

R22 (Buy; PLN 44,0)

Another year of good results on a relatively undemanding valuation

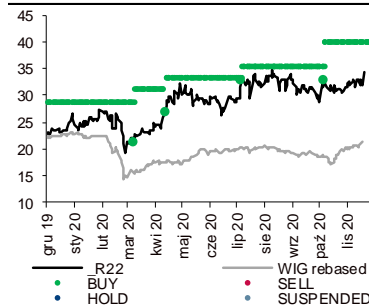
Income statement (PLNm)	2017/18	2018/19	2019/20	2020/21E	2021/22E	2022/23E
Revenues	110,6	145,6	194,6	241,1	275,0	291,9
COGS	93,8	120,5	154,5	189,0	213,9	228,2
Gross profit	16,8	25,1	40,1	52,1	61,0	63,6
Sales expenses	0,0	0,0	0,0	0,0	0,0	0,0
Management costs	0,0	0,0	0,0	0,0	0,0	0,0
Profit from sales	0,0	0,0	0,0	0,0	0,0	0,0
Result on other operating activity	0,0	0,0	0,0	0,0	0,0	0,0
EBITDA	25,0	36,6	53,3	66,0	75,7	78,9
EBITDA adj.	25,0	36,6	53,3	66,0	75,7	78,9
Amortization	8,3	11,5	16,5	15,5	16,0	16,6
EBIT	16,8	25,1	36,7	50,1	59,0	61,6
Financial net	-3,3	-4,2	-8,4	-7,3	-7,3	-7,3
Gross profit	13,5	20,9	28,3	42,8	51,7	54,4
Income tax	2,8	4,2	5,1	6,4	7,8	8,2
Minority interest	3,7	5,1	6,4	6,3	7,3	7,7
Net profit	6,8	11,6	16,8	30,1	36,7	38,5
Net profit adj.	6,8	11,6	16,8	30,1	36,7	38,5
gross margin (%)	15,2%	17,2%	20,6%	21,6%	22,2%	21,8%
EBITDA adj. margin (%)	22,6%	25,1%	27,4%	27,4%	27,5%	27,1%
EBIT margin (%)	15,2%	17,2%	18,9%	20,8%	21,5%	21,1%
net margin (%)	6,1%	7,9%	8,6%	12,5%	13,3%	13,2%

Indicators	2017/18	2018/19	2019/20	2020/21E	2021/22E	2022/23E
P/E (x)	66,5	39,0	26,9	15,1	12,3	11,7
EV/EBITDA (x)	20,5	14,8	11,6	9,8	8,2	-
EV/EBITDA adj. (x)	20,5	14,8	11,6	9,8	8,2	-
P/BV (x)	4,8	5,8	6,7	4,9	3,8	3,2

COMPANY DATA

Ticker	R22		
Sector	TMT		
Price (PLN)	32,00		
52 week min/max (PLN)	18,45 / 35,5		
No. of shares (mln)	14,2		
Market cap (PLNm)	454		
EV (PLNm)	619		
Free-float	37,3%		
Avg. turnover 3M (PLNm)	0,39		
Price change	1M	3M	1Y
	13,0%	9,1%	60,6%

R22 vs. WIG



PLNm	2Q18/19	3Q18/19	4Q18/19	1Q19/20	2Q19/20	3Q19/20	4Q19/20	1Q20/21	2Q20/21E
Revenues	37,2	37,3	40,1	44,4	47,8	49,5	52,9	49,4	61,3
EBITDA	8,4	10,0	10,4	12,4	13,0	13,6	14,3	15,0	16,6
EBIT	5,6	7,1	8,9	8,4	8,8	9,4	10,1	10,7	12,5
Net profit	2,1	3,4	3,3	3,4	3,8	3,9	5,7	6,8	7,3
P/E12M trailing	53,0	44,4	39,2	37,2	32,8	31,7	27,1	22,4	19,1
EV/EBITDA 12M trailing	15,7	16,4	14,9	14,3	12,9	12,8	11,7	11,2	10,4
revenue y/y	34%	28%	31%	43%	28%	33%	32%	11%	28%
EBITDA margin	44,7%	26,8%	25,9%	28,0%	27,1%	27,5%	27,0%	30,4%	27,2%
EBIT margin (%)	51,7%	19,2%	22,1%	19,0%	18,5%	19,0%	19,0%	21,6%	20,5%
net margin (%)	43,9%	9,1%	8,2%	7,6%	7,9%	7,9%	10,8%	13,8%	11,9%
Net debt		80	92	136	135	178	168	171	165

Balance sheet (PLN m)	2017/18	2018/19	2019/20	2020/21E	2021/22E	2022/23E
Fixed assets	186,0	233,7	283,7	321,3	318,4	315,5
Current assets	31,9	36,7	36,2	59,6	80,6	88,0
Inventory		0,0	0,0	0,0	0,0	0,0
Trade receivables		12,3	13,9	17,6	28,5	34,5
Cash		15,8	15,6	14,4	23,3	37,1
Assets	218,0	270,3	320,0	380,9	398,9	403,5
Equity	94,9	78,4	67,1	92,9	117,6	139,6
Minority capital	10,2	15,0	6,3	12,6	19,9	27,6
Long-term liabilities	67,7	92,3	174,5	202,7	186,0	159,3
Interest-bearing liabilities		51,3	75,2	158,6	186,8	170,1
Short-term liabilities	45,1	84,7	72,0	72,6	75,3	76,9
Interest-bearing liabilities		15,1	17,8	17,8	16,0	15,2
Trade liabilities		10,2	13,5	24,7	19,8	23,0
Liabilities	218,0	270,3	320,0	380,9	398,9	403,5
Net debt adj.		60,9	92,4	168,3	192,8	168,9
ND/EBITDA (x)		2,4	2,5	3,2	2,9	2,2
ROE (%)		14,3%	13,4%	23,1%	37,6%	34,9%
CCC (days)		7	3	-6	1	14

Cash Flow (PLNm)	2017/18	2018/19	2019/20	2020/21E	2021/22E	2022/23E
Cash flows from operating activities	19,0	34,9	54,8	46,5	63,8	67,6
Net profit (loss)	10,6	16,7	23,2	36,4	44,0	46,2
Amortization	8,3	11,5	16,5	15,5	16,0	16,6
Cash flows from investment activities	-64,7	-42,1	-59,0	-53,5	-13,0	-13,7
CAPEX	-65,7	-42,9	-59,3	-53,5	-13,0	-13,7
Cash flows from financial activities	58,3	7,0	2,9	15,9	-36,9	-51,4
Dividend	0,0	0,0	-8,0	-4,2	-12,0	-16,5
Net cash flow s	12,5	-0,2	-1,2	8,9	13,8	2,5
Cash opening balance	3,3	15,8	15,6	14,4	23,3	37,1
Closing balance of cash	15,8	15,6	14,4	23,3	37,1	39,6
FCF	-	-8,0	-4,5	-7,0	50,8	-
FCF Yield (%)	-	-1,8%	-1,0%	-1,5%	11,2%	-
DPS	0,00	0,00	0,57	0,30	0,85	-
DY (%)	0,0%	0,0%	1,8%	0,9%	2,7%	3,7%



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capitalisation – product of multiplication of the market price and the number of shares issued by a company

free float (%) – portion of the number of shares in the hands of shareholders that own below 5% of the total number of shares less the treasury stock owned by the company

min/max 52 weeks – minimum/maximum market share price from the past 52 weeks

average volume – average volume of trading in shares in the past month

EBIT – operating profit

EBITDA – operating profit plus D&A

adjusted profit – net profit adjusted for one-off transactions

CF – cash flow

CAPEX – sum of investment expenditure on fixed assets

ROA – rate of return on total assets

ROE – rate of return on equity

gross profit on sales margin – gross profit on sales divided by net revenues from sales

EBITDA margin – earnings before interest, taxes, depreciation and amortization divided by net revenues from sales

EBIT margin – earnings before interest and taxes divided by net revenues from sales

net margin – net profit divided by net revenues from sales

EPS – net earnings per share

DPS – dividend per share

P/E – market price divided by net profit per share

P/BV – market price divided by the book value of one share

EV/EBITDA – EV divided by EBITDA of a company

EV – sum of present capitalisation and net debt of a company

DY – dividend yield, i.e. ratio of the dividend paid to the stock price

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BUY – in the opinion of Dom Maklerski, the financial instrument's upside equals at least 10%

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