

The net profit of Aplisens Group increased by more than half

The Polish manufacturer of control and measurement equipment does not slow down and records another year of record results. Dynamic sales growth in most operating markets ensured double-digit profit growth in 2023. Aplisens believes that the coming years will bring further growth and strengthening of market position.

In 2023, Aplisens' consolidated revenues increased y/y by over 10% to PLN 163.2 million. Profits grew even faster. EBITDA increased by nearly 43%, reaching PLN 47.6 million, and EBIT saw a rise of 54.4% to PLN 40.2 million. It should be added that the operating result in 2022 was charged with a write-off concerning a subsidiary in Russia. Last year's net profit exceeded PLN 33 million, which represents progress of over 59%. EBITDA and net margins increased by over 6 percentage points to 29.1% and 20.2%, respectively. At the end of December last year, the Group had cash amounting to PLN 16.6 million (+22.1% y/y).

*Despite the market challenges that 2023 brought, we managed not only to maintain but also significantly increase our market position, which is reflected in impressive financial results and strategic decisions. The increase in sales value in most operating markets, including by 32% in the domestic market, contributed to achieving record revenues. Difficult political and economic conditions and the continuation of the conflict on the territory of Ukraine did not prevent the generation of high revenues in export markets. We are also pleased with the solid growth in profitability, which translated into achieving record profits. We believe that the coming years will bring further growth and strengthening of our market position, and the Aplisens Capital Group will continue its growth trajectory, generating value for all stakeholders - says **Adam Żurawski, President of Aplisens SA.***

The Group obtained PLN 67.1 million in revenues on the domestic market (+32% y/y), which ensured a 41% share in total sales. European Union markets, the second largest sales area with a 24.5% share, contributed over PLN 40 million (+21.5% y/y). The fastest growth was in other markets, where revenues increased by nearly half to PLN 26.6 million, which simultaneously increased their share in total sales to 16.3%.

*Among other markets, the most promising are: Great Britain, Turkey, South Korea, Pakistan, Taiwan, Australia, the USA, India, and Egypt. Recently, we have also observed dynamically incoming orders from China - adds **Adam Żurawski.***

The only market where the Group recorded a decrease in revenues was the CIS market. The reduction in sales by 36.3% resulted in a decrease in its share in the overall sales structure to 18.1%, mainly due to the loss of control over a subsidiary in Russia. In the face of current political challenges, Aplisens anticipates further shifts in the revenue structure in favor of the domestic market and other export markets.

From the perspective of 2023, one of the most important events was the acquisition of APAR Control. The transaction is a significant step in the implementation of the Group's development strategy.

*The acquisition has allowed us to further strengthen our market position and expand our product offering. APAR Control with its rich offer of transducers, meters, and controllers is an excellent complement to our portfolio, among other things, it expands our offer to include the measurement of another physical quantity - humidity. The average annual turnover at the level of approx. PLN 11.6 million and a net profit of approx. PLN 2.2 million testify to the stability and potential of this investment - emphasizes **Adam Żurawski**.*

In 2023, the Group's investment expenditures amounted to approximately PLN 27 million. This did not prevent Aplisens from paying dividends last year and conducting a buyback of its own shares. A total of PLN 8.8 million and PLN 2 million were allocated for these purposes, respectively.

*This is an expression of our commitment to providing value for our shareholders, which is a key element of the implemented strategy. Historically, the Company has paid out PLN 53.8 million in dividends and has allocated PLN 65 million for the buyback of its own shares - indicates the **President of Aplisens SA**.*

Starting last year, Aplisens has been implementing a new development strategy for the years 2023-2025. The adopted financial goals assume an increase in sales revenues to about PLN 180 million in 2025, which means an improvement of about 41% compared to 2022. Ambitious annual targets foresee revenue growth dynamics at 11%, 12%, and 13%, respectively. For the EBITDA result, an increase to about PLN 47 million in 2025 is assumed, while striving to improve the return on equity ROE indicator.

*Last year showed that we are implementing the new strategy according to plan. This is the path we are following with determination, adjusting our actions to current market conditions, to ensure stable development of the Aplisens Group - says **Adam Żurawski**.*

This year Aplisens celebrates the 10th anniversary of the launch of the production plant in Radom, which is a key element of the production infrastructure. This facility specializes in the production of pressure and differential pressure transducers in both analog and intelligent versions, electromagnetic flowmeters, and depth probes. There is also precise machining of mechanical components and subassemblies made of stainless steel, and the produced components are used in other Company plants, mainly in Warsaw. Radom also operates an Accredited Calibration Laboratory - Flow Laboratory, operating in accordance with the PN EN ISO/IEC 17025:2018-02 standard, which guarantees the highest quality and precision of measurements.