

Artifex Mundi

BUY

(Initiation)

F2P segment will drive results

TP: PLN 21

Upside: +47%

We begin coverage of Artifex Mundi with a target price of PLN 21.0 (+47% upside) and a BUY investment rating. In our opinion, the positive changes that have taken place in the Company over the past quarters are still undiscounted despite the fact that its YTD share price (>65%) is by far the strongest among gaming companies listed on the WSE Main Market.

The main positive developments that have helped improve the Company's performance include: (1) maximization of revenues from the HOPA games portfolio, mainly through console game releases; (2) implementation and scaling of the mobile app *Unsolved* grouping HOPA games (*Free-to-Play* or *F2P* segment); (3) reduction of expenditure on *Bladebound*, a game that has not been very profitable; (4) reorganization of the Company and reduction in the average headcount in 2020 of ca. 40%, which enabled cost reduction.

We believe that the positive momentum on the Company can continue in the coming months, with *Unsolved* being the main catalyst for improved earnings. With our forecasts of PLN 15m net profit for 2021 and PLN 16.5m net profit for 2022, the Company is trading at 11.3x P/E '21 and 10.6x P/E '22, implying a ca. 50% discount to peers.

The *Unsolved* application as a driver for results. We believe that the application has commercial potential that has not yet been exhausted. Scaling *Unsolved* through FB adds (ca. PLN 4.4m in UA costs in 1H21) has proven profitable, so we can assume that the roll-out on new marketing channels (Google Ads, Unity Ads, IronSource), which we expect to begin in late Q3 and early Q4, should contribute to a further revenue growth. We believe that the application can also increase monetization and profitability of paid UA campaigns through further development, such as extension of functionalities or optimization of game performance.

A strong back-catalogue in the HOPA segment. Despite the fact that the Company failed to increase HOPA revenues compared to 1H20 (due to a high base in 2Q20 caused by COVID-19), the segment should be able to improve its results from current levels (PLN 1.6m per month on average in 2021). We believe that the Company will systematically increase the frequency of HOPA releases on consoles, especially on Nintendo Switch, which should be a major revenue catalyst. Currently, out of a total portfolio of nearly 90 HOPA games, only slightly over 1/3 are sold on consoles.

New projects. As part of the planned full transformation to the F2P model in HOPA games, the Company does not rule out a new game with a profile similar to *Unsolved*. Additionally, the Company is working on a new project in the F2P RPG segment.

Forecasts. We forecast PLN 15m net profit in 2021 and PLN 16.5m in 2022, implying 11.3x P/E '21 and 10.6x P/E '22 multiples. Our forecasts are higher than the Company's Incentive Scheme performance criteria by 26% in 2021-22 and by 11% in 2023-24.

Valuation. Artifex Mundi's target price is 100% based on the DCF method, which returns PLN 21.0 per share (+47% upside). The market multiples method returns PLN 27.5 per share.

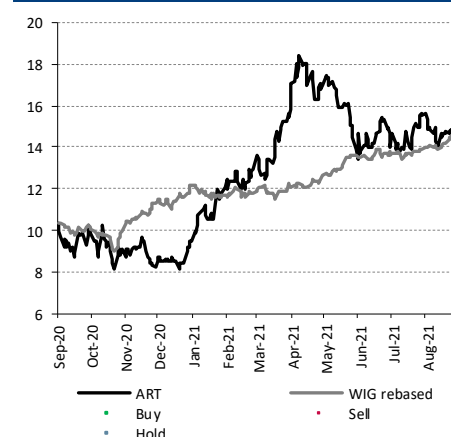
PLN m	2018	2019	2020	2021E	2022E	2023E
Revenue	20,1	16,7	25,7	47,3	58,5	64,9
EBITDA	-2,6	-7,4	17,0	26,1	30,2	33,9
EBITDA adj.	11,6	11,2	19,5	26,1	30,2	33,9
EBIT	-12,9	-14,4	10,0	18,5	20,4	23,5
Net profit	-10,5	-13,7	8,2	15,0	16,5	19,0
EPS (PLN)	-0,88	-1,15	0,69	1,26	1,35	1,55
P/E (x)	-	-	20,6	11,3	10,6	9,2
EV/EBITDA adj. (x)	13,6	14,8	8,1	5,8	4,7	3,8
P/BV (x)	7,5	4,4	4,8	4,9	8,3	5,9
DY (%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Source: company data, Trigon DM

FACT SHEET

Ticker	ART		
Sector	Gaming		
Price (PLN)	14,25		
52wk Range (PLN)	8 / 19,2		
Number of share (m)	11,90		
Market Cap (mPLN)	170		
Free-float	56%		
Avg Vol 3M (mPLN)	0,14		
Price performance	1M	3M	1Y
	-9,9%	-3,8%	36,2%

RELATIVE SHARE PRICE PERFORMANCE



Recommendation history

Recommendation history	Date	Price
Buy		
Hold		

Shareholders

Shareholders	Share %
Artifex Mundi shareholders' agreement	20,1%
Greenlight FIZ AN	13,1%
TFI Aviva Investors Poland SA	10,0%
OFE Nationale-Nederlanden	9,9%
Robert Mikuszewski	5,6%
Adrian Dębowski	5,5%
Others	35,8%

Important dates

Semi-annual report	29.09.2021
Quarterly report 3Q'21	24.11.2021

Analyst

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Artifex Mundi

Bloomberg ticker

ART PW

Recommendation
Target Price (PLN)

Buy
21,0

Current Price (PLN)
Upside

14,3
47%

Previous Recommendation
Previous Target Price (PLN)

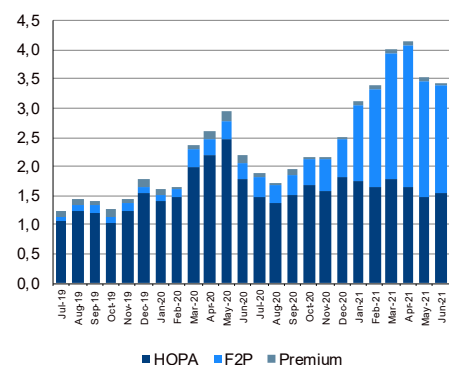
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Number of shares (m)
Market Cap (mPLN)
EV (m PLN)

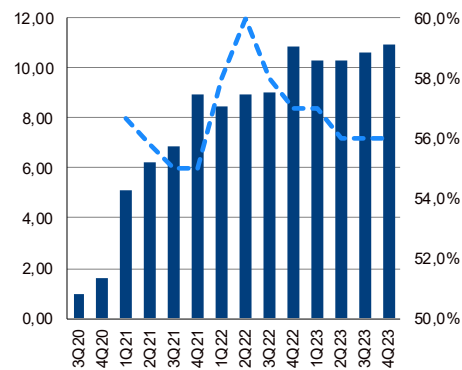
12,6
168
157

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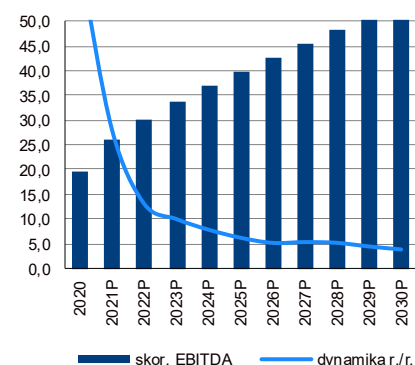
Monthly revenues by segments (PLN m)



F2P: revenues (PLN m) & UA/revenues ratio (%)



Adj. EBITDA (PLN m) and yoy dynamics (%)



MARKET RATIOS	2019	2020	2021E	2022E	2023E
P/E (x)	-	20,6	11,3	10,6	9,2
P/E adj. (x)	-	20,6	11,3	10,6	9,2
P/BV (x)	8,0	5,8	3,8	2,7	2,1
EV/EBITDA (x)	-	9,3	5,8	4,7	3,8
EV/EBITDA adj. (x)	14,8	8,1	5,8	4,7	3,8
EV/Sales (x)	9,9	6,2	3,2	2,4	2,0
FCF Yield (%)	-3,8%	4,9%	4,9%	8,5%	11,6%
DY (%)	0,0%	0,0%	0,0%	0,0%	0,0%

RATIOS	2019	2020	2021E	2022E	2023E
EPS (PLN)	-1,2	0,7	1,3	1,3	1,6
EPS adj. (PLN)	-1,2	0,7	1,3	1,3	1,6
DPS (PLN)	0,0	0,0	0,0	0,0	0,0
BVPS (PLN)	1,8	2,5	3,7	5,2	6,8
Number of shares (m)	11,9	11,9	11,9	12,3	12,3
Market Cap (mPLN)	170	170	170	175	175
EV (mPLN)	166	158	152	143	129

P&L (mPLN)	2019	2020	2021E	2022E	2023E
Sales	16,7	25,7	47,3	58,5	64,9
Cash sales	8,3	9,9	10,8	13,3	14,4
Gross profit from sales	8,4	15,8	36,5	45,2	50,5
EBITDA	-7,4	17,0	26,1	30,2	33,9
EBITDA adj.	11,2	19,5	26,1	30,2	33,9
D&A	6,9	7,0	7,6	9,9	10,4
EBIT	-14,4	10,0	18,5	20,4	23,5
Gross profit	-14,4	10,2	18,5	20,4	23,5
Minority interest	0,0	0,0	0,0	0,0	0,0
Net profit	-13,7	8,2	15,0	16,5	19,0
Net profit adj.	-13,7	8,2	15,0	16,5	19,0

CASH FLOW STATEMENT (mPLN)	2019	2020	2021E	2022E	2023E
Cash flow from operations	-6,2	8,0	7,8	12,6	15,6
Cash flow from investing	-0,1	-0,3	-0,3	-0,5	-0,6
CAPEX	-0,1	-0,3	-0,3	-0,5	-0,6
Cash flow from financing	-1,0	-0,8	0,0	3,2	0,0
Dividend	0,0	0,0	0,0	0,0	0,0
FCF	-6,3	7,7	7,5	12,1	15,0
Net cash flow	-7,2	7,0	7,5	15,3	15,0

BALANCE SHEET (mPLN)	2019	2020	2021E	2022E	2023E
ASSETS	27,9	35,7	50,0	70,1	89,4
PPE	4,1	3,3	2,6	2,1	1,7
Goodwill	0,0	0,0	0,0	0,0	0,0
Intangible assets	9,5	12,3	17,8	21,6	25,4
Cash and equivalents	4,0	11,0	18,5	33,8	48,8
EQUITY AND LIABILITIES	27,9	35,7	50,0	70,1	89,4
Equity	21,2	29,4	44,4	64,1	83,1
Minority shareholders capital	0,0	0,0	0,0	0,0	0,0
Interest-bearing liabilities	0,0	0,0	0,0	0,0	0,0
Net debt	-4,0	-11,0	-17,5	-31,8	-45,8
Change in working capital	7,1	-3,0	-8,2	-4,9	-4,4

OPERATING INDICATORS	2019	2020	2021E	2022E	2023E
Sales growth (%)	-17%	54%	84%	24%	11%
EPS adj. growth (%)	-	-	81%	10%	15%
Gross profit margin (%)	50,3%	61,4%	77,2%	77,3%	77,8%
EBITDA adj. margin (%)	67,2%	75,9%	55,1%	51,7%	52,3%
Operating profit margin (%)	-86,2%	38,9%	39,0%	34,8%	36,2%
Net profit adj. margin (%)	-82,3%	32,0%	31,6%	28,2%	29,3%
ROE (%)	-	32,6%	40,5%	30,4%	25,9%
ROA (%)	-	25,9%	34,9%	27,5%	23,9%
CAPEX/Sales (%)	0,7%	1,3%	0,7%	0,9%	0,9%
CAPEX/D&A (x)	0,0	0,0	0,0	0,1	0,1
Net debt/Equity	-0,2	-0,4	-0,4	-0,5	-0,6
Net debt/EBITDA (x)	-0,4	-0,6	-0,7	-1,1	-1,4
Cash conversion cycle (days)	581	390	481	534	587
Inventory turnover (days)	552	399	508	542	595
Receivables turnover (days)	70	48	40	43	46
Liabilities turnover (days)	41	56	67	51	54

Source: Company, Trigon DM

Valuation

Valuation. Artifex Mundi's valuation is based on the market multiples method and the DCF method. Our target price for Artifex Mundi is 100% based on the DCF valuation, which returns **PLN 21.0 per ART share (+47% upside)**. The market multiples valuation returns PLN 27.5 per share.

Assumptions for the DCF valuation:

- 10-year forecast period;
- RFR 2%;
- Market premium 7.5%;
- Beta 1.2;
- Tax rate 19%;
- Residual growth rate 2,5%;
- Adjusted net debt as at the end of 2020: PLN -16m (adjusted for the discounted value of the issue of shares as part of the acquisition of shares under the Incentive Scheme);
- Number of shares: 12.63m (fully diluted | +0.73m of shares under the Incentive Scheme).

ART: DCF valuation

DCF (PLN m)	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
EBIT	18,5	20,4	23,5	24,6	26,3	27,8	29,5	31,2	32,6	34,0
Tax rate	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%
NOPLAT	15,0	16,5	19,0	19,9	21,3	22,5	23,9	25,2	26,4	27,5
Amortization (PPE/Intangibles)	1,0	1,0	1,0	1,0	1,0	1,0	1,0	1,1	1,2	1,2
Amortization (games)	6,6	8,9	9,4	11,5	12,6	13,7	14,8	15,9	17,0	18,1
CAPEX (PPE/Intangibles)	-0,3	-0,5	-0,6	-0,7	-0,8	-0,9	-1,0	-1,1	-1,2	-1,3
CAPEX (games)	-12,2	-12,7	-13,2	-14,1	-15,2	-16,3	-17,4	-18,5	-19,6	-20,7
Working Capital, net	-2,6	-1,1	-0,7	-0,5	-0,5	-0,4	-0,5	-0,4	-0,4	-0,3
FCF	7,5	12,1	15,0	17,1	18,5	19,6	20,9	22,3	23,5	24,6
D/(D+E) (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Risk free rate (%)	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%	2,0%
Market premium (%)	7,5%	7,5%	7,5%	7,5%	7,5%	7,5%	7,5%	7,5%	7,5%	7,5%
Beta	1,2	1,2	1,2	1,2	1,2	1,2	1,2	1,2	1,2	1,2
Cost of debt after tax (%)	4,1%	4,1%	4,1%	4,1%	4,1%	4,1%	4,1%	4,1%	4,1%	4,1%
Cost of equity (%)	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%
WACC (%)	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%	11,0%
Present value of FCF	7,2	10,6	11,8	12,1	11,8	11,3	10,8	10,4	9,9	9,3
Total DCFC	105									
g	2,5%									
TV	101									
Adjusted Net Debt (01.01.2021)	-16			2,0%	21,0	20,4	20,0	19,5	19,1	
Enterprise value (PLN m)	222			2,5%	21,7	21,0	20,4	20,0	19,5	
Number of shares (m)	12,63			g	3,0%	22,4	21,7	21,0	20,4	20,0
Value per share (01.01.2021)	17,6			3,5%	23,3	22,4	21,7	21,0	20,4	
Value per share (10.09.2021)	18,9			4,0%	24,2	23,3	22,4	21,7	21,0	
12M Target Price	21,0									
Current price	14,25									
Upside / downside	47%									

Source: Trigon DM estimates

Assumptions for the market multiples valuation:

- Peer group: a broad peer group of gaming companies from both PC/console and mobile segments reflecting ART's exposure to both segments;
- Valuation based on P/E and EV/EBIT multiples for 2021–23.

ART: market multiples valuation

	P/E			EV/EBIT		
	'21E	'22E	'23E	'21E	'22E	'23E
Activision Blizzard	20,4	18,0	16,6	15,1	13,3	11,9
Electronic Arts	25,9	21,5	19,4	19,4	16,7	14,6
Take-Two	26,3	34,9	23,3	29,1	17,8	13,1
Ubisoft	24,3	19,9	16,9	14,9	18,0	14,5
Square Enix	31,1	22,8	21,3	14,1	12,5	11,2
Capcom	32,7	23,1	21,3	25,3	18,5	16,4
Embracer Group	36,4	21,5	30,5	---	---	---
Paradox Interactive	38,4	27,6	24,6	30,5	21,3	19,0
Frontier Developments	61,7	38,1	32,3	54,3	34,0	28,2
CD Projekt	40,5	30,0	37,5	36,5	30,7	34,5
PlayWay	20,6	17,2	16,8	15,2	12,7	12,2
11 bit studios	56,2	77,4	9,4	57,3	56,8	7,1
NetEase	21,7	18,6	16,2	20,6	16,9	14,6
NCsoft	28,7	16,2	14,7	20,9	10,5	9,7
Zynga	23,4	21,0	17,4	14,1	11,9	10,4
Stillfront Group	17,3	14,1	12,7	17,4	14,3	12,9
Pearl Abyss	88,4	20,4	16,0	53,9	14,9	12,3
SciPlay	16,9	15,3	18,3	11,9	11,0	10,0
Rovio	20,1	17,2	15,8	14,3	12,3	11,5
Playtika	31,6	21,4	18,3	18,4	16,6	14,5
Ten Square Games	19,8	16,6	15,5	16,1	13,6	11,8
Huuge	17,7	12,6	11,2	11,6	7,9	6,8
Median	26,1	20,7	17,1	18,4	14,9	12,3
Valuation (PLN m)	390	341	326	357	336	334
Multiple avg. valuation (PLN m)		353			342	
Valuation (PLN m)				347		
Valuation per share (PLN)				27,5		

Source: Bloomberg, Trigon DM estimates

Income statement (PLN m)

	2018	2019	2020	2021E	2022E	2023E
Sales	20,1	16,7	25,7	47,3	58,5	64,9
COGS	12,1	8,3	9,9	10,8	13,3	14,4
Gross profit from sales	8,0	8,4	15,8	36,5	45,2	50,5
Cost of sales	0,7	1 720,0	0,6	15,2	21,7	23,7
General administrative expenses	2,6	2,8	2,6	2,9	3,2	3,3
Profit from sales	4,7	4,3	12,6	18,4	20,4	23,5
Result on other operating activities, net	-17,6	-18,6	-2,6	0,0	0,0	0,0
EBITDA	-2,6	-7,4	17,0	26,1	30,2	33,9
EBITDA adj.	11,6	11,2	19,5	26,1	30,2	33,9
D&A	10,3	6,9	7,0	7,6	9,9	10,4
EBIT	-12,9	-14,4	10,0	18,5	20,4	23,5
Results on financial operations, net	-0,3	-0,1	0,2	0,0	0,0	0,0
Profit before tax	-13,2	-14,4	10,2	18,5	20,4	23,5
Income tax	2,7	0,7	-2,0	-3,5	-3,9	-4,5
Minority interest	0,0	0,0	0,0	0,0	0,0	0,0
Net profit	-10,5	-13,7	8,2	15,0	16,5	19,0
Net profit adj.	-10,5	-13,7	8,2	15,0	16,5	19,0

Gross profit from sales margin	39,8%	50,3%	61,4%	77,2%	77,3%	77,8%
EBITDA margin (%)	-	-	65,9%	55,1%	51,7%	52,3%
EBITDA adj. margin (%)	57,7%	67,2%	75,9%	55,1%	51,7%	52,3%
Operating profit margin (%)	-	-	38,9%	39,0%	34,8%	36,2%
Net profit adj. margin (%)	-	-	32,0%	31,6%	28,2%	29,3%

change in sales y/y	-2%	-17%	54%	84%	24%	11%
change in gross profit from sales y/y	50%	5%	89%	131%	24%	12%
change in EBITDA adj. y/y	103%	-3%	74%	34%	16%	12%
change in EBIT y/y	-	-	-	85%	10%	15%
change in net profit adj y/y	-	-	-	81%	10%	15%

Source: Company, Trigon DM

	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
Sales	4,5	5,6	7,7	5,5	6,8	10,5
COGS	2,1	2,3	2,9	2,3	2,4	2,7
Gross profit from sales	2,4	3,3	4,8	3,2	4,5	7,9
Cost of sales	-	-	-	-	-	-
General administrative expenses	0,0	0,0	0,0	0,0	0,0	0,0
Profit from sales	2,4	3,3	4,8	3,2	4,5	7,9
Result on other operating activities, net	-18,0	-0,8	-0,2	0,1	-1,7	0,0
EBITDA	-16,3	2,2	4,3	2,7	2,0	4,5
EBITDA adj.	-16,3	2,2	4,3	2,7	2,0	4,5
D&A	0,3	0,3	0,3	0,3	0,3	0,3
EBIT	-16,6	1,8	4,0	2,4	1,7	4,2
Results on financial operations, net	-0,2	-0,1	0,1	0,0	0,2	0,0
Profit before tax	-16,9	1,7	4,1	2,4	1,9	4,2
Income tax	0,3	-0,3	-0,7	-0,4	-0,5	-0,8
Minority interest	0,0	0,0	0,0	0,0	0,0	0,0
Net profit	-16,6	1,4	3,4	2,0	1,4	3,4
Net profit adj.	-16,6	1,4	3,4	2,0	1,4	3,4

Gross profit from sales margin	53,3%	59,0%	62,2%	57,8%	65,4%	74,8%
EBITDA adj. margin (%)	-	38,4%	55,6%	48,5%	29,5%	42,7%
Operating profit margin (%)	-	32,6%	51,9%	43,7%	25,5%	40,1%
Net profit adj. margin (%)	-	-	-	-	-	-

change in sales y/y	10,1%	40,4%	88,2%	36,3%	52,6%	87,2%
change in gross profit from sales y/y	17,2%	55,1%	150,5%	66,2%	87,0%	137,0%
change in EBITDA adj. y/y	-	142,6%	216,4%	159,7%	-	108,3%
change in EBIT y/y	-	224,8%	289,9%	253,7%	-	130,3%
change in net profit adj y/y	-	84,5%	213,3%	97,2%	-	142,8%

Source: Company, Trigon DM

Balance Sheet (PLN m)

	2018	2019	2020	2021P	2022P	2023P
Fixed assets	5,9	10,2	7,9	7,2	6,7	6,3
Tangible fixed assets	0,8	4,1	3,3	2,6	2,1	1,7
Intangible assets	0,4	0,3	0,2	0,2	0,2	0,2
Goodwill	0,0	0,0	0,0	0,0	0,0	0,0
Long-term receivables	0,0	0,1	0,1	0,1	0,1	0,1
Long-term investments	0,0	0,0	0,0	0,0	0,0	0,0
Other	4,6	5,8	4,3	4,3	4,3	4,3
Current assets	33,1	17,7	27,8	42,8	63,4	83,0
Inventories	15,6	9,5	12,3	17,8	21,6	25,4
Trade receivables	3,8	2,5	4,2	6,2	7,7	8,5
Other	2,4	1,7	0,2	0,2	0,2	0,2
Cash	11,2	4,0	11,0	18,5	33,8	48,8
Assets	38,9	27,9	35,7	50,0	70,1	89,4
Equity	34,9	21,2	29,4	44,4	64,1	83,1
Share capital	0,1	0,1	0,1	0,1	0,1	0,1
Other	45,2	34,7	21,0	29,3	47,5	64,0
Net profit (loss)	-10,5	-13,7	8,2	15,0	16,5	19,0
Minority capital	0,0	0,0	0,0	0,0	0,0	0,0
Long-term liabilities	0,7	3,2	2,7	2,7	2,7	2,7
Interest-bearing liabilities	0,0	0,0	0,0	0,0	0,0	0,0
Other	0,7	3,2	2,7	2,7	2,7	2,7
Short-term liabilities	3,3	3,5	3,6	3,0	3,3	3,5
Interest-bearing liabilities	0,0	0,0	0,0	1,0	2,0	3,0
Trade liabilities	1,1	0,8	2,3	1,7	2,0	2,2
Other	2,2	2,8	1,3	0,3	-0,7	-1,7
Liabilities	38,9	27,9	35,7	50,0	70,1	89,4
Net working capital	18,3	11,2	14,2	22,4	27,3	31,7
Net debt	-11,2	-4,0	-11,0	-17,5	-31,8	-45,8
Net debt adj.	-11,2	-4,0	-11,0	-17,5	-31,8	-45,8
Net debt /EBITDA adj. (x)	4,4	0,5	-0,7	-0,7	-1,1	-1,4
Net debt /equity (x)	-0,3	-0,2	-0,4	-0,4	-0,5	-0,6
ROE (%)	-	-	33%	41%	30%	26%
ROA (%)	-	-	26%	35%	27%	24%
Cash conversion cycle (days)	616	581	390	481	534	587
Inventory turnover (days)	579	552	399	508	542	595
Receivables turnover ratio (days)	68	70	48	40	43	46
Accounts payable turnover ratio (days)	31	41	56	67	51	54

Cash flows (PLN m)

	2018	2019	2020	2021P	2022P	2023P
Cash flows from operating activities	-5,0	-6,2	8,0	7,8	12,6	15,6
Net profit (loss)	-10,5	-13,7	8,2	15,0	16,5	19,0
Amortization	0,5	1,4	1,2	1,0	1,0	1,0
Changes in working capital	7,3	7,1	-3,0	-8,2	-4,9	-4,4
Inventory changes	7,2	6,2	-2,8	-5,6	-3,8	-3,8
Trade receivables change	-0,1	1,3	-1,7	-2,0	-1,5	-0,8
Trade liabilities change	0,1	-0,3	1,5	-0,6	0,4	0,2
Other	-2,3	-0,9	1,6	0,0	0,0	0,0
Cash flows from investment activities	-0,1	-0,1	-0,3	-0,3	-0,5	-0,6
CAPEX	-0,2	-0,1	-0,3	-0,3	-0,5	-0,6
Other	0,1	0,0	0,1	0,0	0,0	0,0
Cash flows from financial activities	9,9	-1,0	-0,8	0,0	3,2	0,0
Interest-bearing liabilities change	0,0	0,0	-0,8	0,0	0,0	0,0
Revenues from shares emission	10,5	0,0	0,0	0,0	3,2	0,0
Dividend	0,0	0,0	0,0	0,0	0,0	0,0
Other	-0,5	-1,0	0,0	0,0	0,0	0,0
Net cash flows	4,8	-7,2	7,0	7,5	15,3	15,0
Cash opening balance	6,4	11,2	4,0	11,0	18,5	33,8
Closing balance of cash	11,2	4,0	11,0	18,5	33,8	48,8

Source: Company, Trigon DM

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Definitions

capitalisation – market price multiplied by the number of a company's shares

free float (%) – a percentage of a company's shares held by shareholders with less than 5% shareholding reduced by treasury shares held by the company

min/max 52 wks – minimum/maximum share price within the last 52 weeks

average turnover – average volume of share trading within the last month

EBIT – operating profit

EBITDA – operating profit increased by depreciation and amortisation

adjusted profit – net profit adjusted for one-off items

CF – cash flow

capex – sum of investment expenditures on fixed assets

ROA – rate of return on assets

ROE – rate of return on equity

gross profit margin – a ratio of gross profit to net revenue

EBITDA margin – a ratio of sum of operating profit and depreciation/amortisation to net revenue

EBIT margin – a ratio of operating profit to net revenue

net margin – a ratio of net profit to net revenue

EPS – earnings per share
 DPS – dividends per share
 P/E – a ratio of market price to earnings per share
 P/BV – a ratio of market price to book value per share
 EV/EBITDA – a company's EV to EBITDA ratio
 EV – sum of a company's current capitalisation and net debt
 DY – dividend yield, dividend paid to share price ratio
 ISSUER – Artifex Mundi SA .

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BUY – we expect that the rate of return on an investment will be at least 10%
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 Recommendation prepared by: Kacper Kopron

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