



Dom Maklerski BDM S.A.

SYNTHAVERSE

ANALYTICAL REPORT - SUMMARY

We reiterate our BUY recommendation for the company's shares, raising the target price to PLN 6.6 per share (previously PLN 6.1 per share). The implementation of Onko BCG production in vials in 2024 has improved the short-term earnings outlook. The product in the new packaging is sold at a higher price in the market, so we are raising revenue forecasts, while maintaining a similar level of segment operating expenses.

The introduction of the new formulation of the drug is associated with the conclusion of new agreements with existing customers and the acquisition of new customers. With this change, the company can start selling in new markets (e.g. Germany) where a vial is required. However, this involves an extended sales process and the need to participate in new tenders, which postpones the delivery of the product to the end customer. In Q1'25, this caused temporary liquidity problems - one distributor was unable to pay its obligations on time, so the company was forced to extend its payment terms. We assume that the situation was temporary, product sales will increase in the following months and liquidity should return to neutral levels.

The Department of Public Procurement at the Ministry of Health still has not published the tender for the supply of tuberculosis vaccine. We expect it to be published by the end of H1'25, while we expect a reduction in the volume of the order due to the declining birth rate. In 2025, we forecast a decrease in vaccine sales volume, allowing for increased production of Onko BCG.

In the traditional segment, we maintain the assumption of stable growth, but raise the segment's profitability forecast. In 2024, the company has shown a return to the 2021 EBIT margin. We assume that EBIT profitability will be maintained at double-digit levels in subsequent periods.

We note an increase in the DCF valuation, which is mainly due to an improvement in the company's short-term outlook, but also due to a reduction in the risk-free rate from 5.9% to 5.5%, derived from the yield on 10-year government bonds. On the other hand, comparative valuations came under pressure. Foreign peers are trading at lower ratios compared to the previous projection, hence the decrease in multiples valuation. Ultimately, the increase in the DCF valuation prevailed and the target price was set at PLN 6.6/share.

BUY

(PREVIOUS: BUY)

TARGET PRICE 6.6 PLN

20 MAY 2025, 18:09 CET/CEST

Target price [PLN]	6.6
DCF valuation [PLN]	7.7
Peer valuation [PLN]	5.5
Price upside/downside	15.4%
Cost of capital	11.9%
Price [PLN]	5.7
Market cap [PLNm]	400.5
No. of shares [mn]	70.8*
Max. price 6M [PLN]	5.7
Min. price 6m [PLN]	4.0
Rate of return 3M	21.1%
Rate of return 6M	29.1%
Rate of return 9M	23.2%
Shareholders (% of votes):	
Dariusz Kurowicz	11.9%
Wiktor Napióra	11.1%
Waldemar Sierocki	10.5%
Przemysław Sierocki	10.2%
OPDF	5.6%
Others	50.7%

* current number of shares (the incentive programme assumes the issuance of a maximum of 2.7 million shares)

Anna Tobiasz, DI

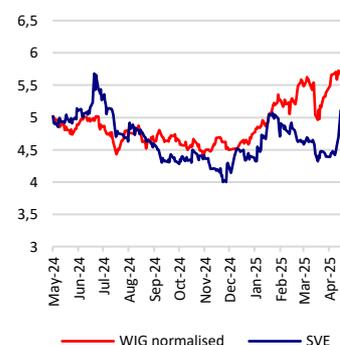
anna.tobiasz@bdm.pl

tel. (+48) 666 073 972

Dom Maklerski BDM S.A.

ul. 3-go Maja 23, 40-096 Katowice

	2022	2023	2024	2025P	2026P	2027P
Revenues [PLNm]	50.4	58.6	71.8	81.6	137.7	197.2
EBIT [PLNm]	9.8	8.6	12.4	16.3	49.3	83.5
EBITDA [PLNm]	16.1	15.3	19.1	33.4	66.0	100.0
Net income [PLNm]	6.1	4.8	7.6	11.1	36.3	63.5
P/E	65.9	84.5	53.4	36.7	11.3	6.5
P/BV	3.8	3.6	3.3	3.1	2.4	1.9
EV/EBIT	39.5	54.3	38.9	28.6	8.7	4.7
EV/EBITDA	24.2	30.8	25.4	14.0	6.5	4.0
DPS	0.0	0.0	0.0	0.0	0.0	0.2
DY	0.0%	0.0%	0.0%	0.0%	0.0%	4.4%



Valuation summary

	Share	Valuation
DCF valuation	50%	7.7
Peer valuation	50%	5.5
Target price [PLN]		6.6

Source: BDM S.A.

DCF valuation

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues [PLNm]	81.6	137.7	197.2	204.6	209.0	213.0	217.1	221.2	225.4	229.7
EBIT [PLNm]	16.3	49.3	83.5	87.6	90.3	92.0	93.7	95.5	97.3	99.2
Incentive programme cost	1.9	1.9	1.9	1.9	0.0	0.0	0.0	0.0	0.0	0.0
EBIT Adj. [PLNm]	18.2	51.2	85.4	89.5	90.3	92.0	93.7	95.5	97.3	99.2
Tax rate	25.0%	24.0%	23.0%	22.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Tax on EBIT [PLNm]	4.6	12.3	19.6	19.7	19.0	19.3	19.7	20.1	20.4	20.8
NOPLAT [PLNm]	13.7	38.9	65.8	69.8	71.3	72.7	74.1	75.5	76.9	78.3
Amortization [PLNm]	17.1	16.7	16.5	16.3	16.6	16.4	16.3	16.3	16.3	16.3
CAPEX [PLNm]	-12.6	-13.3	-13.7	-14.2	-14.6	-15.3	-15.8	-16.3	-16.3	-16.3
Working capital movement [PLNm]	6.5	4.2	-7.4	-0.9	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
FCF [PLNm]	24.7	46.5	61.2	71.0	72.8	73.3	74.1	74.9	76.3	77.8
DFCF [PLNm]	23.2	39.2	46.2	48.1	44.1	39.7	35.8	32.4	29.5	26.8
Total DFCF [PLNm]	364.9									
Terminal value [PLNm]	801.4									
Discounted terminal value [PLNm]	276.6									
Enterprise value [PLNm]	641.5									
Net debt [PLNm]*	79.6									
Equity value [PLNm]	561.9									
Number of shares [mn]	73.4									
Value per share [PLN]	7.7									

Terminal growth rate: 2.0%

WACC calculation

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Risk-free rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Risk premium	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Beta	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Credit premium	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Cost of equity	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%
Contribution of equity	77.4%	83.9%	89.5%	90.2%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of debt after tax	7.9%	8.0%	8.1%	8.2%	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
Contribution of debt	22.6%	16.1%	10.5%	9.8%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
WACC	11.0%	11.3%	11.5%	11.5%	11.9%	11.9%	11.9%	11.9%	11.9%	11.9%

Source: BDM S.A.

Sensitivity analysis

Beta	Terminal growth rate				Risk premium	Terminal growth rate				Risk premium	Beta		
	1.0%	2.0%	3.0%	4.0%		1.0%	2.0%	3.0%	4.0%		0.7	0.8	0.9
0.7	8.0	8.4	9.0	9.6	8.0	8.4	9.0	9.6	10.2	9.2	8.4	7.7	
0.8	7.3	7.7	8.1	8.7	8.0	7.3	7.7	8.1	8.7	8.0	8.4	7.7	
0.9	6.7	7.0	7.4	8.1	9.0%	6.7	7.0	7.4	8.1	9.0%	7.7	6.4	

Source: BDM S.A.

Peer valuation

	P/E			EV/EBITDA		
	2025F	2026F	2027F	2025F	2026F	2027F
MERCK & CO. INC.	8.8	8.1	7.5	7.8	6.9	6.5
GRIFOLS SA	10.5	8.2	6.6	7.5	6.6	5.9
IPSEN	10.0	9.4	8.7	5.7	5.0	4.1
H LUNDBECK A/S	7.7	6.8	6.5	6.3	5.1	4.4
RECORDATI INDUSTRIA CHIMICA	16.8	15.6	14.3	12.7	11.5	10.5
SWEDISH ORPHAN BIOVITRUM AB	23.0	17.0	13.5	11.3	9.1	7.3
UCB SA	22.3	17.4	13.9	15.6	11.9	9.6
Median	10.5	9.4	8.7	7.8	6.9	6.5
SYNTHAVERSE	53.4	36.7	11.3	25.4	14.0	6.5
Premium/discount	407%	291%	29%	224%	103%	0%
Valuation [PLN/share]	1.9	5.0	7.9	3.0	6.2	9.3
Year's contribution	33%	33%	33%	33%	33%	33%
Average valuation [PLN/share]		4.9			6.1	
Multiple's contribution		50%			50%	
Value per share [PLN]	5.5					

Source: BDM S.A., Bloomberg

Main risks: 1) Risk of delay in commissioning new capacity; 2) Risk of delayed registration processes; 3) Foreign exchange and interest rate risk; 4) Risk of rising energy and gas prices; 5) risk of new competitive products entering the market; 6) Product withdrawal risk; 7) Risk of side effects or interactions with new drugs

RESEARCH DEPARTMENT:

Maciej Bobrowski

Director

tel. (032) 208 14 12

e-mail: maciej.bobrowski@bdm.pl

[strategy, industry, media/entertainment, TMT](#)

Krzysztof Pado

Deputy Director

Investment Adviser

tel. (032) 208 14 32

e-mail: krzysztof.pado@bdm.pl

[oil&gas, construction, building materials, real estate](#)

Anna Tobiasz

Junior analyst

Investment Adviser

tel. (032) 208 14 35

e-mail: anna.tobiasz@bdm.pl

Andrzej Wodecki

Junior analyst

Investment Adviser

tel. (032) 208 14 39

e-mail: andrzej.wodecki@bdm.pl

INSTITUTIONAL SALES DEPARTMENT:

Leszek Mackiewicz

Dyrektor Wydziału

tel. (022) 62-20-848

e-mail: leszek.mackiewicz@bdm.pl

Maciej Fink-Finowicki

tel. (022) 62-20-855

e-mail: maciej.fink-finowicki@bdm.pl

Tomasz Grzeszczyk

tel. (022) 62-20-854

e-mail: tomasz.grzeszczyk@bdm.pl

Piotr Komorowski

tel. (022) 62-20-851

e-mail: piotr.komorowski@bdm.pl

Ratings and price targets history:

rating	price target	previous rating	previous target price	report date	report date (hour)	price	WIG
Buy	6.6	Buy	6.1	20.05.2025*	18:09	5.70	102 543.24
Buy	6.1	Buy	6.1	30.01.2025*	15:25 CET	4.73	87 148.74
Buy	6.1	Accumulate	6.1	06.11.2024*	07:55 CET	4.30	80 271.30
Accumulate	6.1	Buy	6.5	12.07.2024*	15:50 CEST	5.62	88 398.89
Buy	6.5	Buy	6.7	10.05.2024*	08:30 CEST	4.81	87 427,54
Buy	6.7	---	---	13.09.2023*	11:30 CEST	5.2	66 571.93

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

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.

The strengths and weaknesses of the valuation methods used in the report:

DCF – the most popular and the most effective of the valuation methods - it is based on the discounting of future cash flows generated by the company. The disadvantage is the high sensitivity to changes in the basic financial parameters forecast in the model (interest rates, exchange rates, profits, residual value).
 DDM – the method is based on discounting future cash flows from dividends. The advantage of the valuation is the inclusion of future financial results and cash flows from dividends. The main disadvantages are the high sensitivity to changes in the basic financial parameters forecasted in the model (capital cost, profits, residual value) and the risk of changing the dividend payment policy.
 Comparative – the method is based on current and forecasted market multipliers of companies from the industry or related industries, which better than DCF shows the current market situation. The main disadvantages are the difficulty in choosing the right companies for comparison, the risk of ineffective valuation of companies compared at a given moment, as well as high volatility (along with price fluctuations).

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	
numbers	%	numbers	%
Buy	7 59%	0	0%
Accumulate	1 8%	0	0%
Hold	4 33%	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>

A Legal note:

This report (hereinafter also referred to as an analysis, a document) has been prepared in compliance with Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (on market abuse), Commission Delegated Regulation (EU) 2016/958 and Commission Delegated Regulation (EU) 2017/565.

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

The report has been prepared by Dom Maklerski BDM S.A. (hereinafter BDM S.A.) within the Exchange Analytical Coverage Support Programme (<https://www.gpw.pl/gpwpz>). BDM S.A. is a party to the „Agreement on the provision of analytical report services” concluded with the Warsaw Stock Exchange Company („GPW”), on the basis of which BDM provides services of analytical coverage of the Issuer for the term of the Agreement. Under the agreement BDM obtains remuneration from GPW. All materials prepared by BDM within the framework of co-operation are available at <https://www.bdm.pl/program-wsparcia-pokrycia-analitycznego-gpw>.

The report has been prepared and made available for distribution by BDM.

GPW shall be a copyright holder to this report from the date of its publication. The report can be published and made available without limitation by GPW through any mass communication media as decided by GPW.

This report does not constitute an investment, legal, accounting advice or any other, and BDM shall not be responsible for damages arising from or connected with the use of the data presented in the report or the use of any elements of the report by recipients. The report or any copy of it cannot be disseminated, directly or indirectly, in the United States, Canada, Australia or Japan, or transmitted to citizens or residents of a state where its distribution can be restricted by law, which does not limit the possibility of publishing the report on internet websites of the Issuer, BDM or GPW. Persons who disseminate this document should be aware of the necessity to comply with such restrictions.

The document can be intended for professional or institutional customers of BDM as well as for other BDM qualified customers entitled to receive general recommendations based on agreements for brokerage services. This report can also reach other entities through media distribution channels based on a decision of the manager of the analysis department. The fact that a recipient has obtained this report does not mean that he shall be treated as a BDM customer. The compilation cannot be published or copied without a prior written consent of BDM.

Persons who will receive this report and who are not professional customers or qualified investors should consult an independent financial advisor before making any investment decision based on this analysis in order to obtain any necessary and crucial explanations concerning the contents of this analysis.

To prepare this analytical report BDM has not considered individual needs or situations of customers. BDM is not obliged to guarantee that a financial instrument or financial instruments covered by this report are appropriate for a given investor.

Opinions of an analyst and any recommendations included in this report neither constitute an investment, legal, accounting or tax advice or a statement that any investment strategy is adequate or appropriate because of individual circumstances concerning the customer, nor constitute personal recommendation.

The analysis is for information purposes only and does not constitute an advertisement or an offer or an invitation to subscribe or purchase financial instruments.

An investor should be aware that each investment decision in the capital market is subject to numerous risks that finally can result in a financial loss suffered by him. The return rate on individual investments can fluctuate depending on various factors beyond the control of the investor. Therefore, a customer who makes a single investment decision should not only check currency and correctness of individual assumptions made by the analyst in the report but also to have an independent assessment and own analysis (also based on scenarios other than the ones presented in the report) taking into consideration the level of acceptable risk. When deciding on activity on the capital market the Investor should take into consideration the fact that the investment portfolio structure (diversification of investment through possessing more than one financial instrument) can reduce risk exposure to an individual instrument bringing a negative rate of return in a given period. At the same time, however, it can lead to limitation of a positive rate of return the investor could achieve in the case of a single financial instrument in a given time period. The investor should be aware that the investment portfolio structure and any investment strategy for the stock market do not guarantee the achievement of a positive rate of return and do not protect him against final loss.

For the first time this report has been made available to the public on 20.05.2025 (18:09 CET/CEST). Date of preparing the report is the date of making it accessible. Before the recommendation was made accessible, information included in it had been confidential.

The prices of the financial instruments listed in the document have been taken from the real-time pricing as provided by Bloomberg. Data concerning financial instrument prices used in the report could be loaded to 24 hours before the moment of completing the report.

Detailed list of all analytical reports (recommendations) published by BDM during the last 12 months is included in a cyclical “Monthly Report”.

In the opinion of BDM this report has been prepared observing principles of methodological correctness and objectivity on the basis of sources available to the public which BDM considers reliable. The sources of information used in recommendation are all data related to financial instruments concerned and available to an analyst, including current and periodic reports of the company, current and periodic reports of entities used for comparative valuation, business reports, press releases and other. However, BDM S.A., in no case, guarantees the accuracy and completeness of this report, in particular should sources on the basis of which the report was prepared prove to be inaccurate, incomplete or not fully consistent with the facts. The forecasts presented in the report are solely based on the analysis made by BDM without consultations with companies or other entities and are based on a number of assumptions which could prove to be wrong in the future. BDM does not guarantee that the presented forecasts will prove right.

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.

Any opinions, forecasts or estimates made in the report are merely an expression of analyst assessment as of the day of preparation of the report and at any moment they can be changed without notice. BDM does not guarantee that the opinions or assumptions made by an analyst/analysts and included in this report are compatible with other analysis prepared by BDM. BDM updates issued recommendations depending on the market situation and analyst assessment, and the frequency of such updates is not defined.

According to BDM this report has been made with due diligence and reliability. However, BDM shall not be held liable for any damages incurred as a result of decisions made on the basis of information included in this report.

The report was not transferred to the issuer prior to its publication.

An analyst (analysts) preparing this document receives a fixed remuneration and the BDM Management Board has the right to grant them additional remuneration. Additional remuneration may indirectly depend on the results of other services offered by BDM, including investment banking services, but it shall not depend directly on financial results resulting from other services, including financial banking, which have been or could have been reached by BDM.

BDM is not obliged to take any actions which could cause financial instruments that are the subject of the valuation contained in this document to be valued by the market in accordance with the valuation contained in this document.

The investor should assume that BDM employees or proxies or shareholders may hold long or short positions in the issuer’s shares or other financial instruments related to the issuer’s shares; this particularly concerns the situation of holding not more than 5% of the capital, and they may also carry out transactions on them as proxies.

Each of the above-mentioned persons could carry out transaction relating to the financial instruments concerned prior to this publication. At the same time, however, the instruments concerned are entered in the restrictive list for employees of the Analysis Department immediately at the start of work on the report.

We have not identified significant conflicts of interest between BDM and persons associated with BDM and the financial instrument issuer. If a conflict of interest arises BDM shall manage it by applying the principles defined in the “Policy of management of conflicts of interest at the BDM S.A.”. We point out that as for 20.05.2025:

- BDM states and assures that BDM is not involved financially in financial instruments of the Issuer.
- BDM is not a holder of net long or short positions exceeding the threshold of 0,5 % of the total issued share capital of the issuer,
- The person that participated in preparing recommendation is not a holder of net long or short positions exceeding the threshold of 0,5 % of the total issued share capital of the issuer,
- The issuer does not hold shares exceeding 5 % of the BDM issued share capital,
- BDM is not a market maker or liquidity provider in the financial instruments of the issuer,
- BDM has not been lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer;
- BDM is not a party to an agreement with the issuer relating to the provision of investment banking services pursuant to art. 69 §2 and 4 of the Act on Trading in Financial Instruments dated 25th July 2005,
- BDM is not a party to an agreement with the issuer relating to the provision of investment banking services pursuant to section A and B od Annex I to the Directive 2014/65/EU of the European Parliament and of the Council (hereinafter the Directive 2014/65/EU),
- BDM is not a party to an agreement with the issuer relating to the production of the recommendation,
- There is other significant financial interest that BDM or its related affiliates have in relation to the issuer of financial instruments*,
- There are no significant connections between BDM or its related affiliates and the issuer of financial instruments,
- The person affiliated with BDM who was involved in the preparation of recommendations did not receive or purchase the shares of the issuer, to whom the recommendation relates directly or indirectly, prior to public offering of such shares,
- The person affiliated with BDM who was involved in the preparation of recommendations declares that they respect internal regulations and are subject to organizational and technical solutions and information barriers established by BDM to eliminate any conflicts of interest concerning recommendations and to avoid them,
- The person affiliated with BDM who was involved in the preparation of recommendations was not rewarded in any form by the issuer, to whom the recommendation relates directly or indirectly, or was not directly connected with any possible transactions concerning services defined in art. 69 §2 and 4 of the Act on Trading in Financial Instruments dated 25th July 2005.

*BDM is a party to the “ANALYTICAL REPORT PREPARATION SERVICES AGREEMENT” concluded with the WSE.

According to the best knowledge of the party recommending upon the publication of the report there are no other connections between BDM and the company described in this report that the party preparing this report would know of. However, the investor should be aware that the list disclosing conflicts of interest is long and that in the future there may occur situations leading to conflicts of interest which have not been identified or disclosed at the moment of publication of the report concerned. Especially, the investor should assume that BDM may submit an offer for services to a company or other companies mentioned in this report.

BDM is subject to supervision by the Polish Financial Supervision Commission.

This document is a summary of a full version of the report prepared in Polish. In case of any disputes the Polish version shall prevail.