

The report was prepared by Dom Maklerski BDM at the request of the WSE as part of the Exchange's Analytical Coverage Support Programme

			2022	2023	2024	
Price [PLN]	52,1	P/E	23,7	23,2	9,6	Analyst:
MC [PLN m]	520,1	EV/EBITDA	12,3	12,7	8,3	Krzysztof Pado
		EV/EBIT	14,1	14,4	8,9	krzysztof.pado@bdom.pl
		P/BV	5,2	5,0	3,9	tel.: (+48) 512 338 250

Last recommendation BDM: ACCUMULATE with target price 54,3 PLN/share (2025/05/08) [LINK](#)

Q1'25 results [PLN m]

	Q1'24	Q1'25	y/y	Q1'25F BDM	dev.
Sales	62,0	90,8	46,6%	88,0	3,2%
Gross profit	8,1	12,7	55,9%	11,8	7,1%
Profit on sales	1,8	5,0	182,5%	4,8	4,3%
Other operating activity net	6,2	0,7	-88,5%	0,0	---
EBITDA	9,0	6,9	-22,8%	6,0	16,2%
EBIT	7,9	5,7	-27,9%	4,8	19,0%
Profit before tax	22,3	5,5	-75,3%	4,4	24,6%
Net profit	21,1	4,3	-79,7%	3,6	19,7%
Gross margin	13,1%	13,9%		13,4%	
EBITDA margin	14,5%	7,6%		6,8%	
EBIT margin	12,8%	6,3%		5,5%	
Net margin	34,0%	4,7%		4,1%	

Source: BDM S.A., company

- The company published its Q1'25 results this morning.
- Q1'25 revenue was PLN 90.8m (+47% y/y, 3% above our assumptions).
- Gross margin (13.8%) slightly above our assumptions (we assumed 13.4% vs. 13.1% a year ago and 15.4% in 2024).
- Level 21% gross margin in the Power Networks segment and 9% margin in the Installations and Infrastructure segment (vs 5% and 19% respectively in Q1'24).
- SG&A costs 20% higher year-on-year (PLN 7.6m vs. PLN 6.3m).
- Slightly positive impact of Q1'25 other operating activity balance (+PLN 0.7m). Note that Q1'24 figures are not comparable. At that time, the balance of other operating activities (+PLN 6.2m) showed income from the release of a provision, compensation and some items related to the deconsolidation of Zeus. In contrast, the main impact of the Zeus deconsolidation (+PLN 18.2m) is shown below EBIT.
- EBITDA in Q1'25 was PLN 6.9m (vs. PLN 9.0m a year ago and PLN 6.0m our expectations).
- Financial balance with a negative impact of PLN -0.2m.
- Consolidated net profit at PLN 4.3m in Q1'25 (we expected PLN 3.6m). The effective income tax rate was 22%.
- Operating cash flow was negative at PLN -19.6m in Q1'25 (+PLN 18.1m a year ago). At the end of the period, the company had net cash of PLN 14.2m (PLN 39.8m a year ago).
- Backlog at end-Q4'24: PLN 680m (vs. PLN 545m after Q4'24 and PLN 648m a year ago). Ca. PLN 491m is due in 2025. The portfolio increased to PLN 748m after April (PLN 507m for 2025). In addition, the company had PLN 70m in top bids submitted in further tenders.
- Results conference call with management today at 12:00.

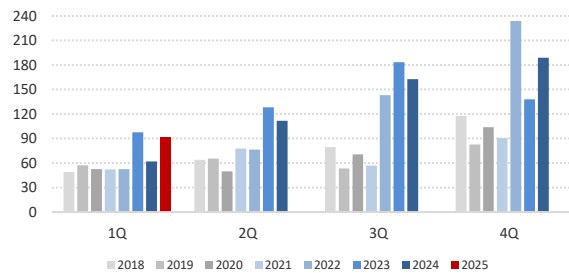
BDM Comment: The company's Q1'25 results are slightly above our expectations. Operating CF was clearly negative (it was positive in Q1 in the previous two years), but we should take into account that Q4'24 was very strong. After April, the Company has a record order backlog (PLN 748m, of which PLN 507m is still due in 2025), which should indicate the possibility of >10% y/y revenue growth in 2025.

Results in previous quarters [PLN m]

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
	1Q'22	2Q'22	3Q'22	4Q'22	1Q'23	2Q'23	3Q'23	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Sales	52,4	76,5	143,0	233,7	97,5	128,3	183,2	137,9	62,0	111,6	162,5	188,7	90,8
Gross profit	0,7	4,8	21,5	40,5	14,7	20,3	27,5	13,7	8,1	18,0	30,4	24,2	12,7
SG&A	5,6	6,6	6,1	9,8	5,7	5,5	5,2	8,9	6,3	8,8	7,1	9,8	7,6
Profit on sales	-4,9	-1,8	15,4	30,7	9,0	14,7	22,3	4,8	1,8	9,2	23,3	14,3	5,0
Other operat. activity net	0,5	1,2	-2,5	-5,4	-1,5	0,0	-7,5	-7,7	6,2	-0,5	-0,3	0,2	0,7
EBITDA	-3,1	0,8	13,9	26,6	8,6	15,9	15,8	-1,7	9,0	9,7	24,2	15,8	6,9
EBIT	-4,4	-0,6	12,9	25,3	7,5	14,8	14,8	-2,9	7,9	8,7	23,1	14,6	5,7
Net financial activity	-0,3	0,3	0,6	-3,3	0,3	-0,6	-0,7	-1,0	14,3	0,7	-2,3	-2,7	-0,2
Profit before tax	-4,8	-0,3	13,5	22,0	7,9	14,2	14,1	-3,9	22,3	9,3	20,7	11,9	5,5
Net profit	-2,4	11,8	10,5	17,6	9,2	-75,7	29,8	32,8	18,1	-39,5	0,3	67,0	-19,6
OCF	1,6	18,1	26,6	58,5	58,7	16,7	6,8	27,1	20,8	1,8	21,8	25,8	11,8
Net debt	-2,4	11,8	10,5	17,6	9,2	-75,7	29,8	32,8	18,1	-39,5	0,3	67,0	-19,6
Sales change y/y													
Gross margin	0,3%	-1,6%	152,2%	158,2%	86,1%	67,8%	28,1%	-41,0%	-36,4%	-13,0%	-11,3%	36,8%	46,6%
S&GA/sales	1,3%	6,3%	15,1%	17,3%	15,1%	15,8%	15,0%	9,9%	13,1%	16,1%	18,7%	12,8%	13,9%
Margin on sales	10,6%	8,6%	4,3%	4,2%	5,8%	4,3%	2,8%	6,4%	10,2%	7,9%	4,3%	5,2%	8,4%
EBITDA margin	-9,3%	-2,4%	10,8%	13,1%	9,2%	11,5%	12,2%	3,5%	2,9%	8,2%	14,4%	7,6%	5,5%
EBIT margin	-5,9%	1,0%	9,7%	11,4%	8,9%	12,4%	8,6%	-1,2%	14,5%	8,7%	14,9%	8,3%	7,6%
Net margin	-8,4%	-0,8%	9,0%	10,8%	7,7%	11,5%	8,1%	-2,1%	12,8%	7,8%	14,2%	7,7%	6,3%

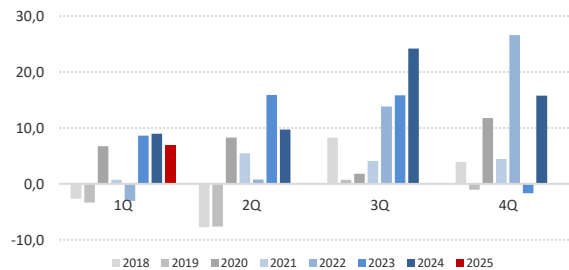
Source: Dom Maklerski BDM S.A., company

Sales [PLN m]



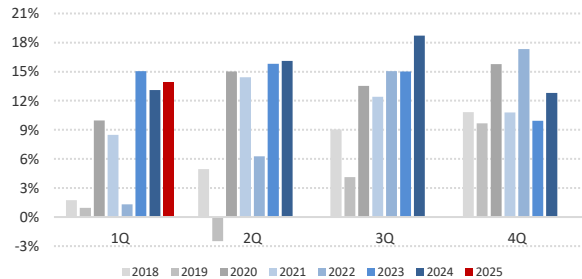
Source: Dom Maklerski BDM S.A., company

EBITDA [PLN m]



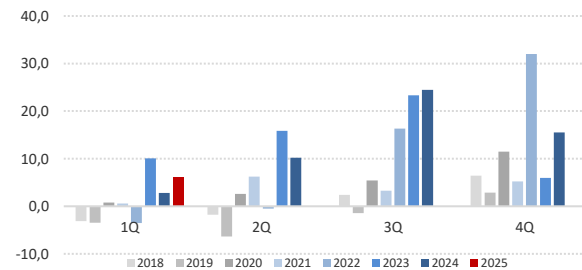
Source: Dom Maklerski BDM S.A., company

Gross margin



Source: Dom Maklerski BDM S.A., company

EBITDA adj. [PLN m]



Source: Dom Maklerski BDM S.A., company

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Explanations of terminology:

EBIT – earnings before interest and tax

EBITDA – earnings before interest, taxes, depreciation, and amortization

Net debt – interest bearing debt minus cash and equivalents

WACC – weighted average cost of capital

CAGR – cumulative average annual growth

EPS – earnings per share

DPS – dividend per share

CEPS – net profit plus depreciation per share

EV – market capitalization plus interest bearing debt minus cash and equivalents

EV/S – market capitalization / sales

EV/EBITDA – EV / sales

P/EBIT – market capitalization / EBIT

MC/S – market capitalization / sales

P/E – market capitalization / net profit

P/BV – market capitalization / book value

P/CE – market capitalization / net profit plus depreciation

ROE – net profit / equity

ROA – net income / assets

Gross margin – gross profit on sales / sales

EBITDA margin – EBITDA / sales

EBIT margin – EBIT / sales

Net margin – net profit / sales

Explanation of ratings:

Buy – we believe that the security will reach the target price in the recommended period, which significantly exceeds the current market price (at least + 15%);

Accumulate – we believe that the security will reach the target price in the recommended period, which exceeds the current market price (in the range of +5 to + 14.99%);

Hold – we believe that a security in the recommended period will fluctuate around the target price, which is close to the current market price (in the range from -4.99% to + 4.99%);

Reduce – we believe that the security will reach the target price in the recommended period, which is lower than the market price (range of decline from 5% to 14.99%);

Sell – we believe that a security in the recommended period will reach the target price, which is significantly lower than the market price (suggested erosion of the value exceeds 15%).

Target price – the theoretical price which, in our opinion, should reach a security in the recommended period; This price is the result of the company's value (eg based on DCF, comparative and other valuations), market conditions and the industry as well as other factors subjectively considered by the analyst.

Recommendations made by BDM are binding for 12 months from the issue date or until the target level is reached, unless they are updated during this period of time.

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Ratings and price targets history:

rating	price target	previous rating	previous target price	report date	report date (hour)	price	WIG
Accumulate	54,3	Accumulate	47,7	08.05.2025*	13:30 CET	49,70	101058
Accumulate	47,7	Accumulate	36,7	06.03.2025*	12:30 CET	43,00	92 242
Accumulate	36,7	Accumulate	31,0	28.10.2024*	08:15 CEST	33,00	80 756
Accumulate	31,0	Accumulate	19,1	20.05.2024*	08:00 CEST	27,85	88 735
Accumulate	19,1	Buy	17,1	04.01.2024*	09:55 CEST	17,48	77 054
Buy	17,1	Buy	15,8	10.10.2023*	11:20 CEST	14,70	66 149
Buy	15,8	Buy	13,0	13.06.2023*	08:30 CEST	13,26	66 298
Buy	13,0	Accumulate	8,17	10.05.2023*	09:22 CEST	10,60	63 285
Accumulate	8,17	Hold	6,79	09.12.2022*	16:00 CEST	7,16	55 651
Hold	6,79	Buy	11,0	18.10.2022*	12:00 CEST	6,48	47 309
Buy	11,0	Buy	10,2	15.06.2022*	07:00 CEST	6,50	53 247
Buy	10,2	---	---	23.08.2021*	07:00 CEST	6,54	67 966

* The report was prepared by Dom Maklerski BDM at the request of the WSE as part of the Exchange's Analytical Support Programme.

-- the author of the reports on Elektrotim in 2021-06'2022 was Krystian Brymora

Distribution of BDM's recommendations in Q2'25*:

, distribution of BDM's recommendations for the companies which BDM has supplied with investment banking services within the last 12 months

	number	%	number	%
Buy	8	62%	0	0%
Accumulate	1	8%	0	0%
Hold	4	31%	0	0%
Reduce	0	0%	0	0%
Sell	0	0%	0	0%

* detailed list of all analytical reports (recommendations) published by BDM during the last 12 months is included at <https://www.bdm.pl/analizy-i-informacje/analizy/historia-rekomendacji>

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The report constitutes an investment research within the meaning of art. 36 §1 of Commission Delegated Regulation (EU) 2017/565.

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- The issuer does not hold shares exceeding 5 % of the BDM issued share capital,
- BDM is a market maker or liquidity provider in the financial instruments of the issuer,
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- There are significant connections between BDM or its related affiliates and the issuer of financial instruments**
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