.4x	0.5x	0.4x	0.4x	0.3x	0.3x	0.3x	0.3x	0.2x	0.2x	0.2x	0.1x	0.1x	0.0x

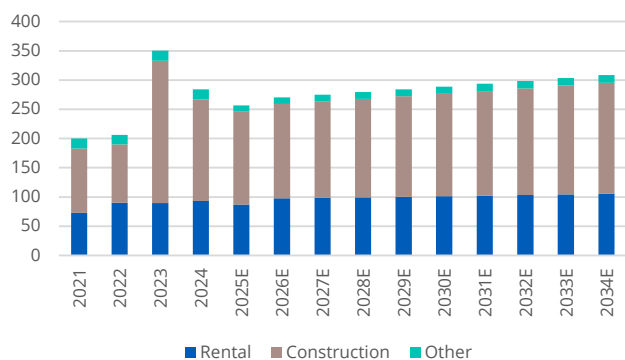
Source: Company, IPOPEMA Research

Figure 9. PA Nova – results by segments in 2025E-34E (PLNm)

	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenues	200	206	351	284	257	271	275	280	284	289	294	298	303	308
Rental	73	90	89	93	87	98	98	99	100	101	102	104	105	106
Construction	110	100	244	174	159	162	165	168	172	175	179	182	186	190
Other	17	16	17	17	11	11	11	12	12	12	12	13	13	13
Costs*	151	151	277	223	203	211	215	218	222	226	230	234	238	243
Rental	30	39	37	44	44	49	50	50	51	51	52	52	53	53
Construction	102	94	220	160	146	149	152	155	158	161	164	168	171	174
Other	19	18	20	19	13	13	13	14	14	14	14	15	15	15
Profit	49	55	73	61	54	60	60	61	62	63	63	64	65	66
Rental	43	51	52	49	43	48	49	49	50	50	51	51	52	52
Construction	7	6	24	14	13	13	13	14	14	14	14	15	15	15
Other	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
Margin (%)	24.5%	26.6%	20.9%	21.6%	21.1%	22.0%	21.9%	21.9%	21.8%	21.7%	21.6%	21.5%	21.4%	21.3%
Rental	59.4%	56.9%	58.1%	52.5%	49.6%	49.6%	49.6%	49.6%	49.6%	49.6%	49.6%	49.6%	49.6%	49.6%
Construction	6.6%	5.8%	9.7%	8.3%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%
Other	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

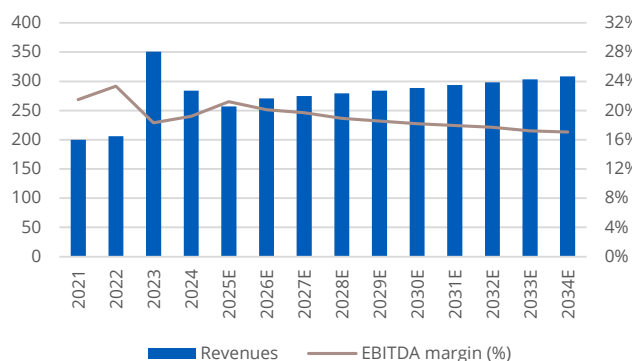
Source: Company, IPOPEMA Research; *COGS + selling expenses in the segment

Figure 10. PA Nova – revenues in segments (PLNm)



Source: Company, IPOPEMA Research

Figure 12. PA Nova – EBITDA margin (%)



Source: Company, IPOPEMA Research

Figure 11. PA Nova – results in segment (PLNm)

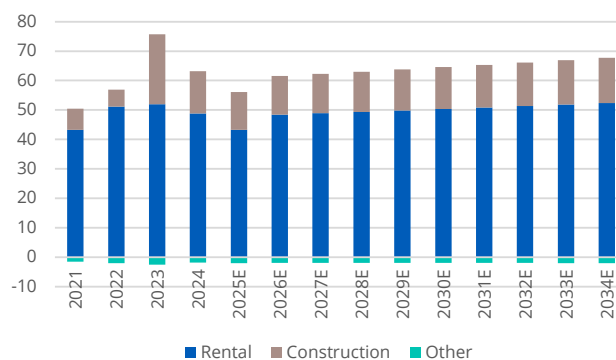


Figure 13. PA Nova – net margin (%)

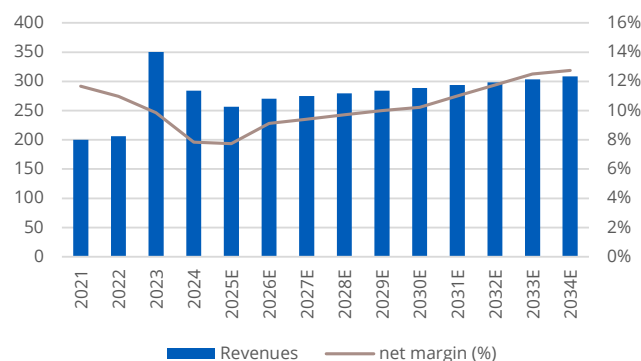


Figure 14. PA Nova – LtV net (%)

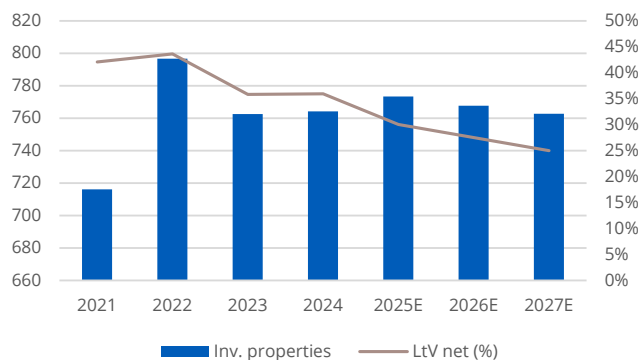
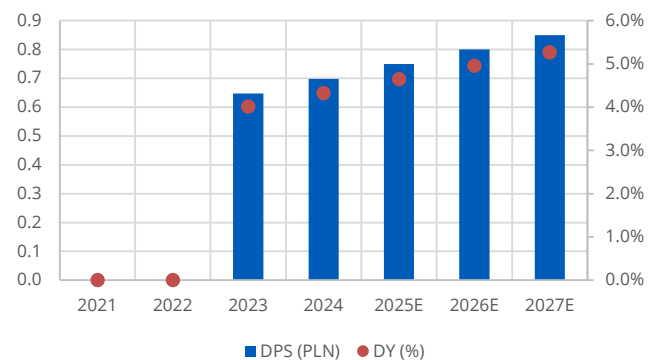


Figure 15. PA Nova – DPS (PLN) and DY (%)



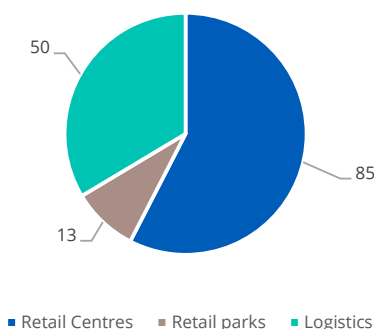
Source: Company, IPOPEMA Research

Business model

Commercial segment

PA Nova is a commercial developers, which constructs shopping malls, retail parks and logistics projects for its own use. As of now, the group has twelve projects in its portfolio, including four shopping malls (Galena in Jaworzno, Sanowa in Przemyśl, Odrzańskie Ogrody in Kedzierzyn-Kozle and Miodowa in Kluczbork), five retail parks and three logistics assets. Total GLA of existing projects is close to 129.4k sqm. Moreover, there are two other retail parks under construction, located in Dzierzoniów and Nysa, with a GLA of 18.6k sqm, which should be ready at the end of 2025E. According to 2024 data, the occupancy rate stood at 97%.

Figure 16. PA Nova – GLA's split by formats (k sqm)



Source: Company, IPOPEMA Research

Figure 17. PA Nova – commercial portfolio

Project	Type		GLA (k sqm)	//Project	Type		GLA (k sqm)
Przemyśl (Sanowa)	Retail Centre	Existing	22	Raciborz	Retail Park	Existing	1
Kluczbork (Miodowa)	Retail Centre	Existing	10	Jaworzno	Retail Park	Existing	3
Kedzierzyn-Kozle (Odrzańskie Ogrody)	Retail Centre	Existing	22	Kłodzko	Retail Park	Existing	10
Jaworzno (Galena)	Retail Centre	Existing	31	Biała Podlaska	Retail Park	Existing	9
Rybnik	Logistics	Existing	8	Pyskowice	Retail Park	Existing	8
Siechnice	Logistics	Existing	3	Dzierzoniów	Retail Park	Under const.	8
Rzeszów	Logistics	Existing	3	Nysa	Retail Park	Under const.	10

Source: Company, IPOPEMA Research

In recent years, the commercial division generated ca. 1/3 of consolidated revenues and ca. 80% of group's results (calculated as: revenues – COGS – selling expenses). In nominal terms, the segment recorded sales of PLN 89m in 2023 and PLN 93m in 2024. We note that the great amount of rents is denominated in EUR and NVA is exposed on FX risk. The segment's profit arrived at PLN 52m in 2023 and PLN 49m in 2024.

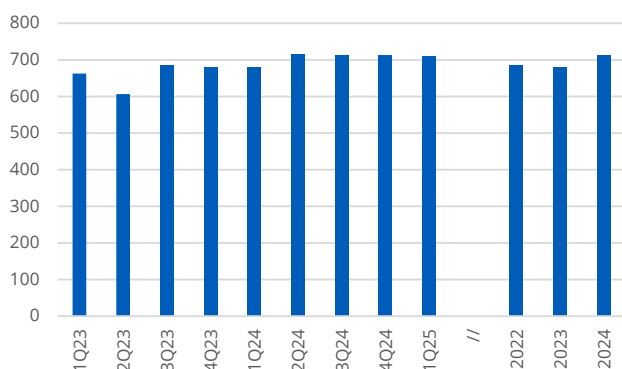
Regarding the debt, all of the taken loans are in EUR, which is a common practice in the sector (natural hedge rents-debt), and the financial expenses are based on EURIBOR + margin (as of end-2024, the average margin stood at 2.51%). Given 1Q25 data, NVA had the debt of PLN 286m in rental segment, which implied gross LtV of 40.2% and the net LtV of 32.7%.

Figure 18. PA Nova – historical results of the commercial segment (PLNm)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	//	2022	2023	2024
Revenues	22	23	22	22	23	23	22	25	23		90	89	93
Profit*	12	14	13	13	12	12	11	14	12		51	52	49
Profit after financial costs	8	11	9	9	9	5	8	11	8		39	38	32
Assets**	662	607	686	681	680	715	713	712	711		686	681	712
Debt	272	305	313	302	302	297	296	283	286		281	302	283
Net debt	227	263	260	245	247	245	242	233	232		231	245	233
LtV (gross)	41.0%	50.3%	45.6%	44.3%	44.3%	41.6%	41.5%	39.7%	40.2%		40.9%	44.3%	39.7%
LtV (net)	34.3%	43.4%	37.9%	36.0%	36.2%	34.3%	33.9%	32.7%	32.7%		33.7%	36.0%	32.7%

Source: Company, IPOPEMA Research; *revenues less COGS and selling expenses; **PP&E + Investment properties + Assets held for sale

Figure 19. PA Nova – investment properties (PLNm)



Source: Company, IPOPEMA Research

Figure 20. PA Nova – LtV net and gross (%)

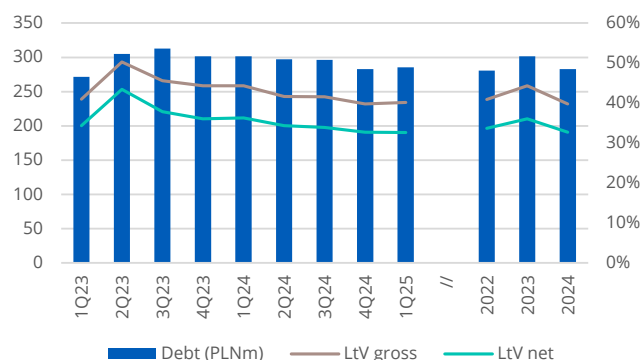
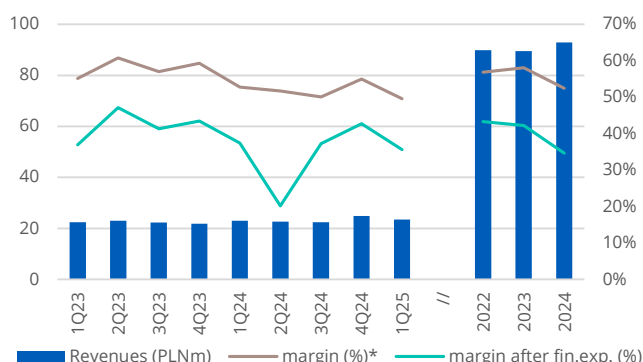
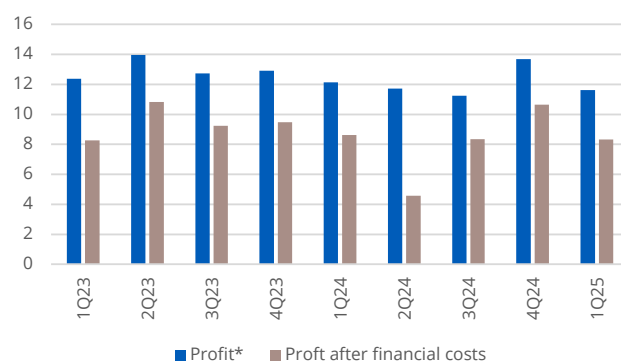


Figure 21. PA Nova – margins in commercial segment



Source: Company, IPOPEMA Research; *revenues less COGS and selling expenses

Figure 22. PA Nova – results of commercial segment (PLNm)



Construction division

Since the beginning of company's activity, the group has been a general contractor and its main clients were retail chains, such as Lidl, Kaufland Aldi or Castorama. Currently, the group expanded the scope of its competence and constructs also logistics assets and retail parks for other companies. NVA, despite one contract for PKP in its history, does not execute the orders from the public sector. The average contract last between 8 to 12 months. According to 2024 data, the total value of submitted bids stood at PLN 550m. We point out that, as of now, the group recognizes the construction contracts by the proportional method, after the shift from the zero-profit method.

The construction segment is the second key activity for NVA and in previous years it generated approximately 50% of consolidated sales (excluding the impact of asset disposal; the auditor stated that the company has to report such events in the construction division, not in rental activity) and 10-20% of the profit. Historical profitability (excluding the afore-mentioned impact of divestments) stood in the range of 6-8%.

Figure 23. PA Nova – historical results of the construction segment (PLNm)

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	//	2022	2023	2024
Revenues	72	86	48	39	16	78	34	46	34		100	244	174
Profit*	18	1	5	0	1	9	4	1	3		6	24	14
Profit after financial costs	16	-3	4	-3	-1	8	3	-1	1		-1	15	9
margin	24.9%	1.4%	10.4%	n.a.	3.2%	11.1%	12.8%	1.9%	8.1%		5.8%	9.7%	8.3%
margin after financial costs	22.8%	n.a.	8.8%	n.a.	n.a.	10.0%	8.7%	n.a.	3.8%		n.a.	6.0%	5.1%

Source: Company, IPOPEMA Research; *2023 results include the impact of the disposal of assets in Plock and Zabkowice Slaskie; 2024 numbers include the disposal of the project in Klodzko; **revenues less COGS and selling expenses

Figure 24. PA Nova – margins in construction segment

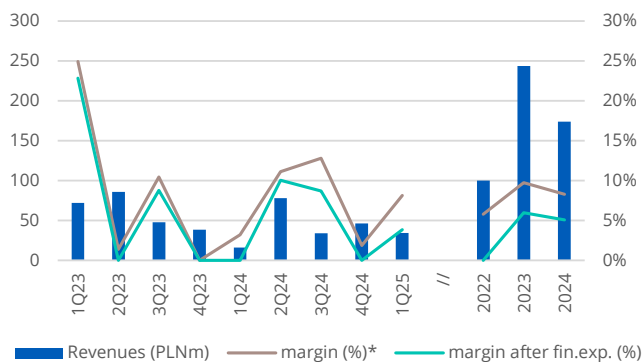
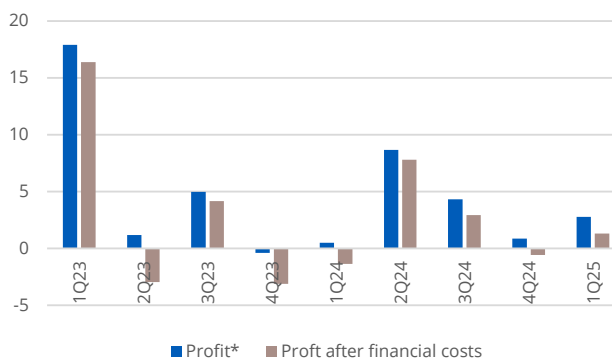


Figure 25. PA Nova – results of construction segment (PLNm)



Source: Company, IPOPEMA Research; *revenues less COGS and selling expenses

Shareholder structure

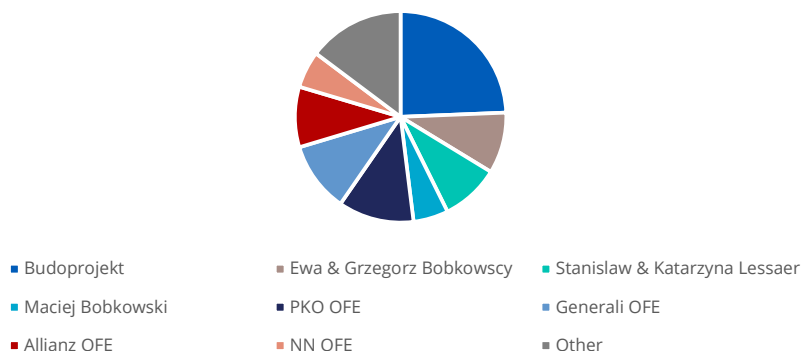
PA Nova's share capital consists of 10.0m shares and the shareholders structure is strongly diversified. The key shareholder is Budoprojekt (24.4%), which is controlled by Mrs. Ewa Bobkowska, Mr. Stanislaw Lessaer and Mr. Przemyslaw Zur. Moreover, Mrs. Ewa and Mr. Grzegorz Bobkowsky have the stake of 9.4% shares, Mr. Stanislaw and Mrs. Katarzyna Lessaer have 9.0% and Mr. Maciej Bobkowski has 5.4% of shares. Among institutional shareholders, the stake of >5% in shares have: Generali OFE (10.7%), Allianz OFE (9.2%) and NN OFE (5.6%). The free-float stands at 14.8%.

Figure 26. PA Nova – shareholders structure

	Shares (m)	% of shares	Votes (m)	% of votes
Budoprojekt	2.4	24.4%	4.9	34.3%
Ewa & Grzegorz Bobkowsky	0.9	9.4%	1.7	11.8%
Stanislaw & Katarzyna Lessaer	0.9	9.0%	1.5	10.8%
Maciej Bobkowski	0.5	5.4%	0.9	6.6%
PKO OFE	1.2	11.6%	1.2	8.2%
Generali OFE	1.1	10.7%	1.1	7.6%
Allianz OFE	0.9	9.2%	0.9	6.5%
NN OFE	0.6	5.6%	0.6	4.0%
Other	1.5	14.8%	1.5	10.4%
Total	10.0	100.0%	14.2	100.0%

Source: Company, IPOPEMA Research

Figure 27. PA Nova – shareholders structure



Source: Company, IPOPEMA Research

Market outlook

Commercial market

The company has both, shopping mall and small retail parks in its portfolio. CBRE assumes that in 1H25 the new supply stood at 175.8k sqm (in total 23 new projects and 14 expansions; JLL stated that in 2Q25 there was completed ca. 90k sqm), and the total supply stood at 15.2m sqm. The agency estimates that in 2025E the developers will deliver 500k sqm and further 450k sqm in 2026E. Moreover, still the vast majority of projects under construction is focused in retail parks – nearly 80% of the area and 89% of projects is dedicated to this type of retail assets. According to CBRE, Saller, PKB Inwest Budowa and PA Nova are the most active developers, and still the companies focus on smaller cities (<100k citizens).

In the case of tenant-mix, there were 5 debuts of international brands in 1H25, while in 2023-24 there were in average 17 newcomers. Regarding rents, the rate remain stable – for top assets in the biggest cities rents arrive at EUR 40-60/sqm/month, while in the case of retail parks they come in at EUR 9-12/sqm/month. Cushmann&Wakefield pointed out that the average traffic per shopping mall has amounted to 400-420k visitors, which implies an increase of 1-2% y/y.

According to JLL data, exit yields for prime retail centers stood at 6.50% at the end of-2Q25, while for retail parks it reach 7.20% (we note that C&W assumes the yields of approximately 7.00%). The total investment volume in 1H25 arrived at ca. EUR 320m (nearly 35% below 5-year average).

Figure 28. Commercial market - summary

	Total supply (k sqm)	Shopping malls (k sqm)	Density (sqm/1000inh.)	Yield (%)
Warsaw	2,419	1,416	504	6.45%/7.00%
Silesia	1,586	1,018	513	7.00%
Tri-City	1,008	631	563	6.90%
Poznan	877	643	731	7.00%
Wroclaw	872	527	589	6.70%
Cracow	826	535	473	6.90%
Lodz	692	509	566	6.90%
Szczecin	471	257	488	7.45%
Poland	16,934	10,486	273	6.45%

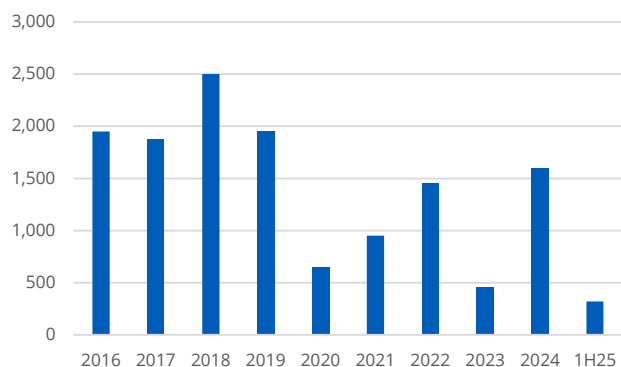
Source: C&W, IPOPEMA Research

Figure 29. Retail projects opened in 2Q25 and to be opened in 3Q25E

Opened					To be opened				
Project	City	Type	Developer	GLA (k sqm)	Project	City	Type	Developer	GLA (k sqm)
Designer Outlet	Cracow	Outlet	KG Group	19.1	Przystanek Karkonosze	Karpacz	Retail park	Grupa Europlan	16.5
PH Łabędzka	Gliwice	Retail park	Freisa	15.0	Brama Jury	Zawiercie	Shopping mall	Master Management	14.5
Leroy Merlin	Szczawno-Zdroj	Shopping mall	Leroy Merlin	10.0	S1 Włocławek	Włocławek	Retail park	Saller	13.0
M Park	Szubin	Retail park	RWS Investment	8.0	M Park	Ciechanow	Retail park	Refield	10.6
Smart Park	Ketrzyn	Retail park	Smart Park	5.5	M Park	Raciborz	Retail park	Green Hills	9.4

Source: C&W, IPOPEMA Research

Figure 30. Investment transaction (EURm)



Source: C&W, JLL, IPOPEMA Research

Figure 31. Exit yields (%)

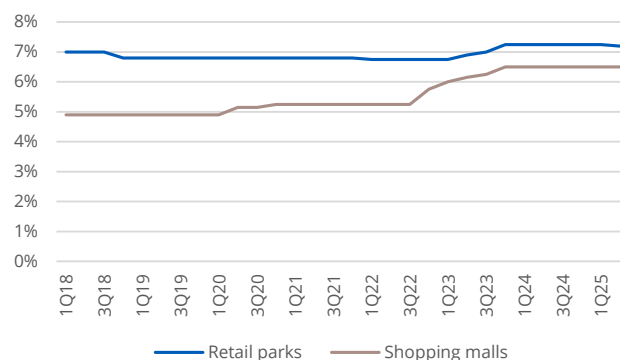
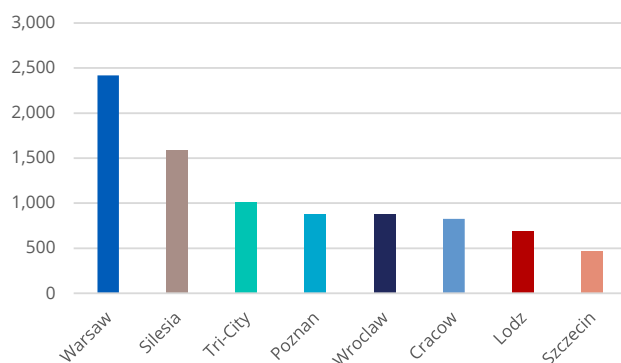
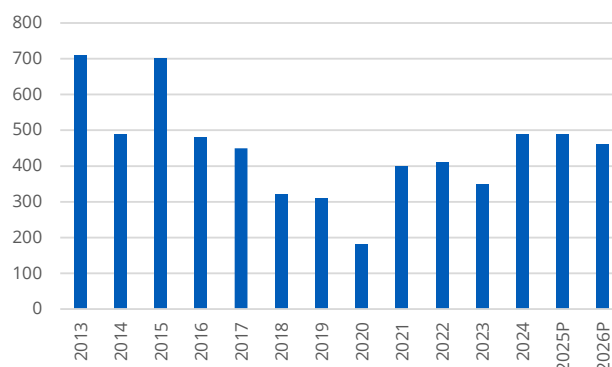


Figure 32. Total GLA as of end-2Q25 (k sqm)



Source: C&W, CBRE, IPOPEMA Research

Figure 33. GLA under construction (k sqm)

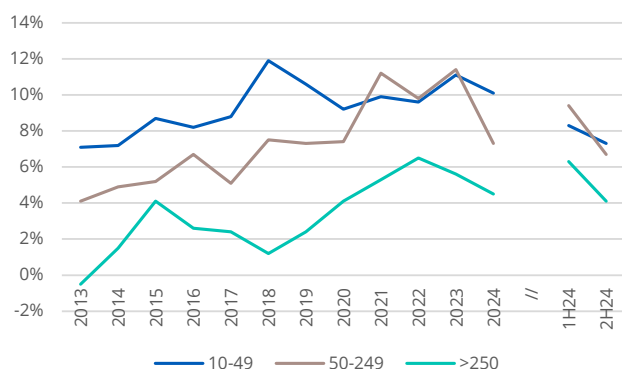


Construction market

According to Statistics Poland, the inflation of construction and assembly production stays in the range of 3-4% y/y. The average salaries in the construction category is close to PLN 8,680 and in the case of "Buildings" amounts to PLN 7,940, which implies the growth of 8% and 6% y/y, respectively. Regarding the employment, it is also stable and in the overall sector amounts to 415k, while in the "Buildings" category it comes in at 136k (we see here a risk, that in the case of a ceasefire in Ukraine, some portion of Ukrainians may decide to return to their country, which in turn may cause stronger pressure on salaries). The business tendency indicator is close to -3/-4 points, which indicates the improvement in comparison with 4Q24 numbers. Nevertheless, it still is not reflected in the sale of construction and assembly production, which has grown by ca. 3% y/y.

Statistics Poland data for 2024 imply that the average profitability for companies with the employment of 10-49 persons and >250 employees are close to the 5-year average (respectively, ca. 10% and 5%). In the case of the general contractors with 50-249 employees, the 2024 average margin stood at 7.3%, which is below 5-year average of 9.4%.

Figure 34. Margins in the sector – divided by no. of employees (%)



Source: Budimex, GUS, IPOPEMA Research

Figure 35. Price indices of constr. and assembly production (%)

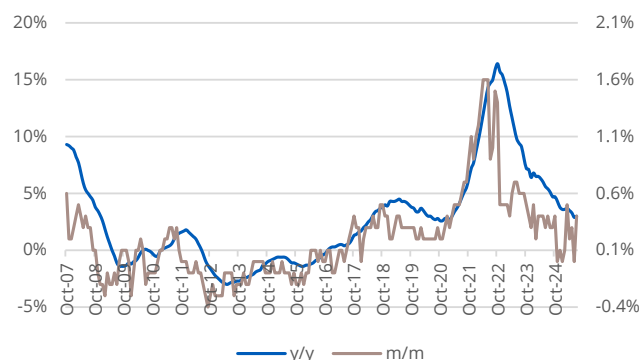
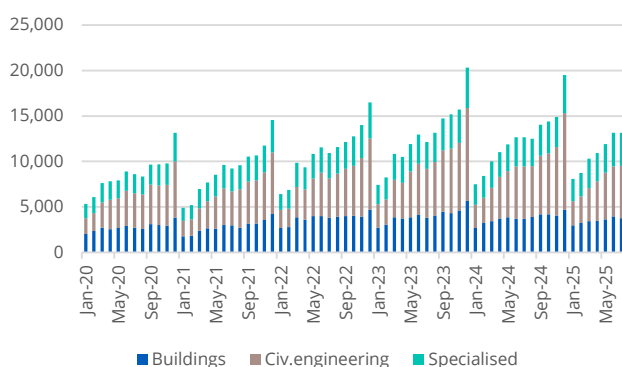


Figure 36. Sale of construction and assembly production (PLNm)



Source: GUS, IPOPEMA Research

Figure 37. Business tendency indicator in construction

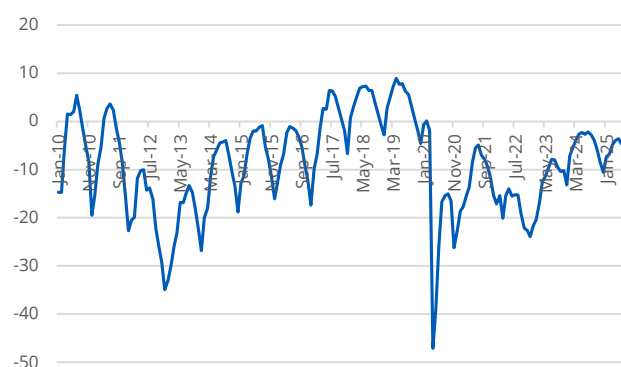
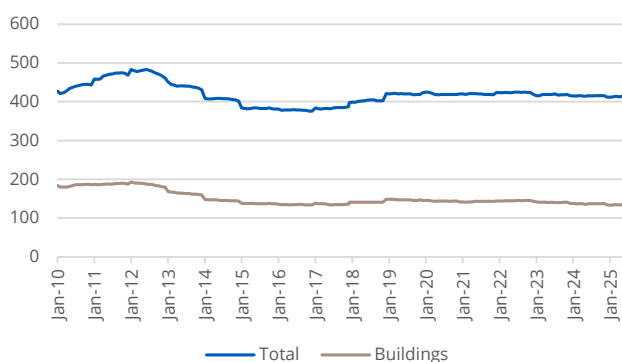
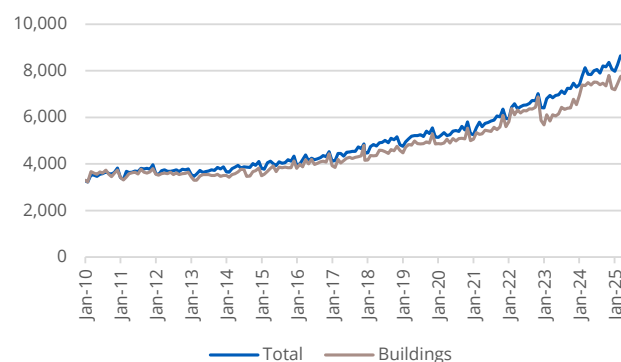


Figure 38. Employment in construction sector (k)



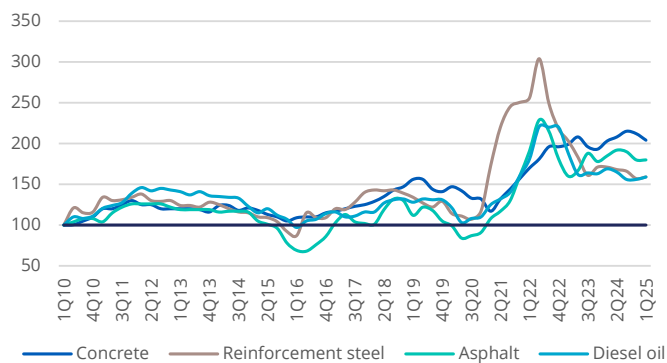
Source: GUS, IPOPEMA Research

Figure 39. Salaries in construction segment (PLN)



According to recent developers' statements, the vast majority of construction costs has stabilized or even declined. Taking into consideration recent Budimex' investor presentation for 1Q25, the price of the reinforcement steel fell by 7% y/y and was stable in quarterly terms. The rebar prices, based on PUDS and Bloomberg data, are 8% lower in yearly comparison and are 2% below the readings from the month before. Given PSB data, the basket of the main materials was ca. 1% cheaper in June. To sum up, the pressure stemming from the materials should ease in coming months.

Figure 40. Prices trends of main materials

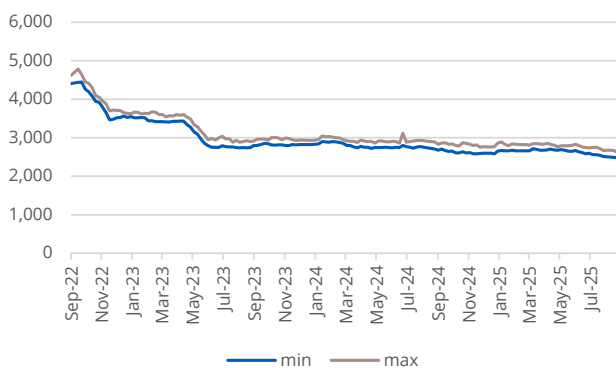


Source: Budimex, Bloomberg, IPOPEMA Research

Figure 41. Rebar price (USD/t)

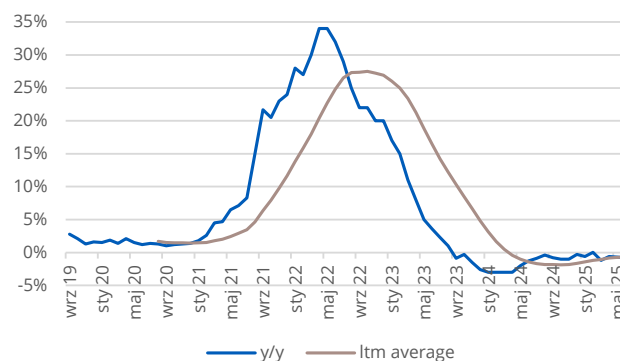


Figure 42. Rebar price (USD/t)



Source: PUDS, PSB, IPOPEMA Research

Figure 43. Main building materials prices – change y/y (%)



Risk factors

As major risk factors we point to:

- **Risk related to the changes in the demand in the construction segment.** In our view, it is one of the key risks for the group, as the construction segment generates the vast majority of consolidated revenues. In previous years, the main clients for NVA were the biggest food retail chains, but their pace of store roll-outs has slowed down. Given that, NVA started to build logistics projects and retail parks for their clients.
- **Risk related to higher competition in the construction segment.** Currently, the market competition is stronger, as there is still the lack of public tenders. Thus, on the auctions in private sector, there is more companies than in previous years, which in turn may put an additional pressure on the profitability.
- **Risk related to the changes in construction material prices.** According to PUDS and PSB data, the value of the average basket composed of the main materials is slightly lower than in previous year, which sounds supportive for the construction segment. Nevertheless, sudden change in material prices, such steel or concrete, may leave a footprint on margins, especially in terms of higher competition. NVA does not use the hedging, as the average duration of contract is in the range of 8-12 months.
- **Risk related to higher vacancy rate in the commercial segment.** The rental segment has generated nearly 1/3 of consolidated revenues and approximately 80% of the profit in previous years. Thus, potential increase in the vacancy rate may strongly affect the results. According to recent data (as of end-2024), the occupancy rate stood at 97%.
- **Risk related to FX volatility.** The company has exposure on EURPLN changes. Firstly, the vast majority of rents is denominated in EUR and PLN strengthening will negatively affect reported revenues. Moreover, ca. 74% of NVA's debt is also denominated in EUR, as these loans are dedicated to the commercial assets.

Key financial data

Figure 44. PA Nova – financial data 2020-2034E

P&L (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenues	162	200	206	351	284	257	271	275	280	284	289	294	298	303	308
COGS	-123	-150	-151	-277	-224	-202	-210	-214	-218	-222	-225	-229	-233	-238	-242
Gross profit	39	49	56	74	60	54	60	61	62	63	63	64	65	66	67
SG&A	-7	-7	-9	-10	-11	-10	-11	-12	-12	-12	-12	-12	-13	-13	-13
Profit on sales	32	42	47	64	49	44	49	49	50	50	51	52	52	53	53
Other operating income(cost)	0	-2	-1	-1	-1	-2	-4	-4	-4	-4	-4	-4	-4	-6	-6
EBITDA	37	43	48	64	55	52	54	53	53	53	53	53	53	52	53
EBIT	32	40	46	62	48	43	45	45	46	46	47	47	48	47	48
Financial income (cost) net	-12	-12	-18	-19	-18	-19	-14	-13	-12	-11	-10	-8	-5	-1	0
Pre-tax profit	20	28	28	43	31	24	30	32	33	35	36	40	43	47	48
Income tax	-4	-5	-5	-8	-8	-4	-6	-6	-6	-7	-7	-8	-8	-9	-9
Net profit	16	23	23	35	22	20	25	26	27	28	29	32	35	38	39

BALANCE SHEET (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Non-current assets	733	740	826	791	797	804	799	795	792	790	788	787	786	786	785
Investment properties	670	660	692	637	657	657	657	657	657	657	657	657	657	657	657
PP&E	14	19	18	45	26	39	33	29	26	24	23	22	21	20	20
Assets held for sale	30	36	86	81	80	80	80	80	80	80	80	80	80	80	80
Other non-current assets	18	24	29	29	33	28	28	28	28	28	28	28	28	28	28
Current assets	95	133	126	128	146	129	124	128	113	125	141	160	180	202	220
Inventories	10	5	1	0	0	0	0	0	0	0	0	0	0	0	0
Trade receivables	27	50	45	50	47	31	30	31	32	32	33	33	34	35	35
Cash and equivalents	44	64	57	65	60	79	75	78	63	74	90	108	127	149	167
Other current assets	14	13	22	13	39	18	18	18	18	18	18	18	18	18	18
Total assets	828	872	951	920	943	933	923	923	905	915	930	947	966	988	1,006
Equity	395	420	435	478	496	512	529	546	564	583	602	624	648	674	701
Minorities	0	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Non-current liabilities	345	318	310	259	351	321	296	278	242	232	228	223	219	214	205
Loans and leasing	306	284	271	217	308	280	254	236	200	191	186	182	177	172	163
Other non-current liabilities	39	34	39	42	43	42	42	42	42	42	42	42	42	42	42
Current liabilities	88	135	208	184	98	101	100	100	100	100	101	101	101	101	101
Trade payables	35	44	63	53	62	58	57	57	57	57	57	58	58	58	58
Loans and leasing	42	81	134	120	27	34	34	34	34	34	34	34	34	34	34
Other current liabilities	11	9	11	10	9	9	9	9	9	9	9	9	9	9	9
Equity & liabilities	828	872	951	920	943	933	923	923	905	915	930	947	966	988	1,006
Gross debt (PLN m)	347	365	405	338	335	314	288	270	234	225	221	216	211	207	198
Net debt (PLN m)	304	301	347	273	275	235	213	192	171	151	130	108	84	58	31

CASH FLOW (PLN m)	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Operating cash flow	83	-6	9	41	25	59	45	44	43	43	42	44	45	47	47
Net profit	16	23	23	35	22	20	25	26	27	28	29	32	35	38	39
D&A	5	3	2	2	6	9	9	8	7	6	6	6	5	5	5
Change in WC	41	-20	68	-59	29	18	0	0	0	0	0	0	0	-1	-1
Other	21	-12	-84	64	-32	12	11	10	9	8	7	7	6	5	4
Investment cash flow	-17	31	-10	-2	0	-2	-4	-4	-4	-4	-4	-4	-4	-5	-5
Change in inv.properties	0	38	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	-17	-6	-10	-2	0	-2	-4	-4	-4	-4	-4	-4	-4	-5	-5
Financial cash flow	-61	-6	-75	-32	-29	-38	-45	-37	-54	-27	-22	-22	-21	-21	-25
Change in equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in debt	-26	7	-35	-28	-21	-14	-26	-18	-36	-9	-5	-5	-5	-5	-9
Dividend	-1	0	0	-6	-7	-8	-8	-9	-9	-10	-10	-11	-11	-12	-12
Interest paid	-29	-9	-36	0	0	-16	-11	-10	-9	-8	-7	-7	-6	-5	-4
Other	-7	-4	-4	2	-1	-1	0	0	0	0	0	0	0	0	0
Change in cash	5	20	-76	7	-4	19	-4	3	-15	11	16	18	20	22	18
Cash as of eop	44	64	57	65	60	79	75	78	63	74	90	108	127	149	167

Source: Company, IPOPEMA Research

Disclaimer

This document has been prepared by IPOPEMA Securities S.A. with its registered seat in Warsaw, Prózna 9, 00-107 Warsaw, Poland, entered into the Register of Entrepreneurs of the National Court Register maintained by the District Court for the City of Warsaw, XII Commercial Division of the National Court Register under entry number KRS 0000230737, the initial capital and paid capital in the amount of PLN 2.993.783,60, NIP 5272468122, www.ipopema.pl. IPOPEMA Securities S.A. is supervised by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego), Piękna 20, 00-549 Warsaw, Poland.

This document was prepared by IPOPEMA Securities S.A. for information purposes only. This document is addressed to IPOPEMA Securities S.A. clients entitled to receive it on the basis of contracts for the provision of services. This document, using mass media distribution channels, may also reach other investors. It has been produced independently of the company mentioned in this document and any forecasts, opinions and expectations are entirely those of IPOPEMA Securities S.A. Unless otherwise specified, the estimates and opinions contained in the document constitute an independent assessment of IPOPEMA Securities S.A. analysts preparing the document as of the date of issuing the document.

IPOPEMA Securities S.A. prepared this document with the preservation of all adequate diligence, thoroughness and reliability on the basis of publicly available information which IPOPEMA Securities S.A. believes to be reliable. The sources of data are primarily: Bloomberg, Reuters, EPFR, Polska Agencja Prasowa, WSE, Główny Urząd Statystyczny, Narodowy Bank Polski, financial press, online financial and economic services. While due diligence has been taken by IPOPEMA Securities S.A. to ensure that the facts stated herein are accurate and that any forecasts, opinions and expectations contained herein are fair and reasonable, IPOPEMA Securities S.A. has not independently verified all the information given in this document. Accordingly, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this document. The opinions expressed in the document can change without notice and IPOPEMA Securities S.A. is under no obligation to keep these opinion current. None of the IPOPEMA Securities S.A. or any other person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith provided that IPOPEMA Securities S.A. has been exercised due diligence and integrity during its preparation. This document may be sent to the mass media, however its copying or publishing in whole or in part as well as dissemination of information enclosed to it is allowed only with prior permission of IPOPEMA Securities S.A. This document nor any copy hereof is not to be distributed directly or indirectly in the United States, Australia, Canada, Serbia or Japan, subject to the following section.

Important disclosures for U.S. Persons: Auerbach Grayson & Company Inc. may distribute this document in the U.S. This document is provided for distribution to Major U.S. Institutional Investors in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended and may not be furnished to any other person in the U.S. Each Major U.S. Institutional Investor that receives this document shall not distribute or provide it to any other person. Under no circumstances should any U.S. recipient of this document effect any transaction to buy or sell securities or related financial instruments through IPOPEMA Securities S.A. Any U.S. recipient of this document wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this document should do so only through Auerbach Grayson & Company Inc. 25 West 45th Street, Floor 16, New York, NY 10036 U.S. which is a registered broker-dealer in the U.S. IPOPEMA Securities S.A. is not a registered broker-dealer in the U.S. and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. IPOPEMA Securities S.A. and its research analysts are not associated persons of Auerbach Grayson & Company, nor are they affiliated with Auerbach Grayson & Company. The author of this document whose name appears in this document is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"), is not subject to the SEC rules on research analysts and is not subject FINRA's rules on debt research analysts and debt research reports, equity research analysts and equity research reports. U.S. recipients should take into account that information on non-U.S. securities or related financial instruments discussed in this document may be limited. The financial instruments of non-U.S. issuers may not be registered with, or be subject to the regulations of, the SEC. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the U.S.

This document does not constitute any offer to sell or induce any offer to buy or sell any financial instruments, cannot be relied on in connection with any contract or liability and does not constitute advertising or promotion of a financial instrument or the company. Investment decisions should only be made on the basis of a prospectus or other publicly available information and materials.

The document was prepared without taking into account the needs and situation of the recipients of the document. When preparing the document, IPOPEMA Securities S.A. does not examine the recipient's investment objectives, risk tolerance level, time horizon and financial standing of the investors. The company or the financial instruments discussed in the document may not be suitable for the users of the document, i.e. it may not be suitable for the specific objectives and time horizon or the financial situation. Information included in the document cannot be regarded as a substitute for obtaining investment advice service. The value of financial instruments may fluctuate, including declines. Changes in FX rates may have an adverse effect on the value of investments. The investment in financial instruments is linked to investment risks including loss of entire or part of the invested capital. Past performance is not necessarily indicative of future results. IPOPEMA Securities S.A. points out that the price of financial instruments is affected by many different factors that are or may be independent of the company and the results of its operations. These include, among others changing economic, legal, political and tax conditions. IPOPEMA Securities S.A. may have issued in the past or may issue other documents in the future, presenting other conclusions, not consistent with those presented herein document. Such documents reflect different assumptions, points of view and analytical methods adopted by the analysts preparing them.

Investors should be aware that IPOPEMA Securities S.A. or its related entities may have a conflict of interest that could affect this document's objectivity. The investor should assume that IPOPEMA Securities S.A. or its related entities may provide services in favour of the company and obtain remuneration on this account. They may also have another financial interest with respect to the company. IPOPEMA Securities S.A. or its related entities may seek to do business with the company or other entities mentioned in this document. IPOPEMA Securities S.A. has an organizational structure and internal regulations in place to ensure that the client's interests are not compromised in the event of a conflict of interests, in relation to preparing this document. Conflict of interest management policy is available on the website at <https://www.ipopemasecurities.pl/analizy-i-rekomendacje.p162>. This document was prepared irrespective and independently of the interests of IPOPEMA Securities S.A., the company that is the subject of this document and holder of financial instrument issued by aforementioned company. IPOPEMA Securities S.A., its shareholders, employees and associates may hold long or short positions in the company's financial instruments or other financial instruments related to the company's financial instruments.

Information on the conflict of interest arising in connection with the preparation of the document (if any) is provided below.

On the order of the Warsaw Stock Exchange S.A. ("WSE"), IPOPEMA Securities S.A. creates analytical materials for the following companies: ASBISc Enterprises PLC, Izostal S.A., Medicalgorithmics S.A., P.A. NOVA S.A., Scope Fluidics S.A., VIGO Photonics S.A. The WSE has proprietary copyrights to these materials. For the preparation of IPOPEMA Securities S.A. receives remuneration from the WSE. Information on the program is available on the website <https://www.gpw.pl/gpwpa>.

IPOPEMA Securities S.A. uses a number of valuation methodologies including discounted cash flows models (DCF), discounted dividends models (DDM), peers relative comparison, risk-adjusted net present value method (rNPV), net asset value (NAV), sum of the parts (SotP) methods, or variations of those methods, or other methods if deemed as suitable. Within all those methods a specific opinions of the report's author or authors are applied, including financial forecasts for the company/companies. The subjective opinions of the report's author or authors, formed by their knowledge and experience, play a significant role in the valuation. Also included are assumptions on numerous economic variables, particularly interest rates, inflation and exchange rates and varying these assumptions could result in significantly different opinions.

DCF models encapsulate the forecasted cash streams for a company, and are widely used in the investment industry. DCF models rely on multiple discretionary assumptions regarding the company's operations, future profits and its market environment. DCF model usually present only one variant of the future, hence to analyze the different scenarios a sensitivity analysis is needed (for either/both operational items or valuation parameters). The weak points of DCF method include the susceptibility to a change of a specific forecasts assumptions in the model, and the fact that it present only one discretionary future scenario.

DDM models rely on expected shareholders' distribution levels within dividends. They enable to value the effective cash proceeds stream from the perspective of shareholders (only in case of dividends, while it may not fully include buybacks). The weak points of DDM models include: sensitivity of underlying operating and valuation assumptions, not grasping a full shareholders distribution if company proceeds with a buyback on top of a dividend payments, and putting less focus on company's specific financial situation.

Peer relative comparison bases on a comparison of valuation multipliers for companies from a given sector. The leading multiples for compared company based on the future earnings, book values, operating profit or cash flows include an analyst's estimate of those values. The peer comparisons methods are less dependent on the analyst's judgment as to the individual parameters, however the valuation is highly depended on the composition of a peers' group. The weak points of peer relative valuation include: the quality and comparability of peers (with various business models, operating environments, growth phases, etc.), the selection of peers, the quality of available consensus for peers, and a practice of comparing the multiples to median/average instead of historical premiums/discounts.

rNPV method accounts the probabilities factors related to future cash flows, which enables to assess specific risk factors. rNPV is commonly used to value either innovative companies or companies in case of which certain milestones need to be reached before cash flow is generated on regular basis. The weak points include subjective assumptions towards risk factor discount rates on top of the susceptibility to a change of a specific forecasts.

NAV and SotP methods are often used in cases of valuing the separate parts of company's businesses with purpose to arrive at the consolidated valuation. NAV and SotP may include various valuation methods for selected assets, including DCF, DDM models, target multiple valuation, market value valuation, or other various methods, and are often expanded by addition of discretionary discounts (such as holding discount). The weak points of NAV/SotP valuations include all specific weaknesses of used methods, as well as the sensitivity to applied discretionary factors such as holding discount.

This document was not transferred to the company prior to its publication. This document was prepared according to the author's own view, assumptions and knowledge.

Recommendations issued by IPOPEMA Securities S.A. they are valid for a period of 12 months from the date of issue, unless they are updated during this period. IPOPEMA Securities S.A. updates the issued recommendations depending on the market situation and subjective analysts' assessment. In the last 12 months IPOPEMA Securities S.A. has not prepared any recommendation concerning the company.

This document is an investment research within the meaning of Art. 36 par. 1 of the Commission Delegated Regulation (EU) 2017/565.

List of all recommendations regarding any financial instrument or issuer that have been disseminated within the last 12 months by IPOPEMA Securities S.A. is available on the website at <https://www.ipopemasecurities.pl/analizy-i-rekomendacje.p162>.

The definitions of terms used in the document include:

AGM/EGM – annual/extraordinary general meeting of shareholders.

BVPS – book value per share - the book value of the company's shareholders equity divided by the number of shares outstanding without treasury shares at the end of period.

CAGR – compound annual growth rate.

CFO – net cash flow from operations.

Cost/Income – operating expenses divided by total banking revenue.

D&A – depreciation and amortization.

DCF – discounted cash flow model – a valuation method based on the sum of discounted future cashflows with appropriate adjustments (such as net debt, etc., if applicable).

DDM – dividend discount model – a valuation method of based on the sum of discounted future dividends.

DPS – dividend per share – dividend of a given year divided by the number of shares outstanding without treasury shares at the moment of distribution.

DY – dividend yield – total DPS of a given financial year divided by share price.

EBIT – earnings before interests and tax.

EBITDA – earnings before interests, tax, depreciation and amortization.

EPS – earnings per share – the net income (or adjusted net income) divided by the number of shares outstanding without treasury shares at the end of period.

EV – enterprise value – market cap adjusted by treasury shares, plus gross debt, less cash and equivalents, less associates, plus minorities.

EV/EBITDA – EV divided by EBITDA.

EV/S, or EV/revenues – EV divided by revenues (sales).

FCFE – free cash flow to the equity.

FCFF – free cash flow to the firm.

FV – fair value – fair value price of the company calculated based on valuation methods outlined in the document.

LLP – loan loss provisions – an expense set aside as an allowance for bad loans.

ND – net debt – gross debt and leases (depending on accounting standard) less cash and equivalents.

Net F&C – net fee and commission income – fee and commission income minus fee and commission expense.

NII – net interest income – interest income minus interest expense.

NPL – non-performing loan – loans that are in default or close to be in default.

P/BV – price to book value - price divided by the BVPS.

P/E – price to earnings ratio – price divided by earnings per share.

PEG – P/E ratio divided by the annual EPS growth, usually over a certain period of time.

ROA – return on assets – net income (or adjusted net income) divided by the average assets.

ROE – return on equity – net income (or adjusted net income) divided by the average shareholders' equity.

ROIC – return on invested capital – EBIT * (1 – tax rate) divided by average invested capital.

uFCF – underlying free cash flow – IPOPEMA's measure reflecting the amount of potential cash flow generation available for distribution before outflow on discretionary purposes (such as shareholders' distribution, unannounced M&A, financial assets, etc.), calculated as follows: net cash from operations less net CAPEX on PP&E, intangibles and subsidiaries (related to announced deals), less net interest paid on debt, leases and granted loans, less lease payment, less dividends paid to minorities, plus received dividends, plus other items if necessary depending on company's specifics/presentation.

uFCFps – uFCF per share.

WACC – weighted average cost of capital.

The author of this document has no conflict of interest with the company that is the subject of this document. The point of view expressed in the document reflects the personal opinion of the author of the document on the analyzed company and its financial instruments. Investors should be aware that flexible part of the author's compensation may depend on general financial performance of IPOPEMA Securities S.A.

IPOPEMA Securities S.A. shall act with due diligence, honestly, fairly, professionally and in accordance with the provisions of the applicable law.

IPOPEMA Securities S.A. does not guarantee achieving the investor's investment objective, the performance of company or prospective prices referred to herein.

When applying ratings for companies following criteria are used with regards to the difference between IPOPEMA's FV and company's price at the date of recommendation:

BUY – the difference between FV and price at recommendation exceeds 10%.

HOLD – the difference between FV and price at recommendation is between (and including) -10% and 10%.

SELL – the difference between FV and price at recommendation is below -10%.

The price used throughout the recommendation to calculate adequate ratios is the "last" price stated on the front page of this document. The date and the time stated on the front page is the date and the time of the preparation of this document. This document has been distributed on 9 September 2025 at 7:30 CEST.

IPOPEMA Research - Distribution by rating category (1 April – 30 June 2025)		Number	%
Buy		15	73%
Hold		2	13%
Sell		2	13%
Total		15	100%

Rating History – PA Nova

Date	Recommendation	Fair Value	Price at recommendation	Author
09/09/2025	BUY	PLN 22.13	PLN 16.45	Adrian Górniak