

2019-11-15 19:28

Target price [PLN]	386
DCF valuation [PLN]	399
Comparative valuation [PLN]	369
Market price [PLN]	366
Pot. of growth/decl. [%]	5,46%
Mkt capitalisation [mn PLN]	1 669,7
Free float [mn PLN]	620,0
Sector	PHARMACEUTICALS WHOLESALERS
WSE code	NEU
Bloomberg ticker	NEU PW

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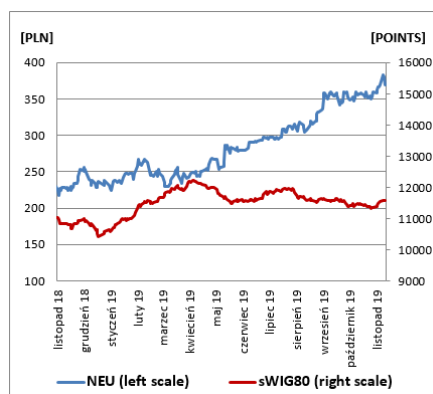
Company profile:

One of the leaders of wholesale distribution of pharma products in Poland. Through Synopsis Pharma, a subsidiary, Neuca is also managing own pharma products Apteo, Genoptim and CERA+. The group also includes NEUCA MED, an arm responsible for the development of patient services and products. This segment includes Świat Zdrowia medical clinics, CRO companies and a subsidiary responsible for the development of telemedicine services.

source: www.gpw.pl

Major Stockholders:	[%]
Kazimierz Herba*	27.94
Wiesława Herba	24.56
Tomasz Wesołowski*	10.37
Other	37.13

)* with related entities



NEUCA S.A.

Update of the Analytical Report

DOMINATOR shows strong performance on all business fields – we increase our forecast.

The Company's reported 3Q19 results showing excellent condition of Polish largest wholesaler of pharmaceutical, which despite the lack of significant growth in market share (still about 30%) presented 3Q19 financials show strong dynamics at the EBIT +20% and EBITDA +32% level.

Operational efficiency and strong revenue dynamics from additional business segments – outpatient clinics network, telemedicine and clinical trials positively contribute to the financial results of the Neuca S.A. Group in 2019 and may be a significant asset for the Group in the future.

Neuca S.A. Group proves that even on such difficult and legal regulated market of the pharmaceutical with erosion of regulated margins, Company can successfully grow the business.

[in million PLN]	2018	2019F	2020F	2021F	2022F	2023F
Income from sales	7 753	8 198	8 163	8 324	8 471	8 605
EBITDA	154,6	161,5	212,0	172,5	177,3	180,6
EBITDA margin	2,0%	2,0%	2,6%	2,1%	2,1%	2,1%
EBIT	127,0	166,7	133,9	136,8	138,1	141,7
Net profit (loss)	98,3	125,2	104,4	106,5	107,3	110,2
Shareholders' equity	638,8	682,3	812,1	894,7	959,5	1 032,3
Net debt	319,5	347,2	314,1	286,5	232,2	180,9
P/E	17,0	13,3	16,0	15,7	15,6	15,1
P/BV	2,6	2,4	2,1	1,9	1,7	1,6
EV/EBITDA	12,9	12,5	9,4	11,3	10,7	10,2
DY	1,8%	2,0%	2,2%	2,5%	2,8%	3,2%
DY adjusted	5,7%	7,3%	3,8%	3,9%	4,2%	4,5%

This paper is an abstract of the Update of the Analytical Report, the full version of which is available in Polish on the website of the Brokerage House of BPS S.A.: https://dmbps.pl/informacje/223/NEUCA_SA_raport_analityczny

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