

PA Nova

Portfolio divestments on the horizon

We keep a BUY recommendation on PA Nova and set a FV of PLN 20.63 per share (upside of 26.9%). In current report, we include updated 2Q25 consolidated and segment results, and their impact on forecasted numbers. We keep our view that the company will report relatively stable results in 2025E and will improve them 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 (we do not include any disposals in our model; potential proceeds could be used to the deleveraging, construction of other projects or higher dividend) and we believe that the construction division will slightly improve its profitability, after two years of decline, due to stabilization in construction materials' prices. Regarding the dividend, we assume that the company will pay out PLN 0.80ps in 2026E, vs. PLN 0.75ps in 2025. On our forecasts, NVA currently trades at P/E ratios of 6.8x in 2025E, and 5.6x in 2026E, concurrently with a P/BV of 0.3x in 2025E-26E.

2Q25 results summary: NVA's results were lower in yearly comparison, which is in line with expectations, as the 2Q24 numbers were boosted by a disposal of retail park. In comparison with our assumptions, revenues and the net profit exceeded our expectations, due to higher sales in construction and rental segments, and less negative net financial loss. Regarding profitability, rental and IT divisions reported higher margins than we assumed.

Stable 2025E results and improvement in 2026E. We assume that the developer will report quite stable results in 2025E. According to our assumptions, the company will reach revenues of PLN 267m, including PLN 161m in the construction segment, and PLN 24m 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 276m and the net profit may arrive at PLN 29m.

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 40.6% 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 | 264 | 276 | 280 |
| EBITDA | 48 | 64 | 55 | 51 | 55 | 55 |
| EBIT | 46 | 62 | 48 | 44 | 48 | 48 |
| Net profit | 23 | 35 | 22 | 24 | 29 | 30 |
| P/E (x) | 7.2 | 4.7 | 7.3 | 6.8 | 5.6 | 5.4 |
| P/BV (x) | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| ROE (%) | 5.2% | 7.2% | 4.5% | 4.7% | 5.5% | 5.5% |
| DPS (PLN) | 0.00 | 0.65 | 0.70 | 0.75 | 0.80 | 0.85 |
| Div.yield (%) | 0.0% | 4.0% | 4.3% | 4.6% | 4.9% | 5.2% |

Source: Company, IPOPEMA Research

Real Estate

PA Nova

BUY

FV PLN 20.63 from PLN 21.38

26.9% upside

Price as of 8 October 2025 PLN 16.25



Share data

| | |
|--------------------------------|-----------|
| Number of shares (m) | 10.0 |
| Market cap (EUR m) | 38.2 |
| 12M avg daily volume (k) | 1.4 |
| 12M avg daily turnover (EUR m) | 0.005 |
| 12M high/low (PLN) | 17.2/13.6 |
| WIG weight | 0.02% |
| Reuters | NVA.WA |
| Bloomberg | NVA PW |

Total performance

| | |
|-----|-------|
| 1M | 7.5% |
| 3M | 7.2% |
| 12M | -1.0% |

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% |

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PA Nova

BUY

FV PLN 20.63

Mkt Cap EUR 38m

Upside +26.9%

| Valuation multiples | 2023 | 2024 | 2025E | 2026E | 2027E |
|---------------------|------|------|-------|-------|-------|
| P/E (x) | 4.7 | 7.3 | 6.8 | 5.6 | 5.4 |
| EV/EBITDA (x) | 6.8 | 8.0 | 8.4 | 7.4 | 7.0 |
| EV/Sales (x) | 1.2 | 1.5 | 1.6 | 1.5 | 1.4 |
| P/BV (x) | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| FCF yield (%) | 24% | 15% | 9% | 20% | 20% |
| 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 | 2.4 | 2.9 | 3.0 |
| BVPS (PLN) | 47.9 | 49.7 | 50.7 | 52.8 | 54.9 |
| FCFPS (PLN) | 3.9 | 2.5 | 1.4 | 3.2 | 3.2 |
| 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% | -6.9% | 4.3% | 1.6% |
| Gross profit | 33.0% | -18.6% | -6.8% | 13.1% | 1.2% |
| EBITDA | 33.6% | -15.0% | -6.2% | 6.5% | 0.4% |
| EBIT | 36.6% | -22.6% | -8.3% | 7.6% | 1.1% |
| Net profit | 52.8% | -35.6% | 7.3% | 20.7% | 4.4% |

| Leverage and return | 2023 | 2024 | 2025E | 2026E | 2027E |
|-----------------------|-------|-------|-------|-------|-------|
| Gross margin (%) | 21.1% | 21.2% | 21.2% | 23.0% | 22.9% |
| EBITDA margin (%) | 18.3% | 19.2% | 19.4% | 19.8% | 19.6% |
| EBIT margin (%) | 17.8% | 17.0% | 16.7% | 17.3% | 17.2% |
| Net margin (%) | 9.9% | 7.8% | 9.0% | 10.5% | 10.7% |
| Net debt / EBITDA (x) | 4.2 | 5.0 | 5.2 | 4.4 | 4.0 |
| Net debt / Equity (x) | 0.6 | 0.6 | 0.5 | 0.5 | 0.4 |
| Net debt / Assets (x) | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 |
| ROE (%) | 7.2% | 4.5% | 4.7% | 5.5% | 5.5% |
| ROA (%) | 3.8% | 2.4% | 2.6% | 3.1% | 3.2% |
| ROIC (%) | 6.3% | 4.3% | 4.4% | 4.7% | 4.8% |

| Assumptions | 2023 | 2024 | 2025E | 2026E | 2027E |
|------------------|------|------|-------|-------|-------|
| Revenues (PLN m) | 351 | 284 | 264 | 276 | 280 |
| Rental | 89 | 93 | 90 | 98 | 98 |
| Construction | 244 | 174 | 161 | 165 | 168 |
| Other | 17 | 17 | 13 | 14 | 14 |

| | | | | | |
|---------------|--------|--------|--------|--------|--------|
| FFO (PLN m) | 43 | 31 | 29 | 36 | 37 |
| Change y/y | 38.9% | -29.5% | -3.9% | 21.5% | 4.4% |
| FFO yield (%) | 432.4% | 305.0% | 293.0% | 355.9% | 371.7% |

| | | | | | |
|----------------------|-------|------|------|------|------|
| EPRA NAV (PLN m) | 509 | 531 | 537 | 557 | 579 |
| Change y/y | 10.3% | 4.2% | 1.1% | 3.9% | 3.9% |
| EPRA NAV/share (PLN) | 50.9 | 53.1 | 53.7 | 55.7 | 57.9 |

| | | | | | |
|---------|-------|-------|-------|-------|-------|
| LtV (%) | 42.8% | 41.8% | 40.6% | 37.0% | 33.4% |
|---------|-------|-------|-------|-------|-------|

| P&L (PLN m) | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|------------------------------|------|------|------|-------|-------|-------|
| Revenues | 206 | 351 | 284 | 264 | 276 | 280 |
| COGS | -151 | -277 | -224 | -208 | -212 | -216 |
| Gross profit | 56 | 74 | 60 | 56 | 63 | 64 |
| SG&A | -9 | -10 | -11 | -10 | -12 | -12 |
| Profit on sales | 47 | 64 | 49 | 46 | 52 | 52 |
| Other operating income(cost) | -1 | -1 | -1 | -1 | -4 | -4 |
| EBITDA | 48 | 64 | 55 | 51 | 55 | 55 |
| EBIT | 46 | 62 | 48 | 44 | 48 | 48 |
| Financial income (cost) net | -18 | -19 | -18 | -15 | -12 | -11 |
| Pre-tax profit | 28 | 43 | 31 | 29 | 36 | 37 |
| Income tax | -5 | -8 | -8 | -5 | -7 | -7 |
| Net profit | 23 | 35 | 22 | 24 | 29 | 30 |

| BALANCE SHEET (PLN m) | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|-------------------------------|------|------|------|-------|-------|-------|
| Non-current assets | 826 | 791 | 797 | 835 | 832 | 829 |
| Investment properties | 692 | 637 | 657 | 656 | 656 | 656 |
| PP&E | 18 | 45 | 26 | 71 | 68 | 65 |
| Assets held for sale | 86 | 81 | 80 | 57 | 57 | 57 |
| Other non-current assets | 29 | 29 | 33 | 51 | 51 | 51 |
| Current assets | 126 | 128 | 146 | 95 | 93 | 99 |
| Inventories | 1 | 0 | 0 | 0 | 0 | 0 |
| Trade receivables | 45 | 50 | 47 | 32 | 32 | 32 |
| Cash and equivalents | 57 | 65 | 60 | 48 | 46 | 51 |
| Other current assets | 22 | 13 | 39 | 15 | 15 | 15 |
| Total assets | 951 | 920 | 943 | 929 | 924 | 928 |
| Equity | 435 | 478 | 496 | 506 | 527 | 548 |
| Minorities | -1 | -1 | -1 | -1 | -1 | -1 |
| Non-current liabilities | 310 | 259 | 351 | 263 | 237 | 219 |
| Loans and leasing | 271 | 217 | 308 | 219 | 193 | 175 |
| Other non-current liabilities | 39 | 42 | 43 | 44 | 44 | 44 |
| Current liabilities | 208 | 184 | 98 | 162 | 162 | 162 |
| Trade payables | 63 | 53 | 62 | 59 | 59 | 59 |
| Loans and leasing | 134 | 120 | 27 | 95 | 95 | 95 |
| Other current liabilities | 11 | 10 | 9 | 8 | 8 | 8 |
| Equity & liabilities | 951 | 920 | 943 | 929 | 924 | 928 |
| Gross debt (PLN m) | 405 | 338 | 335 | 314 | 288 | 270 |
| Net debt (PLN m) | 347 | 273 | 275 | 267 | 243 | 219 |

| CASH FLOW (PLN m) | 2022 | 2023 | 2024 | 2025E | 2026E | 2027E |
|--------------------------|------|------|------|-------|-------|-------|
| Operating cash flow | 9 | 41 | 25 | 31 | 48 | 47 |
| Net profit | 23 | 35 | 22 | 24 | 29 | 30 |
| D&A | 2 | 2 | 6 | 7 | 7 | 7 |
| Change in WC | 72 | -58 | 29 | 9 | 0 | 0 |
| Other | -88 | 63 | -32 | -9 | 12 | 11 |
| Investment cash flow | -10 | -2 | 0 | -1 | -4 | -4 |
| Change in inv.properties | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | -10 | -2 | 0 | -1 | -4 | -4 |
| Financial cash flow | -75 | -32 | -29 | -42 | -46 | -38 |
| Change in equity | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in debt | -35 | -28 | -21 | -18 | -26 | -18 |
| Dividend | 0 | -6 | -7 | -8 | -8 | -9 |
| Interest paid | -36 | 0 | 0 | -16 | -12 | -11 |
| Other | -4 | 2 | -1 | -1 | 0 | 0 |
| Change in cash | -76 | 7 | -4 | -13 | -2 | 6 |
| Cash as of eop | 57 | 65 | 60 | 48 | 46 | 51 |

Source: Company data, IPOPEMA Research

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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% | 23.06 | 41.9% |
| Construction and IT segment (DCF method, EV of the segment) | | 6.10 | |
| Commercial (market value of existing projects) | | 45.19 | |
| Net debt as of end-2024 | | -27.47 | |
| Dividend paid YTD | | -0.75 | |
| DDM valuation (PLN ps) | 20% | 10.89 | -33.0% |
| Peer valuation (PLN ps) | 0% | 51.16 | 214.8% |
| Fair value (PLN ps) | | 20.63 | 26.9% |

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 | 174.7 | 178.2 | 181.8 | 185.4 | 189.1 | 192.9 | 196.8 | 200.7 | 204.7 | 208.8 | 210.9 |
| EBIT | 2.7 | 4.4 | 4.5 | 4.6 | 4.7 | 4.8 | 5.0 | 5.1 | 5.2 | 5.3 | 6.3 |
| Tax on EBIT | -0.5 | -0.8 | -0.9 | -0.9 | -0.9 | -0.9 | -0.9 | -1.0 | -1.0 | -1.0 | -1.2 |
| NOPLAT | 2.2 | 3.5 | 3.6 | 3.7 | 3.8 | 3.9 | 4.0 | 4.1 | 4.2 | 4.3 | 5.1 |
| Depreciation | 7.0 | 7.0 | 6.7 | 6.5 | 6.3 | 6.1 | 5.9 | 5.8 | 5.7 | 5.6 | 4.7 |
| Capital expenditures | -2.8 | -4.1 | -4.2 | -4.3 | -4.3 | -4.4 | -4.5 | -4.6 | -4.6 | -4.7 | -4.7 |
| Change in working capital | 9.0 | 0.0 | -0.4 | -0.4 | -0.4 | -0.5 | -0.5 | -0.5 | -0.5 | -0.5 | -0.3 |
| Free cash flow | 15.4 | 6.4 | 5.8 | 5.5 | 5.3 | 5.1 | 5.0 | 4.8 | 4.7 | 4.6 | 4.8 |
| 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% |
| Unlevered beta | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Levered beta | 2.58 | 2.44 | 2.35 | 2.17 | 2.12 | 2.10 | 2.08 | 2.05 | 2.03 | 1.99 | 1.99 |
| Cost of equity | 19.2% | 18.4% | 17.9% | 16.9% | 16.7% | 16.5% | 16.4% | 16.3% | 16.2% | 15.9% | 15.9% |
| Cost of debt (pre-tax) | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% | 9.4% |
| Effective tax rate | 18.4% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% | 19.0% |
| After-tax cost of debt | 7.7% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% | 7.6% |
| Weight of debt | 65.9% | 64.0% | 62.5% | 59.1% | 58.1% | 57.6% | 57.1% | 56.5% | 56.0% | 54.9% | 54.9% |
| Weight of equity | 34.1% | 36.0% | 37.5% | 40.9% | 41.9% | 42.4% | 42.9% | 43.5% | 44.0% | 45.1% | 45.1% |
| WACC | 11.6% | 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% | 57% | 51% | 46% | 41% | 37% | |
| PV of FCF | 15.0 | 5.6 | 4.5 | 3.9 | 3.4 | 2.9 | 2.5 | 2.2 | 1.9 | 1.7 | |
| Sum of FCF PV's | 43.8 | | | | | | | | | | |
| FCF terminal growth rate | 1.0% | | | | | | | | | | |
| Terminal value | 46.5 | | | | | | | | | | |
| PV of terminal value | 17.2 | | | | | | | | | | |
| Enterprise value | 61.0 | | | | | | | | | | |
| EV per share (PLN) | 6.10 | | | | | | | | | | |
| DCF sensitivity (PLN) | | | | | | | | | | | |
| Terminal growth | | | | | | | WACC in terminal year | | | | |
| | | | | | | | 9.4% | 10.4% | 11.4% | 12.4% | 13.4% |
| 0.0% | | | | | | | 6.28 | 6.10 | 5.95 | 5.82 | 5.71 |
| 1.0% | | | | | | | 6.51 | 6.28 | 6.10 | 5.95 | 5.82 |
| 2.0% | | | | | | | 6.80 | 6.51 | 6.28 | 6.10 | 5.95 |

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 | 125.7 | 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 | 124.5 | 50% | 62.3 |
| Jaworzno (Galena) | 31.3 | 10.6 | 90.0% | 3.6 | 15.3 | 8.50% | 42.2 | 179.6 | 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 | 31.4 | 100% | 31.4 |
| 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 | 687.9 | | 451.9 |

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) | 0.0 | 0.8 | 0.9 | 0.9 | 1.0 | 1.0 | 1.1 | 1.1 | 1.2 | 1.2 | 3.7 |
| Cost of equity | 19.2% | 18.4% | 17.9% | 16.9% | 16.7% | 16.5% | 16.4% | 16.3% | 16.2% | 15.9% | 15.9% |
| Discount multiple | 100% | 84% | 72% | 63% | 54% | 46% | 40% | 35% | 30% | 26% | |
| Discounted DPS (PLN ps) | 0.0 | 0.7 | 0.6 | 0.6 | 0.5 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | |
| Sum of discounted DPS (PLN ps) | | | | | | | | | | | 4.3 |
| Terminal growth | | | | | | | | | | | 1.0% |
| Discounted value of terminal DPS (PLN ps) | | | | | | | | | | | 6.6 |
| Fair Value (PLN ps) | | | | | | | | | | | 10.89 |

Source: Company, IPOPEMA Research; *2025E dividend was cut off on 18th September

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 6.8/5.6/5.4x. 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 | 2,303 | 32.8 | 7.3 | 5.7 | 0.5 | 1.4 | 1.4 |
| GTC | 2,343 | 36.0 | 52.1 | 43.8 | n.a. | n.a. | n.a. |
| MLP Group | 1,756 | 7.5 | 5.3 | 4.3 | n.a. | n.a. | n.a. |
| CA Immobilien | 2,376 | 19.8 | 13.1 | 15.2 | 1.0 | 0.9 | 1.0 |
| TAG Immobilien | 2,754 | 11.9 | 9.0 | 12.5 | 1.4 | 1.0 | 1.4 |
| Budimex | 13,046 | 18.5 | 16.4 | 16.6 | 11.4 | 10.9 | 9.7 |
| Erbud | 352 | 24.1 | 8.7 | 8.6 | n.a. | n.a. | n.a. |
| Unibep | 382 | 12.7 | 12.3 | 7.8 | n.a. | n.a. | n.a. |
| Median | | 19.1 | 10.6 | 10.6 | 1.2 | 1.2 | 1.4 |
| PA Nova | 163 | 6.8 | 5.6 | 5.4 | 0.3 | 0.3 | 0.3 |
| Premium/discount (%) | | -64% | -47% | -49% | -73% | -75% | -78% |
| Implied FV/share (PLN) | | 45.66 | 30.68 | 31.80 | 59.90 | 63.88 | 75.06 |
| Average implied FV/share (PLN) | | 51.16 | | | | | |

Source: Bloomberg, IPOPEMA Research

Financial forecasts

3Q25E predictions: We estimate that PA Nova will reach PLN 59m in revenues (-2% y/y) in 3Q25E, due to stable sales in its construction segment (we predict PLN 35m). In commercial division, we forecast revenues of PLN 21m and in Other segment (IT and Projecting) PLN 3m. Given expected gross margin of 24.2% and stable SG&A costs, consolidated EBITDA may amount to PLN 13m (vs. PLN 10m in 3Q24 and PLN 11m in 2Q25) and the net profit may come in at PLN 6m (vs. PLN 4m in 3Q24).

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 264m, including PLN 90m in commercial segment and PLN 161m in construction division. We forecast that EBITDA will arrive at PLN 51m and the net profit will reach PLN 24m. We point out that we do not include disposal of commercial asset in our model in 2025E-26E, 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 a slight improvement (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 3Q25E-4Q25E (PLNm)

| | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25E | 4Q25E |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Revenues, incl.: | 50 | 41 | 38 | 77 | 98 | 113 | 74 | 65 | 43 | 105 | 60 | 75 | 60 | 73 | 59 | 72 |
| Rental | 22 | 20 | 25 | 23 | 22 | 23 | 22 | 22 | 23 | 23 | 22 | 25 | 23 | 24 | 21 | 21 |
| Construction | 24 | 18 | 9 | 49 | 72 | 86 | 48 | 39 | 16 | 78 | 34 | 46 | 34 | 45 | 35 | 47 |
| Other | 4 | 3 | 4 | 5 | 3 | 4 | 4 | 5 | 4 | 5 | 4 | 4 | 3 | 4 | 3 | 4 |
| Gross profit | 13 | 10 | 9 | 24 | 29 | 15 | 17 | 13 | 11 | 20 | 15 | 14 | 13 | 13 | 14 | 15 |
| EBITDA | 12 | 9 | 7 | 20 | 28 | 13 | 14 | 9 | 10 | 19 | 10 | 15 | 13 | 11 | 13 | 14 |
| EBIT | 11 | 8 | 6 | 20 | 28 | 12 | 14 | 9 | 9 | 18 | 11 | 10 | 11 | 10 | 11 | 12 |
| EBT | 8 | 4 | 2 | 13 | 24 | 7 | 9 | 3 | 4 | 12 | 7 | 7 | 7 | 7 | 7 | 8 |
| Net profit | 6 | 6 | -1 | 12 | 19 | 6 | 7 | 2 | 4 | 10 | 4 | 5 | 7 | 5 | 6 | 7 |
| 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% | 17.9% | 24.2% | 21.4% |
| 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% | 15.5% | 22.4% | 19.4% |
| 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% | 13.4% | 18.9% | 16.6% |
| 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% | 6.9% | 9.8% | 9.2% |

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 | 264 | 276 | 280 | 285 | 290 | 294 | 299 | 304 | 309 | 314 |
| Gross profit | 49 | 56 | 74 | 60 | 56 | 63 | 64 | 65 | 66 | 67 | 67 | 68 | 69 | 70 |
| EBITDA | 43 | 48 | 64 | 55 | 51 | 55 | 55 | 55 | 55 | 56 | 56 | 57 | 56 | 56 |
| EBIT | 40 | 46 | 62 | 48 | 44 | 48 | 48 | 49 | 49 | 50 | 50 | 51 | 50 | 51 |
| EBT | 28 | 28 | 43 | 31 | 29 | 36 | 37 | 39 | 40 | 42 | 45 | 49 | 53 | 55 |
| Net profit | 23 | 23 | 35 | 22 | 24 | 29 | 30 | 31 | 33 | 34 | 37 | 40 | 43 | 44 |
| gross margin | 24.7% | 26.9% | 21.1% | 21.2% | 21.2% | 23.0% | 22.9% | 22.8% | 22.7% | 22.6% | 22.5% | 22.4% | 22.3% | 22.3% |
| EBITDA margin | 21.5% | 23.3% | 18.3% | 19.2% | 19.4% | 19.8% | 19.6% | 19.3% | 19.1% | 18.9% | 18.8% | 18.6% | 18.1% | 18.0% |
| EBIT margin | 20.1% | 22.1% | 17.8% | 17.0% | 16.7% | 17.3% | 17.2% | 17.1% | 17.0% | 16.9% | 16.8% | 16.7% | 16.3% | 16.2% |
| net margin | 11.7% | 11.0% | 9.9% | 7.8% | 9.0% | 10.5% | 10.7% | 11.0% | 11.3% | 11.5% | 12.3% | 13.1% | 13.8% | 14.1% |
| Net debt | 301 | 347 | 273 | 275 | 267 | 243 | 219 | 195 | 170 | 145 | 118 | 88 | 56 | 24 |
| LtV net | 0.4x | 0.5x | 0.4x | 0.4x | 0.4x | 0.3x | 0.3x | 0.3x | 0.2x | 0.2x | 0.2x | 0.1x | 0.1x | 0.0x |

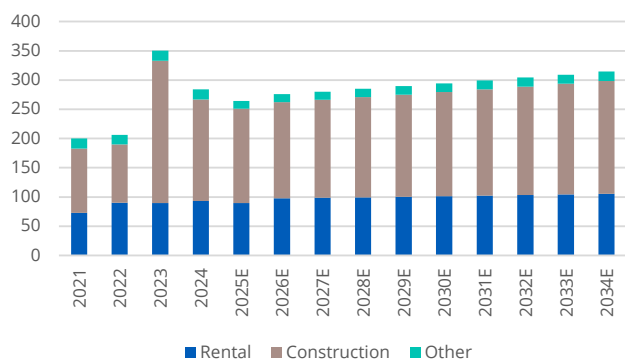
Source: Company, IPOPEMA Research

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 | 264 | 276 | 280 | 285 | 290 | 294 | 299 | 304 | 309 | 314 |
| Rental | 73 | 90 | 89 | 93 | 90 | 98 | 98 | 99 | 100 | 101 | 102 | 104 | 105 | 106 |
| Construction | 110 | 100 | 244 | 174 | 161 | 165 | 168 | 171 | 175 | 178 | 182 | 185 | 189 | 193 |
| Other | 17 | 16 | 17 | 17 | 13 | 14 | 14 | 14 | 15 | 15 | 15 | 15 | 16 | 16 |
| Costs* | 151 | 151 | 277 | 223 | 208 | 213 | 217 | 221 | 225 | 229 | 233 | 237 | 241 | 245 |
| Rental | 30 | 39 | 37 | 44 | 43 | 46 | 47 | 47 | 48 | 48 | 49 | 49 | 50 | 50 |
| Construction | 102 | 94 | 220 | 160 | 151 | 152 | 156 | 159 | 162 | 165 | 168 | 172 | 175 | 179 |
| Other | 19 | 18 | 20 | 19 | 15 | 14 | 15 | 15 | 15 | 15 | 16 | 16 | 16 | 17 |
| Profit | 49 | 55 | 73 | 61 | 56 | 63 | 64 | 64 | 65 | 66 | 67 | 68 | 68 | 69 |
| Rental | 43 | 51 | 52 | 49 | 47 | 51 | 52 | 52 | 53 | 53 | 54 | 54 | 55 | 55 |
| Construction | 7 | 6 | 24 | 14 | 10 | 12 | 12 | 13 | 13 | 13 | 13 | 14 | 14 | 14 |
| Other | -2 | -2 | -3 | -2 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | 0 | 0 | 0 |
| Margin (%) | 24.5% | 26.6% | 20.9% | 21.6% | 21.3% | 22.8% | 22.7% | 22.6% | 22.5% | 22.4% | 22.3% | 22.2% | 22.1% | 22.0% |
| Rental | 59.4% | 56.9% | 58.1% | 52.5% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% | 52.6% |
| Construction | 6.6% | 5.8% | 9.7% | 8.3% | 6.3% | 7.3% | 7.3% | 7.3% | 7.3% | 7.3% | 7.3% | 7.3% | 7.3% | 7.3% |
| 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. |

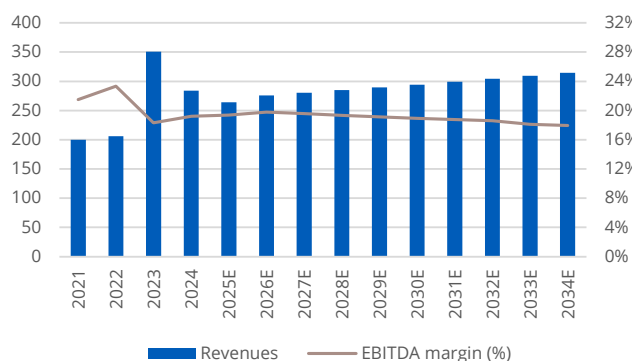
Source: Company, IPOPEMA Research; *COGS + selling expenses in the segment

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)

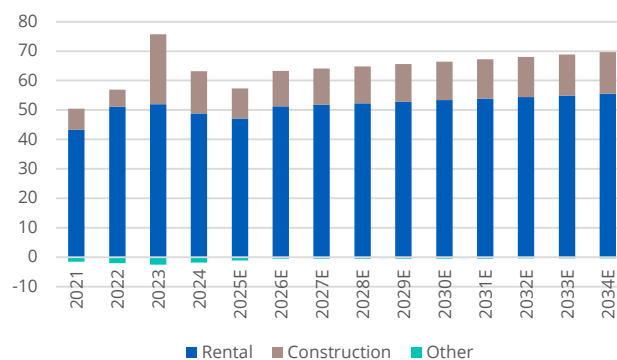


Figure 13. PA Nova – net margin (%)

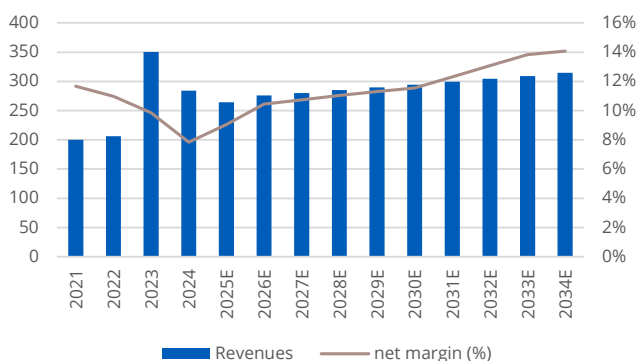


Figure 14. PA Nova – LtV net (%)

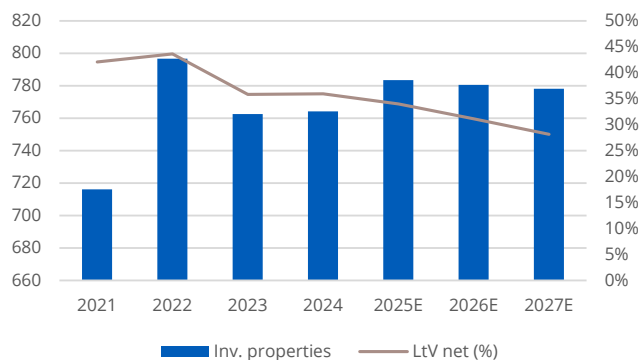
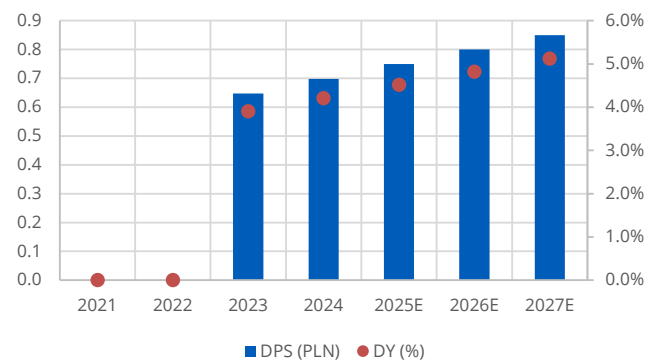


Figure 15. PA Nova – DPS (PLN) and DY (%)



Source: Company, IPOPEMA Research

Figure 16. PA Nova – change in estimates in 2025E-27E (PLNm)

| | 2025E | | | 2026E | | | 2027E | | |
|---------------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
| | New | Old | Change | New | Old | Change | New | Old | Change |
| Revenues | 264 | 257 | 2.9% | 276 | 271 | 1.7% | 280 | 275 | 1.9% |
| EBITDA | 51 | 52 | -1.4% | 55 | 54 | 1.1% | 55 | 53 | 3.5% |
| EBIT | 44 | 43 | 2.8% | 48 | 45 | 5.7% | 48 | 45 | 6.9% |
| Net profit | 24 | 20 | 19.4% | 29 | 25 | 15.3% | 30 | 26 | 15.8% |
| EBITDA margin | 19.4% | 20.2% | | 19.8% | 19.9% | | 19.6% | 19.3% | |
| EBIT margin | 16.7% | 16.7% | | 17.3% | 16.6% | | 17.2% | 16.4% | |
| net margin | 9.0% | 7.8% | | 10.5% | 9.2% | | 10.7% | 9.5% | |

Source: Company, IPOPEMA Research

2Q25 results summary

The company posted its 2Q25 results on 19th September. Below are our key takeaways.

Revenues: PA Nova's revenues arrived at PLN 73.1m (vs. PLN 105.4m in 2Q24). Regarding segments, the construction division reported PLN 45.5m in sales (vs. PLN 78.0m in 2Q24; we point to the demanding base due to the disposal of the project in Klodzko), while real-estate segment achieved revenues of PLN 23.8m (vs. PLN 22.7m in 2Q24). In "Other" segment, revenues stood at PLN 3.8m (-21% y/y).

Gross margin: The margin deteriorated in yearly comparison and arrived at 17.9% in 2Q25.

SG&A costs: SG&A expenses reached PLN 2.9m (vs. PLN 2.8m in 2Q24). SG&A's to sales ratio stood at 4.0%.

EBITDA: EBITDA came in at PLN 11.3m, (vs. PLN 19.3m in 2Q24).

Net profit: Net profit arrived at PLN 5.0m (vs. PLN 9.7m in 2Q24).

OCF: PA Nova posted OCF of PLN -8.0m (vs. PLN 32.9m in 2Q24).

Net debt: Net Debt/LTM EBITDA came in at 6.0x and net debt/BV arrived at 0.6x. At the end of 2Q25 PA Nova had PLN 57m in cash.

Figure 17. PA Nova – 2Q25 results summary (PLNm)

| | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | Y/Y | Q/Q | IPO | diff. |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|-------|--------|
| Revenues, incl.: | 97.7 | 113.1 | 74.3 | 65.4 | 42.8 | 105.4 | 60.4 | 75.5 | 60.5 | 73.1 | -30.7% | 20.9% | 66.8 | 9.4% |
| <i>Real-estate</i> | 22.4 | 23.0 | 22.3 | 21.8 | 23.0 | 22.7 | 22.4 | 24.9 | 23.4 | 23.8 | 5.0% | 1.7% | 21.3 | 11.9% |
| <i>Construction</i> | 71.9 | 85.6 | 47.7 | 38.5 | 16.0 | 78.0 | 33.8 | 46.1 | 34.3 | 45.5 | -41.7% | 32.7% | 42.9 | 6.1% |
| <i>Other</i> | 3.4 | 4.5 | 4.3 | 5.1 | 3.7 | 4.8 | 4.1 | 4.5 | 2.8 | 3.8 | -20.8% | 35.7% | 2.6 | 45.1% |
| Gross profit | 29.5 | 14.8 | 16.9 | 12.6 | 11.4 | 19.9 | 14.8 | 14.1 | 13.4 | 13.1 | -34.3% | -2.2% | 13.8 | -5.1% |
| Profit on sales | 27.2 | 12.6 | 14.6 | 9.2 | 8.7 | 17.1 | 12.3 | 11.0 | 11.1 | 10.2 | -40.4% | -8.1% | 11.3 | -9.8% |
| EBITDA | 28.0 | 13.0 | 14.1 | 9.1 | 10.3 | 19.3 | 9.7 | 15.4 | 12.8 | 11.3 | -41.1% | -11.3% | 13.4 | -15.2% |
| EBIT | 27.5 | 12.5 | 13.6 | 8.6 | 8.8 | 17.7 | 11.3 | 10.4 | 11.3 | 9.8 | -44.8% | -13.8% | 10.6 | -8.0% |
| EBT | 23.6 | 7.3 | 9.5 | 2.6 | 4.2 | 12.3 | 7.4 | 6.8 | 7.4 | 6.6 | -46.2% | -11.3% | 5.5 | 20.5% |
| Net profit | 19.3 | 5.8 | 7.0 | 2.4 | 3.6 | 9.7 | 4.4 | 4.6 | 6.5 | 5.0 | -48.1% | -22.8% | 4.4 | 13.3% |
| Gross margin | 30.2% | 13.1% | 22.7% | 19.3% | 26.6% | 18.9% | 24.5% | 18.6% | 22.1% | 17.9% | | | 20.7% | |
| EBITDA margin | 28.6% | 11.5% | 19.0% | 14.0% | 24.2% | 18.3% | 16.0% | 20.3% | 21.1% | 15.5% | | | 20.0% | |
| EBIT margin | 28.2% | 11.0% | 18.3% | 13.2% | 20.6% | 16.8% | 18.8% | 13.8% | 18.8% | 13.4% | | | 15.9% | |
| Net margin | 19.8% | 5.2% | 9.4% | 3.6% | 8.5% | 9.2% | 7.3% | 6.1% | 10.8% | 6.9% | | | 6.6% | |
| CFO | 1.8 | 38.5 | -2.5 | 3.1 | -5.0 | 32.9 | 9.8 | -12.5 | -7.9 | -8.0 | | | | |
| CFI | -2.7 | 1.8 | -14.0 | 13.0 | 0.9 | -0.6 | -15.2 | 14.5 | 0.5 | 0.5 | | | | |
| CFF | -1.5 | -40.3 | 17.2 | -7.1 | -1.6 | -32.1 | 9.1 | -4.9 | 3.5 | 8.2 | | | | |
| Net debt | 315.2 | 263.1 | 291.6 | 273.0 | 277.9 | 252.5 | 253.1 | 274.7 | 279.8 | 295.9 | | | | |
| LtV net | 40.3% | 40.1% | 43.6% | 40.0% | 39.9% | 36.4% | 37.9% | 40.2% | 39.9% | 40.6% | | | | |
| Net debt / EBITDA | 4.9 | 3.9 | 3.9 | 4.3 | 6.0 | 4.8 | 5.2 | 5.0 | 4.9 | 6.0 | | | | |
| Net debt / BV | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | | | | |
| 12M trailing P/E | 4.6 | 4.5 | 3.7 | 4.8 | 8.8 | 7.3 | 8.3 | 7.5 | 6.6 | 8.1 | | | | |
| 12M trailing P/BV | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | | | | |

Source: Company, IPOPEMA Research

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 18. 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 | 264 | 276 | 280 | 285 | 290 | 294 | 299 | 304 | 309 | 314 |
| COGS | -123 | -150 | -151 | -277 | -224 | -208 | -212 | -216 | -220 | -224 | -228 | -232 | -236 | -240 | -244 |
| Gross profit | 39 | 49 | 56 | 74 | 60 | 56 | 63 | 64 | 65 | 66 | 67 | 67 | 68 | 69 | 70 |
| SG&A | -7 | -7 | -9 | -10 | -11 | -10 | -12 | -12 | -12 | -12 | -13 | -13 | -13 | -13 | -13 |
| Profit on sales | 32 | 42 | 47 | 64 | 49 | 46 | 52 | 52 | 53 | 53 | 54 | 55 | 55 | 56 | 57 |
| Other operating income(cost) | 0 | -2 | -1 | -1 | -1 | -1 | -4 | -4 | -4 | -4 | -4 | -4 | -5 | -6 | -6 |
| EBITDA | 37 | 43 | 48 | 64 | 55 | 51 | 55 | 55 | 55 | 55 | 56 | 56 | 57 | 56 | 56 |
| EBIT | 32 | 40 | 46 | 62 | 48 | 44 | 48 | 48 | 49 | 49 | 50 | 50 | 51 | 50 | 51 |
| Financial income (cost) net | -12 | -12 | -18 | -19 | -18 | -15 | -12 | -11 | -10 | -9 | -8 | -5 | -2 | 2 | 4 |
| Pre-tax profit | 20 | 28 | 28 | 43 | 31 | 29 | 36 | 37 | 39 | 40 | 42 | 45 | 49 | 53 | 55 |
| Income tax | -4 | -5 | -5 | -8 | -8 | -5 | -7 | -7 | -7 | -8 | -8 | -9 | -9 | -10 | -10 |
| Net profit | 16 | 23 | 23 | 35 | 22 | 24 | 29 | 30 | 31 | 33 | 34 | 37 | 40 | 43 | 44 |

| 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 | 835 | 832 | 829 | 827 | 825 | 823 | 822 | 821 | 820 | 819 |
| Investment properties | 670 | 660 | 692 | 637 | 657 | 656 | 656 | 656 | 656 | 656 | 656 | 656 | 656 | 656 | 656 |
| PP&E | 14 | 19 | 18 | 45 | 26 | 71 | 68 | 65 | 63 | 61 | 59 | 58 | 57 | 56 | 55 |
| Assets held for sale | 30 | 36 | 86 | 81 | 80 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 |
| Other non-current assets | 18 | 24 | 29 | 29 | 33 | 51 | 51 | 51 | 51 | 51 | 51 | 51 | 51 | 51 | 51 |
| Current assets | 95 | 133 | 126 | 128 | 146 | 95 | 93 | 99 | 88 | 104 | 125 | 148 | 174 | 202 | 226 |
| Inventories | 10 | 5 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trade receivables | 27 | 50 | 45 | 50 | 47 | 32 | 32 | 32 | 33 | 34 | 34 | 35 | 35 | 36 | 37 |
| Cash and equivalents | 44 | 64 | 57 | 65 | 60 | 48 | 46 | 51 | 40 | 55 | 76 | 98 | 123 | 150 | 174 |
| Other current assets | 14 | 13 | 22 | 13 | 39 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Total assets | 828 | 872 | 951 | 920 | 943 | 929 | 924 | 928 | 915 | 929 | 948 | 970 | 995 | 1,021 | 1,045 |
| Equity | 395 | 420 | 435 | 478 | 496 | 506 | 527 | 548 | 571 | 594 | 618 | 644 | 673 | 704 | 736 |
| Minorities | 0 | 0 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 |
| Non-current liabilities | 345 | 318 | 310 | 259 | 351 | 263 | 237 | 219 | 183 | 174 | 169 | 165 | 160 | 155 | 146 |
| Loans and leasing | 306 | 284 | 271 | 217 | 308 | 219 | 193 | 175 | 139 | 130 | 125 | 121 | 116 | 112 | 102 |
| Other non-current liabilities | 39 | 34 | 39 | 42 | 43 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 |
| Current liabilities | 88 | 135 | 208 | 184 | 98 | 162 | 162 | 162 | 162 | 162 | 163 | 163 | 163 | 163 | 163 |
| Trade payables | 35 | 44 | 63 | 53 | 62 | 59 | 59 | 59 | 59 | 59 | 60 | 60 | 60 | 60 | 60 |
| Loans and leasing | 42 | 81 | 134 | 120 | 27 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 |
| Other current liabilities | 11 | 9 | 11 | 10 | 9 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Equity & liabilities | 828 | 872 | 951 | 920 | 943 | 929 | 924 | 928 | 915 | 929 | 948 | 970 | 995 | 1,021 | 1,045 |
| 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 | 267 | 243 | 219 | 195 | 170 | 145 | 118 | 88 | 56 | 24 |

| 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 | 31 | 48 | 47 | 47 | 47 | 47 | 49 | 51 | 52 | 53 |
| Net profit | 16 | 23 | 23 | 35 | 22 | 24 | 29 | 30 | 31 | 33 | 34 | 37 | 40 | 43 | 44 |
| D&A | 5 | 3 | 2 | 2 | 6 | 7 | 7 | 7 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Change in WC | 41 | -20 | 68 | -59 | 29 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -1 | -1 |
| Other | 21 | -12 | -84 | 64 | -32 | -9 | 12 | 11 | 10 | 9 | 8 | 7 | 6 | 5 | 3 |
| Investment cash flow | -17 | 31 | -10 | -2 | 0 | -1 | -4 | -4 | -4 | -4 | -4 | -4 | -5 | -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 | -1 | -4 | -4 | -4 | -4 | -4 | -4 | -5 | -5 | -5 |
| Financial cash flow | -61 | -6 | -75 | -32 | -29 | -42 | -46 | -38 | -55 | -27 | -22 | -22 | -21 | -21 | -24 |
| 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 | -18 | -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 | -12 | -11 | -10 | -9 | -8 | -7 | -6 | -5 | -3 |
| Other | -7 | -4 | -4 | 2 | -1 | -1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in cash | 5 | 20 | -76 | 7 | -4 | -13 | -2 | 6 | -12 | 16 | 21 | 23 | 25 | 27 | 23 |
| Cash as of eop | 44 | 64 | 57 | 65 | 60 | 48 | 46 | 51 | 40 | 55 | 76 | 98 | 123 | 150 | 174 |

Source: Company, IPOPEMA Research

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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.

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|--|--------|------|
| Buy | 22 | 65% |
| Hold | 8 | 24% |
| Sell | 4 | 13% |
| Total | 34 | 100% |

Rating History – PA Nova

| Date | Recommendation | Fair Value | Price at recommendation | Author |
|------------|----------------|---|-------------------------|----------------|
| 09/09/2025 | BUY | PLN 22.13 (adjusted on 18.09.2025 to PLN 21.38 by PLN 0.75 DPS) | PLN 16.45 | Adrian Górniak |
| 09/10/2025 | BUY | PLN 20.63 | PLN 16.25 | Adrian Górniak |