

Text

Bloomberg: TXT PW Equity, Reuters: TXTP.WA

Hold, PLN 57

Maintained



Securities

10 September 2025, 07:30

The time will come

We are maintaining our HOLD recommendation for Text with a TP of PLN 57/sh (7% upside). Following several weaker quarters (even adjusting results by the FX impact), we share the opinion of investors who now view the outlook as stable – 3Y average P/E at 11x, DY 8.5%.

The company has responded to a tougher environment by integrating its products into a single platform (TextApp), using AI to a greater extent. While we see this as an opportunity, it seems that the project will rather be a burden for the time being, on account of development/migration costs. Its potential success is a thing of the future. We believe that the profit/risk profile is fairly balanced at this point.

The current growth model has run out of steam

In theory, Text meets what is known as the 'Rule of 40', which in the SaaS business denotes solidly run companies (revenue growth + EBITDA margin > 40%). Meanwhile, in terms of performance, the company is at a level from approx. 2 to 3 years ago (depending on currency). The used-up current business model (based on great SEO – primarily Livechat) justifies today's valuation. The management hopes that gradually launched the TextApp platform will help the company return to a growth path. In our view, however, the first signs of potential success will only start to be seen in 2026 at the earliest.

AI, or every stick has two ends

The hottest trend in recent months constitutes both a threat and an opportunity. The threats are obvious: declining online traffic, a diminishing role of humans in the purchasing process and the consolidation of e-commerce. Meanwhile, the opportunity lies in skilfully implementing this technology in the company's solutions (TextApp), including the growth of the currently marginal (and not too qualitative) chatbot market (which Bloomberg believes will be expanding at a rate of 75% per year) and more developed data analytics. We note that, while Text's business model has long been perceived as characterised by low barriers to entry, the company has been efficiently staying afloat.

8.5% DY as solid support

Text offers one of the highest dividend yields on the WSE – we estimate it at around 8.5% in the coming years – though the company's capital needs are currently moderate (CAPEX at approx. PLN 30-35m per year). This should provide some buffer against potential downside risks, despite the earnings path looking quite bumpy ahead (MRR at the end of August was higher y/y, but lower q/q).

PLN mn	23/24	24/25	25F/26F	26F/27F	27F/28F
Revenues	335	354	329	343	377
EBITDA	198	202	156	156	172
EBIT	178	177	130	129	143
Net profit	166	165	121	120	133
P/E	19.0	11.2	11.4	11.5	10.4
EV/EBITDA	11.3	6.4	8.3	8.3	7.5
EPS	6.45	6.39	4.70	4.65	5.16
DPS	5.95	5.98	6.06	4.46	4.42
FCF	-	161	113	112	125
CAPEX	30	31	33	35	37

F - forecast by PKO BP Securities

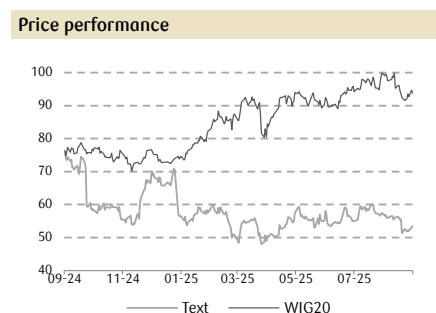
Key data	
Market price (PLN)	53.45
Upside	7%
No. of shares (mn)	25.75
Market Cap (PLNmn)	1,376.34
Free float	59%
Free float (PLNmn)	808
Free float (USDmn)	223
EV (PLNmn)	1,290.01
Net debt (PLNmn)	-86.32

ESG	
ESG	7.8

Dividend	
Div yield	11.3%
Ex-div	-

Major Shareholders	% of shares
Shareholders' agreement	41.27
Allianz OFE	9.43
NN OFE	6.17
-	-

Previous recomm.	Date & target price
Hold	24-04-25 56.50
Sell	04-10-24 56.50



	WIG20	Company
1 month	-6.1%	-7.0%
3 months	3.8%	-3.0%
6 months	7.3%	5.2%
12 months	21.7%	-29.0%
Min 52 weeks PLN		48.00
Max 52 weeks PLN		76.30
Av. turnover/day PLN mn		4.16

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Financial Forecasts

Profit and loss account	20/21	21/22	22/23	23/24	24/25	25F/26F	26F/27F	27F/28F	28F/29F
Sales of products, goods and materials	179	223	316	335	354	329	343	377	415
EBITDA	117	140	199	198	202	156	156	172	192
Operating profit	107	128	185	178	177	130	129	143	161
Pre-tax profit	107	128	185	178	178	130	129	143	161
Income tax	-7	-9	-13	-12	-13	-9	-9	-10	-11
Net Profit (loss)	100	119	172	166	165	121	120	133	149
Balance Sheet	20/21	21/22	22/23	23/24	24/25	25F/26F	26F/27F	27F/28F	28F/29F
Fixed assets	37	42	60	76	89	96	103	111	119
Intangible assets	33	39	57	69	77	84	91	99	107
Tangible assets	4	3	3	2	6	6	6	6	6
Investments	0	1	1	5	6	6	6	6	6
Current assets	85	96	137	134	138	139	138	150	167
Inventories	0	0	0	0	0	0	0	0	0
Receivables	26	39	40	48	58	51	53	59	65
Cash and cash equivalents	59	56	96	85	78	86	82	90	101
Other short-term assets	0	0	1	1	2	2	2	2	2
Total Assets	122	138	197	210	227	236	241	262	286
Equity capital	107	125	175	127	136	144	149	168	191
Non-controlling interests	0	0	0	0	0	0	0	0	0
Liabilities	15	13	22	84	91	91	92	93	95
Long-term liabilities	2	1	0	2	6	6	6	6	6
Loans and borrowings	2	0	0	0	0	0	0	0	0
Trade liabilities and other	0	1	0	2	6	6	6	6	6
Short-term liabilities	13	13	22	81	84	85	85	87	89
Loans and borrowings	-1	0	0	0	0	0	0	0	0
Prepayments	5	0	5	1	0	0	0	0	0
Trade liabilities and other	7	11	15	12	14	15	15	17	19
Total Equity & Liabilities	122	138	197	210	227	236	241	262	286
Cash flow statement	20/21	21/22	22/23	23/24	24/25	25F/26F	26F/27F	27F/28F	28F/29F
Cash flow on operating activity	106	115	195	178	180	155	147	160	178
Cash flow on investment activity	-14	-17	-32	-30	-31	-33	-35	-37	-39
Cash flow on financial activity	-72	-97	-114	-158	-156	-114	-116	-115	-128
Indicators (%)	20/21	21/22	22/23	23/24	24/25	25F/26F	26F/27F	27F/28F	28F/29F
ROE	107.7%	102.7%	114.7%	110.0%	125.1%	86.2%	81.6%	83.6%	83.0%
Net Debt	-56.9	-55.7	-95.8	-84.9	-77.7	-86.3	-82.3	-89.8	-100.6

Source: forecasts of PKO BP Securities

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Explanation of the specialist terminology used

min (max) 52 weeks: minimum (maximum) of the market share price during the previous 52 weeks
 Capitalisation: product of the share market price and the number of shares
 EV: sum of the company's capitalisation and net debt

free float (%): share of the total number of shares decreased by 5% stakes held by one shareholder and own shares held by the company in the total number of shares

Average trading/month: average trading per month calculated as total trading value over previous 12 months divided by 12

ROE: rate of return on equity

ROA: rate of return on assets

EBIT: operating profit

EBITDA: operating profit + depreciation and amortization

EPS: earnings per share

DPS: dividend per 1 share

CEPS: sum of net profit and depreciation and amortization per 1 share

P/E: quotient of share market price and EPS

P/BV: quotient of share market price and book value of one share

EV/EBITDA: quotient of capitalisation increased by the company's net debt and EBITDA

Gross sales margin: relation of gross sales profit to net sales proceeds

EBITDA margin: relation of the sum of operating profit and depreciation to net sales proceeds

EBIT margin: relation of operating profit to net sales proceeds

Net profitability: relation of net profit to net sales proceeds

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TEXT	1: NO, 2: NO, 3: NO, 4: NO, 5: NO, 6: NO, 7: NO, 8: NO, 9: NO

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Company	Recommendation	Date of reco.	Target price	Relevant Market Price*	Market cap. (PLN mn)	P/E			EV/EBITDA			Analyst
						2024	2025P	2026P	2024	2025P	2026P	
Oponeo	Buy	2025-08-25	120,00	92,40	1006,7	8,9	11,6	9,8	6,3	7,7	5,8	Piotr Łopaciuk
Text	Hold	2025-09-10	57,00	53,45	1367,33	11,2	11,3	11,4	6,4	8,2	8,2	Andrzej Rembelski
Ryvu Therapeutics	Buy	2025-09-10	34	28,40	653,2	40,2	20,3	18,9	11,9	7,4	6,8	Dawid Górzynski

*at the time of publication