

Another record quarter for Aplsens Group

The manufacturer of measuring and control equipment has recorded its best first three quarters in history. Consolidated revenues reached PLN 126 million (+16.9% YoY), with a net profit of PLN 28.48 million (+46% YoY). Despite ongoing unfavorable geopolitical and economic conditions, the Group achieved revenue growth in all significant operational markets, except the CIS, meeting 80 to 94 percent of the targets set in the 2023-2025 strategy after three quarters.

Operating profit for the first nine months of this year amounted to PLN 34.39 million (+44.3% YoY), gross sales profit was PLN 53.99 million (+25.5% YoY), and EBITDA was PLN 39.76 million (+35.8% YoY).

We have recorded historically record-breaking results for another consecutive quarter. This was once again influenced by the skillful utilization of our production capabilities amid a high number of orders and the transfer of cost increases to our customers. The gross sales margin reached 42.9%, almost 3% higher YoY. However, I maintain the opinion that it will be challenging to sustain such a high growth rate towards the end of the year, as since September, we have observed a significant decrease in the number of orders coming into the company - said Adam Żurawski, CEO of Aplsens SA.

Despite challenging political and economic conditions and the ongoing war in Ukraine, the Group reported revenue growth in most operational markets – domestic market (+37,0% YoY), EU markets (+28.9% YoY), and other markets (+58.5% YoY). As for the CIS markets, where, since March this year, due to the loss of control, the consolidation of Aplsens Russia's results has ceased, the decrease was 29.3% YoY. However, this was successfully offset in other markets.

Particularly noteworthy are the results of Aplsens Romania, whose sales revenue after three quarters this year amounted to PLN 7.15 million, an increase of 78% YoY, Aplsens Germany, which recorded sales of PLN 6 million, translating to a 26.7% YoY increase, and the new company in the Group – Apar Control - specializing in the production of transducers, meters, regulators, and recorders, which contributed PLN 4.4 million to consolidated sales.

Despite the economic slowdown observed in some EU countries and a significantly smaller number of orders flowing into the company since September, I believe we will achieve this year's goals outlined in the development strategy for 2023-2025 with a slight surplus - said Adam Żurawski, CEO of Aplsens SA.

The Group also continues its investments. After three quarters this year, the total capex amounted to just over PLN 20 million, of which PLN 11.6 million was spent on shares in Apar Control, PLN 7 million on the purchase of machinery and equipment, and PLN 1.8 million on R&D and certifications.

For the second consecutive year, Aplisens shared profits with shareholders. This year's dividend amounted to 44.6% of the net profit for 2022 (PLN 8.7 million), or PLN 0.80 per share. The dividend day fell on July 7, and its payment date was July 27. At the same time, on July 28, the company acquired 105,408 of its own shares in PLN 19.50 each for the motivational program.

So far, the company has paid out PLN 53.78 million in dividends and additionally allocated PLN 65 million for the repurchase of its own shares.