Digital Network S.A.

PT: PLN 251.90 Initiating Coverage Rating: ADD

Digital Network S.A. (DIG) is the Polish leader in the DOOH (Digital Out of Home) segment, which is one of the fastest growing areas of the advertising market. Through its 92.5% subsidiary Screen Network S.A., the company manages and monetises its network of >20,000 leased LED and LCD ad screens in >300 cities. DIG's competitive advantages e.g. versus German Stroer are its premium locations in key, high-traffic urban areas e.g. city centers, train stations and shopping malls. In 2025, Digital Network acquired the profitable operator of OOH/DOOH in Poland Braughman Group Media Outdoor (BGMO), which has increased its annual revenues by 2.5x. In the coming years, DIG's management plans to digitalise all BGMO's premium locations, which should allow the company to return to EBITDA margins of >53%. We initiate coverage of Digital Network with a 12-months PT (80% DCF, 20% peer group) of PLN 251.90, which implies an upside of 6.4% at present. On our estimates, the company, which in contrast to advertising agencies actually benefits from AI, is currently trading at an attractive PEG ratio 2026E-2028E of 0.18-0.54. We like the company's highly profitable, cash-generative business model, which allows high dividend payouts. In terms of risks, we believe that the main ones are a deteriorating economy (advertising spending correlates with it) and legal changes limiting the number of attractive locations for screens.

In 2023-2025, Digital Network's revenues grew at a CAGR of 32.5% and its EBITDA margin and ROCE equalled 56.6% and 25.1% on average, which is significantly above peers such as Stroer or JCDecaux. With BGMO being consolidated since November last year, in Q1/26 DIG's revenues reached PLN 42.9m (+178.8% y-o-y), the EBITDA margin 52.7% (Q1/25: 55.6%, without BGMO) and net income PLN 6.7m (+43.2% y-o-y). Free Cash Flow amounted to PLN 9.7m (Q1/25: PLN 9.3m), while – following the acquisition of BGMO - net gearing equalled 158.9% (excl. IFRS 16 leasing: 47.3%). During the recent analyst call management mentioned that as of May 27 the bank debt, which had increased by c. PLN 90m due to the recent acquisition, was already reduced by PLN 30m.

The market for DOOH advertising is highly attractive, with forecasts for Poland indicating faster growth than the whole advertising market. While the value of the advertising market is expected to grow at a CAGR of 6.9%, DOOH is forecast to grow at 13-15% on average as digital screens allow much faster, efficient and flexible implementation of advertising campaigns.

in PLNm	2023	2024	2025	2026E	2027E	2028E
Net sales	64.28	74.67	112.92	276.65	314.00	356.39
EBITDA	33.35	43.72	66.90	138.18	159.35	183.71
EBIT	22.73	31.70	50.52	99.18	118.40	140.72
Net income	21.35	25.15	37.61	67.70	83.40	101.61
EPS	5.12	6.04	9.03	14.83	18.27	22.25
DPS	4.10	4.82	4.46	7.32	9.02	10.99
Dividend yield	1.73%	2.04%	1.88%	3.09%	3.81%	4.64%
RoE	44.30%	47.72%	48.95%	48.90%	42.18%	39.66%
Net gearing	-2.06%	21.05%	171.85%	86.57%	53.90%	28.88%
EV/Sales	19.62x	16.89x	11.17x	4.56x	4.02x	3.54x
EV/EBITDA	37.83x	28.85x	18.85x	9.13x	7.92x	6.87x
P/E	46.25x	39.21x	26.22x	15.97x	12.96x	10.64x

Company profile

Digital Network S.A. is the No 1 Digital-Out-of-Home advertising company in Poland.

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Website	www.digitalnetwork.pl
Sector	Advertising
Country	Poland
ISIN	PL4FNMD00013
Reuters	DIG.WA
Bloomberg	DIG PW

Share information

Last price	236.80
Number of shares (m)	4.57
Market cap. (PLNm)	1081.21
Market cap. (EURm)	254.40
52-weeks range	PLN 237.80 / PLN 72.90
Average volume (shares)	11,479

Performance

4-weeks	16.77%
13-weeks	39.29%
26-weeks	51.21%
52-weeks	209.03%
YTD	44.57%

Shareholder structure

Epicom Ltd.*	49.76%
IT Fashion Polska Properties Sp. z.o.o**	7.16%
Free float	43.08%

* Epicom is an entity of a Polish individual investor
** IT Fashion Polska Properties is an entity of BGMO's founder/CEO

Financial calendar

H1/26 report	September 30, 2026

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Content

Investment Case

- With the largest Polish network of advertising screens in premium locations, whose acquisition, administrative approval and preparation takes up to 5 years, Digital Network S.A. (DIG) is the No 1 player in Poland in the DOOH (Digital-Out-of-Home) market. Its proprietary technology platform allows the company to deliver superior campaign management, real-time targeting and reporting. The acquisition of 100% in the profitable premium Out-Of-Home (OOH) and DOOH company Braughman Group Media Outdoor (BGMO) in October 2025 at attractive terms (total price: PLN 131.5m, implied EV/EBITDA multiple of 5x) further strengthened its market position. BGMO operates >300 tradition billboards and >80 DOOH screens in top locations in the largest Polish cities e.g. in shopping malls, the main train stations and premium office buildings.
- Digital Network generates revenues by selling screen time on its screens, which are leased based on long-term (up to 10 year) contracts from municipalities or private owners. As such, other than advertising agencies, which create campaigns, it is actually benefitting from AI, which increases the effectiveness of its business. Currently, including BGMO the company operates >20,000 digital screens in Poland in high-traffic locations and is thus the preferred partner for advertisers. DIG's customer base is highly diversified, however its long-term partnership with the largest media house in Poland Polsat Media (accounts for 42% of DIG's annual revenues) is up for renewal in 2030E.
- According to e.g. Publicis Groupe, in 2025 the advertising market in Poland was worth c. PLN 14bn, which corresponds to a y-o-y growth of 6.9%. Of the total Out-of-Home segment, which was worth PLN 870.2m (+7% y-o-y), Digital-Out-of-Home accounted for 32% (2023: <25%) and grew by c. 14% y-o-y. In the future, DOOH is expected to remain one of the main growth drivers of the advertising market as traditional billboards are replaced by screens because they allow for much faster and flexible implementation of advertising campaigns (also in the highly-efficient programmatic model) based on changing weather or hourly foot traffic. Compared to e.g. Germany the share of DOOH in the total advertising market in Poland is still low (c. 2% vs. c. 4%).
- After growing at a CAGR of 32.5% in 2023-2025 on revenue and 41.6% on EBITDA level, DIG's Q1/26 revenues of PLN 42.9m (+178.8% y-o-y) included BGMO, which has been consolidated since November 2025, for the whole period. As BGMO generates much lower EBITDA margins than DIG (we believe c. 28% vs. >50%), the Group's EBITDA margin declined from 55.6% in Q1/25 to 52.7% and the net income only grew by 43.2% y-o-y to PLN 6.7m. Following the partially debt-financed acquisition of BGMO – DIG issued PLN 30m of equity at PLN 91.76/share and 3-year lock-up to BGMO's CEO and previous owner and raised PLN 75.7m of new debt – net gearing increased significantly y-o-y to 158.9% (Q1/25: 4.3%).
- We initiate coverage of Digital Network S.A. with a 12-months PT (80% DCF, 20% peer group) of PLN 251.90/share and an ADD rating. On our estimates, the stock's P/E ratios for 2026E-2028E of 10.6x-16x do not reflect the expected EPS growth of 21.8%-80%. In addition to an attractive valuation, the company is an interesting proposition for dividend investors, with an expected DYield 2026E-2028E of >3%. Given its business model, which is characterised by high market entry barriers and operating leverage as every new advertising client increases the Group's profits, DIG should have no problems to reduce its debt, while simultaneously growing its network and paying dividends.

SWOT Analysis

Strengths	Weaknesses
- With >20,000 premium locations in Polish cities, Digital Network is the No 1 in the Polish DOOH market and thus a preferred partner of advertisers - High barriers to entry as it takes up to 5 years to secure premium locations, which are leased based on long-term contracts. In addition, with its proproetary software DIG delivers superior campaign management, real-time targeting and reporting - In contrast to traditional OOH, DOOH campaigns can be launched within minutes and based on external data e.g. on weather, day time or traffic - Significant double-digit revenue CAGR 2023-2025 and EBITDA margins and ROCE far above peers - Strong operating leverage as digital screens only have fixed costs - The value-accretive acquisition of BGMO was conducted at highly favorable terms for DIG's shareholders - Experienced management, which worked at German Stroer in the past, among others	- High net gearing after the acquisition of Braughman Group - Dependence on the media house Polsat Media, which in 2025 accounted for 42% of DIG's total revenues. However, we believe that especially after the acquisition of BGMO DIG is a very important partner for Polsat Media

Opportunities	Threats
- The share of the Polish DOOH segment in total advertising spending is c. 1/2 of the respective share in Germany - The DOOH segment in Poland is expected to be one of the fastest-growing segments of the Polish advertising market in the coming years. Market experts forecast that the value of DOOH will reach the same level as traditional media - AI is actually beneficial for Digital Network as it increases the effectiveness of DOOH advertising campaigns - Potential expansion to Hungary, Czechia or Romania - Significant dividend potential due to a highly profitable business model - Acquisition by a large international player	- The advertising market is highly dependent on the condition of the overall economy - Potential legal changes limiting the availability of DOOH locations in Polish cities - Loss of key employees

Valuation

We have valued Digital Network S.A. by using a weighted average of our DCF model (80%) and peer-group-based fair value (20%). This approach results in a 12-months PT of PLN 251.90/share, which implies an upside of 6.4% at present and an ADD rating.

Below are the key assumptions of our WACC calculation:

(1) *Risk-free rate*: Current yield of Polish long-term government bonds with maturity in 2047E is 6% (Source: www.boerse-stuttgart.de)

(2) *Beta*: 5y average unlevered beta of companies from the Advertising sector of 1.41x (Source: www.damodaran.com)

(3) *Target equity ratio*: 100%

(4) *Equity risk premium (Poland)*: 5.33% (Source: www.damodaran.com)

(5) *Effective tax rate*: 19%

(6) *After-tax debt costs*: 6.5%

(7) *WACC = Equity costs*: 13.5%

(8) Free cash flows are discounted to June 15, 2026.

DCF model

in PLNm	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Net sales	**276.65**	**314.00**	**356.39**	**392.03**	**431.23**	**467.89**	**507.66**	**550.81**	**597.63**
(y-o-y change)	145.0%	13.5%	13.5%	10.0%	10.0%	8.5%	8.5%	8.5%	8.5%
EBIT	**99.18**	**118.40**	**140.72**	**158.70**	**178.77**	**197.73**	**218.57**	**237.05**	**256.71**
(EBIT margin)	35.9%	37.7%	39.5%	40.5%	41.5%	42.3%	43.1%	43.0%	43.0%
NOPLAT	**80.34**	**95.90**	**113.98**	**128.55**	**144.80**	**160.16**	**177.04**	**192.01**	**207.93**
+ Depreciation & amortisation	39.00	40.95	43.00	45.15	47.40	49.77	52.26	54.88	57.62
= Net operating cash flow	119.34	136.85	156.98	173.70	192.21	209.94	229.30	246.89	265.55
- Total investments (Capex and WC)	-68.74	-67.05	-70.24	-72.24	-75.48	-78.29	-81.72	-85.08	-79.32
Capital expenditure	-64.87	-61.05	-63.10	-65.25	-67.50	-69.87	-72.36	-74.98	-77.72
Working capital	-3.87	-6.00	-7.14	-7.00	-7.98	-8.42	-9.35	-10.10	-1.60
= Free cash flow (FCF)	50.60	69.80	86.74	101.45	116.72	131.64	147.58	161.81	186.24
PV of FCF's	**47.22**	**57.39**	**62.82**	**64.73**	**65.61**	**65.19**	**64.38**	**62.18**	**63.05**

PV of FCFs in explicit period	552.56
PV of FCFs in terminal period	581.50
Enterprise value (EV)	**1,134.07**
+ Net cash / - net debt (31 March 2026)	-178.47
+ Investment / - minorities	-1.72
Shareholder value	**953.88**
Number of shares outstanding (m)	**4.57**
WACC	**13.5%**
Cost of equity	13.5%
Pre-tax cost of debt	8.0%
Normal tax rate	19.0%
After-tax cost of debt	6.5%
Share of equity	100.0%
Share of debt	0.0%
Fair value per share in PLN (today)	**208.91**
Fair value per share in PLN (in 12 months)	**237.14**

WACC	Terminal EBIT margin						
	40.0%	**41.0%**	**42.0%**	**43.0%**	**44.0%**	**45.0%**	**46.0%**
9.5%	396.88	404.39	411.91	419.42	426.94	434.45	441.97
10.5%	338.71	344.84	350.98	357.12	363.26	369.39	375.53
11.5%	293.08	298.17	303.25	308.34	313.42	318.51	323.59
12.5%	256.40	260.66	264.93	269.19	273.45	277.72	281.98
13.5%	226.32	229.93	233.53	**237.14**	240.75	244.36	247.97
14.5%	201.24	204.32	207.40	210.48	213.56	216.64	219.72
15.5%	180.04	182.69	185.33	187.98	190.63	193.28	195.93

Source: East Value Research GmbH

Peer Group Analysis

The following listed companies operate in the OOH and/or DOOH segments and are covered by sell-side analysts.

(1) *Stroer SE & Co. KGaA*: Stroer, which is based in Cologne/Germany, operates on a highly integrated business model known fundamentally as the "OOH+" (Out-of-Home Plus) strategy. Instead of functioning purely as a traditional billboard provider, Stroer uses its massive physical advertising footprint as a monetization platform, combining it with digital marketing and data-driven dialog services. With in total c. 300,000 physical advertising spaces and >46,000 digital screens especially in Germany, Stroer controls over 10,000 digital screens in Poland (mainly Warsaw, Krakow and Wroclaw). Among others, the company holds exclusive advertising rights for the Warsaw Metro system, where it operates nearly 2,000 HD screens installed directly inside the train carriages, alongside large-format digital Metroboards located on station platforms. In 2025, the company generated total revenues of EUR 2.1bn (thereof: c. EUR 36m in Poland), an EBITDA margin of 27.2% and ROCE of 8.7%.

(2) *APG SGA AG*: APG SGA (Allgemeine Plakatgesellschaft), which is based in Geneva/Switzerland, is the market leader in Switzerland's Out-of-Home (OOH) segment with an estimated market share of 63%. Established in 1900, the company is one of the world's top 10 largest outdoor advertising entities. APG serves in total >7,500 advertisers and operates c. 150,000 advertising spaces (incl. Traditional physical posters, large-format billboards, cultural/political panels, >2,100 DOOH screens). In 2025, APG SGA generated total revenues of CHF 329m, an EBITDA margin of 12.9% and ROCE of 37.1%.

(3) *Clear Channel Outdoor Holdings Inc.*: Clear Channel Outdoor, which is based in San Antonio/US, operates a "Pure-Play" OOH & Data Media model. CCO, which is active in >10 countries, is now the leading provider of airport advertising in the US. In total, the company operates >430,000 advertising displays globally (thereof the vast majority in the US), of which >23,000 are digital screens. Moreover, it serves >13,000 advertisers globally (both SMEs and Fortune 500 companies). Its RADAR platform uses anonymized mobile location data to track consumer movement patterns. In 2025, Clear Channel Outdoor generated total revenues of USD 1.6bn, an EBITDA margin of 29.9% and ROCE of 7.5%.

(4) *OUTFRONT Media Inc.*: OUTFRONT Media, which is based in New York/US, operates as a REIT that functions as an audience monetization platform. Strategically positioned between physical real estate and media, the company leases or secures exclusive concession rights for high-traffic real estate in top US metropolitan markets and sells that space to SMEs and Fortune 500 advertisers. It operates >40,000 prime billboard faces complemented by hundreds of thousands of individual transit assets (bus, rail, subway interior cards) and >31,000 digital displays. In 2025, OUTFRONT Media generated total revenues of USD 1.8bn, an EBITDA margin of 22.8% and ROCE of 5.2%.

(5) *JCDecaux SA:* JCDecaux, which is based in Neuilly-sur-Seine/France, is the No 1 outdoor advertising network worldwide. For cities & transit authorities, the company designs, manufactures, installs, and maintains premium public amenities (such as bus shelters, citylight maps, public toilets, and bike-sharing systems) completely free of charge. In exchange for providing the infrastructure, municipalities grant JCDecaux exclusive long-term concessions (often 10 to 20 years) to sell the advertising space built directly into those amenities. The company operates in c. 80 countries worldwide, serves >40,000 advertisers each year (both SMEs and Fortune 500 companies), controls >1,100,00 advertising panels and >30,000 digital screens. In 2025, JCDecaux generated total revenues of EUR 3.7bn, an EBITDA margin of 21% and ROCE of 5.6%.

(6) *Lamar Advertising Company:* Lamar Advertising, which is based in Baton Rouge/US, is a REIT that in contrast to e.g. OUTFRONT focuses on OOH at roadside highway bulletins, interstate logo signs, and suburban/interstate highway corridors. Its network in the US and Canada, which is the largest in North America, comprises >360,000 advertising displays and >5,000 digital screens. The company serves >50,000 advertisers annually, of which most are SMEs. In 2025, Lamar generated total revenues of USD 2.3bn, an EBITDA margin of 45.2% and ROCE of 9%.

Peer Group Analysis

	EV/Sales		EV/EBITDA		P/E		P/BVPS	EBITDA margin	Net gearing
Company	**2026E**	**2027E**	**2026E**	**2027E**	**2026E**	**2027E**	**Latest**	**Last FY**	**Latest**
Stroer SE & Co. KGaA (EUR)	1.67x	1.61x	5.69x	5.29x	11.37x	9.67x	3.95x	27.19%	351.03%
APG SGA AG (CHF)	1.48x	1.44x	11.01x	10.08x	19.13x	17.12x	7.51x	12.89%	-72.70%
Clear Channel Outdoor Holdings Inc. (USD)	4.43x	4.27x	13.74x	13.02x	n.a	240.00x	neg	29.92%	n.a
OUTFRONT Media Inc. (USD)	4.81x	4.72x	16.41x	15.74x	22.67x	21.56x	8.14x	22.83%	618.78%
JCDecaux SE (EUR)	1.62x	1.55x	4.97x	4.76x	13.43x	12.11x	1.75x	21.01%	116.36%
Lamar Advertising Company (USD)	8.58x	8.26x	18.05x	17.13x	25.74x	24.07x	15.95x	45.21%	506.94%
Median	**3.05x**	**2.94x**	**12.37x**	**11.55x**	**19.13x**	**19.34x**	**7.51x**	**25.01%**	**351.03%**
Digital Network S.A. (PLN)	4.56x	4.02x	9.13x	7.92x	15.97x	12.96x	9.62x	59.25%	158.86%
Premium/Discount	***49.5%***	***36.6%***	***-26.2%***	***-31.5%***	***-16.5%***	***-33.0%***			
Fair value per share Digital Network	**273.93**								

Source: CapitalIQ, East Value Research GmbH

Price target calculation

Valuation method	Fair value	Weight
DCF model	208.91	80%
Peer Group Analysis	273.93	20%
Weighted average (present value)	**221.92**	
In 12-months (PV * (1+WACC))	**251.90**	

Source: East Value Research GmbH

Q1/26 results

Revenues and Profitability

Between January and March 2026, which is a seasonally weak quarter, Digital Network (DIG) increased its revenues by 178.8% y-o-y to PLN 42.9m. After an already successful integration, according to management, the company treats BGMO as part of its integrated offering and not a separate segment.

in PLNm	Q1/26	Q1/25	change y-o-y
Net sales	**42.92**	**15.40**	178.8%
EBITDA	**22.63**	**8.56**	164.5%
EBITDA margin	*52.7%*	*55.6%*	
EBIT	**13.04**	**5.51**	136.7%
EBIT margin	*30.4%*	*35.8%*	
Net income	**6.71**	**4.68**	43.2%
Net margin	*15.6%*	*30.4%*	

Source: Company information, East Value Research GmbH

In Q1/26, Digital Network generated an EBITDA margin of 52.7% (Q1/25: 55.6%), which was below last year due to the inclusion of BGMO from November 2025. With much higher depreciation & amortisation y-o-y of PLN 9.6m (+214.6% y-o-y), which DIG's management expects to grow further in the coming quarters, stemming from the consolidation of BGMO with its >300 leased locations, the Group's EBIT reached PLN 13m (+136.7% y-o-y) and thus grew less than revenues.

Following a much lower net financial result (PLN -3.7m vs. PLN 681k in Q1/25), which reflects the higher net debt due to last year's acquisition, in Jan-Mar 2026 Digital Network's net income advanced by only 43.2% y-o-y to PLN 6.7m. According to DIG's management, the net financial result will remain at a similar level in each of the remaining quarters of 2025.

Balance sheet and Cash flow

At the end of March 2026, Digital Network's equity (excl. minorities) reached PLN 112.3m, which corresponds to a ratio of 31.6%.

Other large balance sheet positions included goodwill (PLN 125.9m), which mainly reflects the acquisition of Braughman Group Media Outdoor Sp. z.o.o on October 31, 2025, and rights-to-use assets (PLN 122.9m), which is the discounted value of leasing contracts for DIG's digital and traditional screens.

As of 31/03/2026, working capital amounted to PLN 14.2m compared to PLN 17.3m in 2025. Interest-bearing debt equalled PLN 201.2m (31/12/2025: PLN 205.7m) – of which 28.8% (32.9%) short term - and reflected the partially debt-financed acquisition of BGMO in October 2025. We would like to emphasize that of the total PLN 125.3m was related to IFRS 16 leasing.

Net debt amounted to PLN 178.5m (excl. IFRS 16 leasing: PLN 75.9m) and net gearing to 158.9% (excl. IFRS 16 leasing: 47.3%). Other long-term liabilities of PLN 9.2m reflected the discounted value of the conditional payment related to the acquisition of BGMO of PLN 8.98m.

In Q1/26, Digital Network generated a net operating cash flow of PLN 16.3m compared to PLN 9.1m in the previous year. The reasons were a much higher amortisation y-o-y, among others. Cash flow from investing equalled PLN -6.6m (Q1/25: PLN 228k) and cash flow from financing PLN -11.1m (PLN -2.5m). Despite the integration of BGMO, in Jan-Mar 2026 the company’s cash position only declined by PLN 1.4m to PLN 22.7m.

Our forecasts

Revenues and Profitability

During the Q1/26 call Digital Network's management said that the Braughman Group Media Outdoor - according to DIG's Annual Report it generated revenues of PLN 129.2m and a net profit of PLN 19.1m in 2025 – was already successfully integrated without issues and its >300 locations had already been part of DIG's offering – also for Polsat Media - since January 2026. The acquisition would lead to only slightly lower profitability in the short term. We expect that the focus on cost synergies and the transition of BGMO's premium traditional billboards to digital ones – DIG's management said this would consume by far the majority of the PLN 20m CAPEX that is planned for this year – would increase the Group's EBITDA margins to >53% in the long run. In addition, we believe that new digital screens are increasingly energy-efficient and thus generate lower fixed costs (in our view, apart from electricity, their fixed costs also include maintenance).

In our opinion, DIG acquired BGMO mainly because of premium locations – which make DIG an even more attractive partner for advertisers and media groups than before – and its experience when it comes to securing them. Apart from >300 billboards across Poland, BGMO also operates >80 digital screens in shopping malls, train stations and office buildings in the largest Polish cities incl. for example Warsaw, Katowice and Poznan.

Regarding DIG's top-line growth in the future, we expect that it will grow more than the whole Polish DOOH sector (CAGR 2025-2034E = 20.3% vs. forecast of 14%), also due to the planned 10-15% y-o-y expansion of the digital screen network by 2027E. As the market leader, the company should be able to benefit from the fact that compared to e.g. Germany the share of the DOOH segment in the total advertising market is still relatively low (c. 2% vs. c. 4%). The only risks, which we see for our forecasts, are a weakening economic growth in Poland and legal changes affecting the availability of new locations.

Below are our estimates for Digital Network in 2026E-2028E:

in PLNm	2026E	2027E	2028E
Net sales	**276.65**	**314.00**	**356.39**
EBITDA	**138.18**	**159.35**	**183.71**
EBITDA margin	*49.9%*	*50.7%*	*51.5%*
EBIT	**99.18**	**118.40**	**140.72**
EBIT margin	*35.9%*	*37.7%*	*39.5%*
Net income	**67.70**	**83.40**	**101.61**
Net margin	*24.5%*	*26.6%*	*28.5%*

Source: East Value Research GmbH

in PLNm	Q1/23	Q2/23	Q3/23	Q4/23	*2023*	Q1/24	Q2/24	Q3/24	Q4/24	*2024*
Net sales	**9.86**	**14.81**	**16.89**	**22.73**	***64.28***	**12.35**	**16.44**	**18.62**	**27.26**	***74.67***
y-o-y change	*20.3%*	*25.4%*	*38.2%*	*40.5%*	*2.5%*	*25.2%*	*11.0%*	*10.2%*	*20.0%*	*16.2%*
EBITDA	**4.22**	**8.55**	**10.66**	**18.42**	***41.84***	**6.02**	**9.85**	**11.35**	**24.60**	***51.82***
EBITDA margin	*42.8%*	*57.7%*	*63.1%*	*81.0%*	*65.1%*	*48.7%*	*59.9%*	*61.0%*	*90.2%*	*69.4%*
EBIT	**1.68**	**5.88**	**8.04**	**7.14**	***22.73***	**3.17**	**6.61**	**8.27**	**13.66**	***31.70***
EBIT margin	*17.0%*	*39.7%*	*47.6%*	*31.4%*	*35.4%*	*25.6%*	*40.2%*	*44.4%*	*50.1%*	*42.5%*
Net income	**0.91**	**4.53**	**10.82**	**5.08**	***21.35***	**2.85**	**5.42**	**6.55**	**10.33**	***25.15***
Net margin	*9.3%*	*30.6%*	*64.1%*	*22.4%*	*33.2%*	*23.1%*	*33.0%*	*35.2%*	*37.9%*	*33.7%*

in PLNm	Q1/25	Q2/25	Q3/25	Q4/25*	*2025*	Q1/26
Net sales	**15.40**	**20.47**	**20.88**	**56.18**	***112.92***	**42.92**
y-o-y change	*24.7%*	*24.5%*	*12.1%*	*106.0%*	*51.2%*	*178.8%*
EBITDA	**8.56**	**12.92**	**13.52**	**43.71**	***78.70***	**22.63**
EBITDA margin	*55.6%*	*63.1%*	*64.7%*	*77.8%*	*69.7%*	*52.7%*
EBIT	**5.51**	**9.82**	**10.52**	**24.67**	***50.52***	**13.04**
EBIT margin	*35.8%*	*48.0%*	*50.4%*	*43.9%*	*44.7%*	*30.4%*
Net income	**4.68**	**7.48**	**8.26**	**17.19**	***37.61***	**6.71**
Net margin	*30.4%*	*36.5%*	*39.6%*	*30.6%*	*33.3%*	*15.6%*

* Digital Network has fully consolidated Braughman Group Media Outdoor since November 2025

Source: Company information, East Value Research GmbH

Balance sheet and Cash flow

Currently, DIG has >20,000 locations in Poland. For 2026E, we have assumed that the company's gross CAPEX (incl. maintenance CAPEX) will equal PLN 64.9m or PLN 25.9m net. For 2026E-2028E, we have forecast that it will equal in total PLN 189m.

Digital Network is expanding into new cities and locations. The screen components, which the company sources directly from China, are becoming more affordable and now come with longer warranties. We believe that depending on the size, a digital screen can cost anywhere from several thousand PLN for an indoor model to over PLN 1m for the largest installations. Digital Network assembles all of its screens in-house.

Regarding working capital, we expect that a cash conversion cycle of -155 days like in 2025 is unsustainable in the long run and that it will converge to 30 days in the future.

Business description

Digital Network S.A., which is based in Warsaw, is Poland's leading Digital Out-of-Home (DOOH) advertising company. Through its core subsidiary Screen Network S.A. (92.46% stake), the Group operates a nationwide network of over 20,000 LED and LCD advertising screens in high-traffic locations, reaching about 60% of urban residents in Poland. DIG describes itself as both a media operator and a technology company, developing proprietary software and hardware solutions for managing and monetising digital advertising inventory.

In 2025, Digital Network completed the largest acquisition in Polish outdoor advertising history: the purchase of 100% in Braughman Group Media Outdoor Sp. z o.o. (BGMO) for a total amount of PLN 131.5m. The inclusion of BGMO into the Digital Network capital group brings over 300 premium large-format outdoor advertisements to DIG's portfolio, instantly repositioning Digital Network as not only Poland's DOOH market leader but also the leading operator in the broader, integrated OOH advertising market.

In Q1/26, Digital Network integrated Screen Network with BGMO by creating a joint offering and combining multiple operational departments, which results in significant cost synergies and improved purchasing power. Ultimately, the total headcount of the Group is expected to reach c. 75 positions (versus 110 positions pre-acquisition).

Company's history

2003: Establishment of 4fun.tv, a free-to-air music video channel.

2010: Debut on Warsaw Stock Exchange under the name 4fun Media S.A.

2015: Purchase of a majority shareholding in a leading Screen Network Manager platform in Poland, Screen Network S.A.

2017: Commencement of cooperation with Polsat Media, leading to the creation of a new product called Polsat Media AdScreen (a network of LED screens).

2018: Sale of shares by the majority shareholder, the company Nova Group Cyprus Ltd., to Epicom Ltd. (Cyprus).

2020/2021: Sale of shares in subsidiaries conducting marketing, e-commerce and TV advertising activities.

2022: Change of name from 4fun Media to Digital Network, highlighting the strategic shift towards outdoor advertising.

Implementation of the strategy for the years 2022-2025, with a focus on Digital Out-of-Home (DOOH) as the company already manages a network of 20,000 LED advertising screens.

2023: DIG signs a 5-year strategic agreement with Poczta Polska (Polish Post) for approximately 500 new screen locations.

2024: Largest dividend in company history – PLN 4.82 per share (including advance paid in December 2024).

2025: Screen Network wins an international competition, Digital Signage Awards 2025, in the category "Timely Data-Driven Displays and Creative".

Strategic takeover of Braughman Group Media Outdoor for PLN 131.5m, largest transaction in the history of the OOH market in Poland. Braughman is the leader of large format premium outdoor type of advertising with over 300 locations in 12 major Polish cities.

2026: DIG integrates the BGMO portfolio of screens into a unified DOOH and premium OOH product for Polsat Media clients.

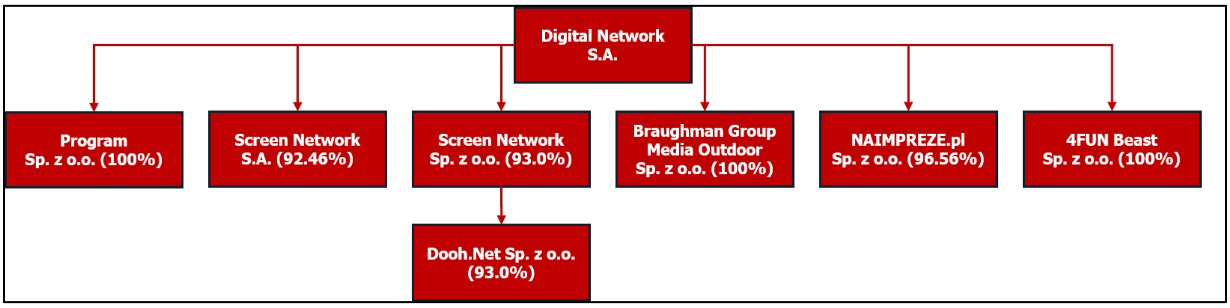
Shareholder structure

The majority shareholder of Digital Network S.A. is a private Polish individual through Cyprus-based entity Epicom Limited (49.7% of shares). At the end of 2025, an issue of 326,939 shares (7.1% of shares outstanding) at a price of PLN 91.76 per share (PLN 30m total share issue) was dedicated towards previous owner of Braughman, IT Fashion Polska Properties, as a form of payment of one of the tranches for Braughman. The remaining shares are widely dispersed with no single entity or private person having more than 5%.

Digital Network is a listed holding company and parent entity, with Screen Network S.A. and Braughman being the main operating subsidiaries. DOOH.net conducts digital advertising operations, while Screen Network Sp. z.o.o. provides operational support.

Activities of non-DOOH related subsidiaries NAIMPREZE.PL and 4FUN BEAST are as of now withheld. The three associated marketing agencies (Bridge2fun Sp. z o.o., 4 Communication Sp. z o.o. and Dissolve Festival Sp. z o.o.) are not active.

Capital group structure (main subsidiaries)



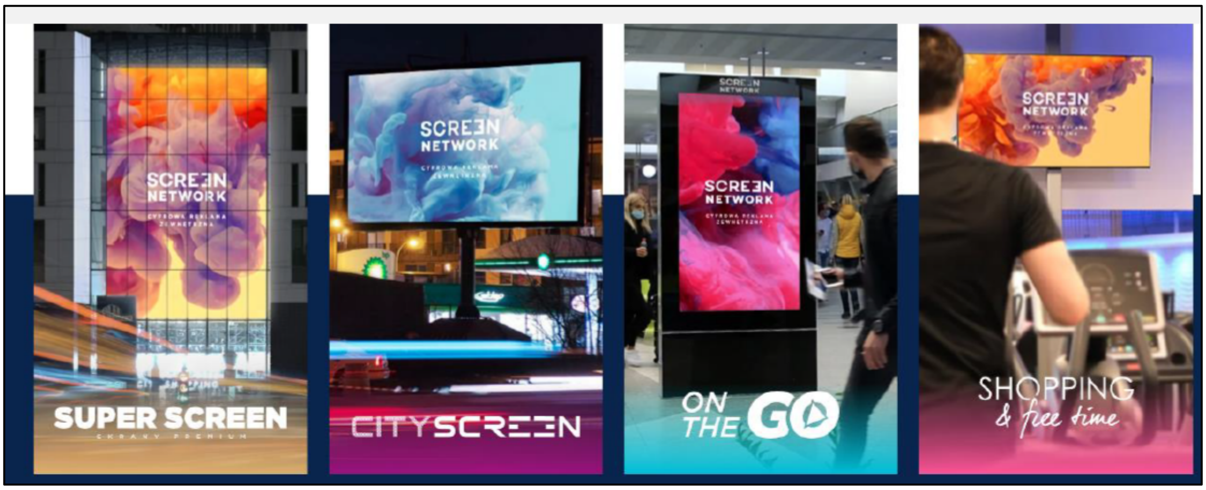
Source: East Value Research GmbH based on Digital Network S.A. information

Company's offering

Digital Network specializes in the end-to-end outdoor advertising process. This spans conceptual work, installation, maintenance, OOH network management, to network administration via its proprietary *Screen Network Manager* platform, which enables interactive campaigns and real time advertising adjustments.

The first and most technologically advanced segment is digital outdoor advertising (DOOH) managed by subsidiaries Screen Network S.A. and Screen Network Sp. z.o.o., These subsidiaries control a network of over 20,000 LED-class outdoor and indoor screens located in key locations of urban agglomerations, shopping malls, petrol stations, railway stations and underground passages.

Portfolio of products in the DOOH segment



Source: Digital Network S.A.

The network is characterized by full digitalization and system integration, enabling realization of marketing campaigns in real-time. A central management system allows for a flexible modelling of broadcasting advertising spots, including dynamic creative changes depending on the time of day or weather conditions.

According to the Screen Network website, it conducts over 5,000 campaigns annually, resulting in over 13m daily views. In the past, the company has conducted campaigns for the world's largest corporations, including Samsung, Coca-Cola, adidas, Visa, McDonald's or Philips. DIG is at the very forefront of the DOOH market in Poland, highlighted by the first DOOH 3D advertisement for Samsung in 2022.

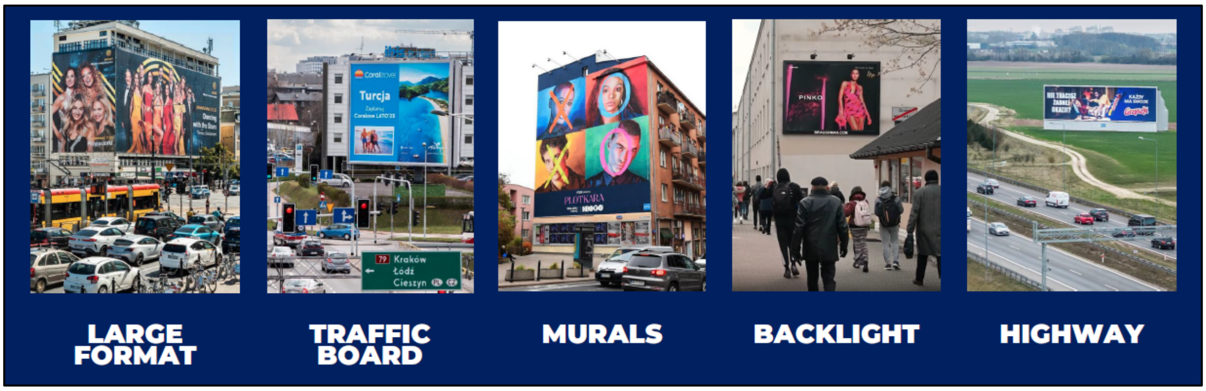
Digital Network's crowning recent achievement is AI Screen, installed at Galeria Katowicka in Katowice, Poland. This breakthrough DOOH solution leverages AI to deliver hyper-personalized, context-aware content that drives higher engagement in retail environments. Notably, the project was recognized at the Digital Signage Awards 2025, winning the category for 'Relevant, Timely Data-Driven Displays and Creative'.

3D advertisement for Samsung

Source: Digital Network S.A.

The second segment - premium outdoor - is operated by the subsidiary BGMO. This segment specializes in big format large-scale advertising banners on the facades of residential and office buildings in the centres of major Polish cities, prestigious advertising murals with artistic value, and freestanding structures located along expressways and highways. Advertising murals are recognized as the format with the highest profit margins and public acceptance, effectively reducing the risk of local image conflicts.

Portfolio of products in the premium OOH segment



Source: Digital Network S.A.

A key ongoing process is the digitalization of screens of BGMO, which we believe generated only c. 15% of revenues through DOOH in 2025. Converting static meshes and billboards into modern, energy-efficient LED screens drives a drastic increase in the operating margin (EBIT) of a given location by enabling the simultaneous sale of airtime to multiple advertisers.

From a business perspective, inventory sell-out is of paramount importance (the proportion of available advertising inventory that has been sold). We believe Digital Network has increased the inventory sell-out to c. 60%, indicating better inventory management likely linked to the advanced technological solution developed in-house. On the other hand, this indicates that the company can increase its sales by improving sell-out of existing advertisement carriers rather than investing in new screens that should be a more costly solution.

The business, in which Digital Network operates is seasonal, with the majority of sales recorded in the fourth quarter, primarily driven by increased advertising activity during the Christmas holiday season. This seasonal pattern is driven by retailers, consumer goods companies, and e-commerce businesses increasing their advertising spending to capitalize on higher consumer demand during the holiday shopping period.

The sell-out can differ significantly depending on product category, reaching up to 90% for certain kinds of screens, in our view. However, given the fact that DIG is aggressively expanding its number of screens, the average sell-out metric is distorted.

Strategy

Digital Network S.A.'s strategy is focused on scaling its operations and enhancing advertising inventory monetization across DOOH and premium outdoor segments. The Group is developing an integrated advertising platform that combines a network of digital LED screens with a portfolio of large-format and premium outdoor assets, while leveraging commercial, operational, and technological synergies to drive efficiency and support long-term growth.

The strategy for the years 2023-2027E foresees:

- Annual growth rate of 10-15% in the number of indoor & outdoor screens
- Expansion of the premium LED screen network and premium large-format structures
- Increase in the number of advertisers through the introduction of network-based audience packages tailored to specific target groups
- Acquisition of advertisers through three channels: agency sales via Polsat Media, direct sales, and programmatic DOOH

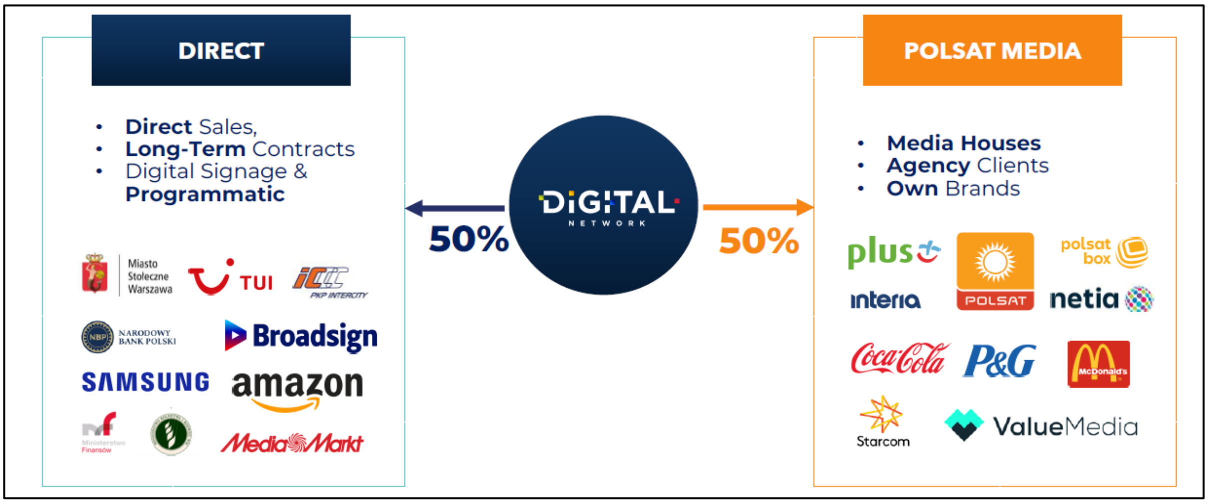
Distribution channels

The Group's sales strategy rests on three main pillars:

- Direct sales to end customers,
- Agency sales conducted in collaboration with media houses,
- Automated programmatic sales (pDOOH)

A key driver of the Group's sales remains the exclusive, long term brokerage agreement with Polsat Media, Poland's largest advertising broker, which generated approx. 42% of Digital Network's total consolidated sales in 2025. Commenced in 2017 and recently extended to 2030E, this cooperation ensures a stable supply of campaigns from major national advertisers, with the expanded offering now including consolidated premium OOH large format digital carriers from the acquired Braughman Group alongside the DOOH, TV, and internet screens of Screen Network.

Revenue Stream Model



Source: Digital Network S.A.

Management

Management team

Agnieszka Godlewska (CEO): Mrs. Godlewska has been associated with Digital Network since 2015, starting as the managing director of Screen Network, and since 2017 as CEO. She was responsible for the creation and implementation of the long-term strategy of Screen Network, which includes the growth of the Poland-wide network of digital advertising screens. In 2023, she was appointed CEO of the Group. Before joining DIG, she gained experience in the OOH market as sales director at Stroer Group. Mrs. Godlewska holds degrees in economics and management & marketing from the University of Commerce and Law and University of Finance and Management (both in Warsaw, Poland).

Aneta Parafiniuk (CFO): Mrs. Parafiniuk is an experienced finance professional having taken part in various aspects of the finance world (from budgeting to transaction advisory). She is an expert in accounting, financial reporting and taxation, having gained experience at Ernst & Young Audit and TPA Horwath Horodko Audit. Before her appointment to the management team, she served as head of reporting and controlling at DIG. She completed a degree in finance and banking from Warsaw School of Economics (Poland).

Maciej Paciorek (Sales Director): Mr. Paciorek served as sales director and board member from 2022 to 2026. Most recently, he joined Digital Network's subsidiary BGMO as sales director. Before joining DIG, he was associated with the Stroer Polska Group for over 15 years, including being director of regional and institutional sales, leading a team of over twenty professionals. Mr. Paciorek graduated from the Centre for Europe and the Faculty of Journalism and Political Affairs both at University of Warsaw (Poland).

Damian Rezner (COO): Mr. Rezner has been associated with DIG's DOOH subsidiary Screen Network since inception, being responsible for the strategy implementation, amongst other activities. Apart from his role at DIG, he is the Head of the DOOH Working Group at IAB Polska. He completed an Executive MBA and a degree in marketing at University of Gdansk (Poland).

Supervisory board

Cezary Kubacki (Chairperson): Mr. Kubacki started his professional career at Arthur Andersen, and later he held the position of finance director for tax at the Netia group. Over, the years, he has served on supervisory boards of multiple public companies including Arteria S.A and Optimus S.A. Currently, he is a partner at the law firm LTA Doradztwo Prawne Dopierała, Oliwa i Wspólnicy. He holds a degree from the Faculty of Law and Administration of the University of Wrocław (Poland).

Jerzy Popławski (Board member): With over 20 years of experience in the world of finance, Mr. Popławski brings invaluable expertise, previously serving as CFO in publicly listed companies, as well as managerial roles for finance and risk management. He graduated from Higher School of Insurance and Banking in Warsaw and later completed a master's degree in financial services from Bournemouth University (UK).

Grzegorz Esz (Board member): Mr. Esz is an expert in marketing and sales, having been marketing director at Showmax for 3 years, managing director of the KEYAH Brand, operated by T-Mobile. In the past, he has held various management board roles at UPC Poland and Netia. Academically, he completed a degree at Warsaw University of Technology, Executive MBA at London Business School and a Lead Forward Executive Program in Lausanne, Switzerland.

Wojciech Kliniewski (Board member): For many years, Mr. Kliniewski has been associated with the telecommunications industry being head of the communications department at T-Mobile and later managing director of the Heyah brand. In 2016, he founded Zeroone Sp. z o.o, a firm specializing in business consulting in the areas of mobile and digital solutions, and currently serves as its CEO.

Rafał Kunysz (Board member): Mr. Kunysz has extensive experience in communications planning and media strategy, having served various managerial roles at Totalizator Sportowy, Cadbury Wedel, and Publicis Groupe. In 2016, he co-founded Red Moon Media Audit and Consulting company, where he currently serves as the president of the management board.

Market overview

The global advertising industry was expected to surpass USD 1tr in 2025, according to WPP Media, and is projected to grow at a CAGR of 5.4% through 2030E. The United States is the largest market by revenue (USD 405bn), followed by China (USD 212bn) and the United Kingdom (USD 55bn). Digital advertising continues to expand its share, accounting for 73.2% of global ad revenue in 2025. For Digital Network, the relevant Out-of-Home (OOH) market, valued at USD 52bn, shows steady growth, with Digital Out-of-Home (DOOH) increasing its share to 41%.

The digitalisation of the advertising industry has shown very strong growth over the past 15 years, far surpassing traditional forms of advertising. In Europe, digital advertising spending recorded an exceptional y-o-y increase of 30.1% in 2021, before moderating while still maintaining a strong growth profile in subsequent years. It is now estimated to account for c. 67% of Europe’s total advertising market.

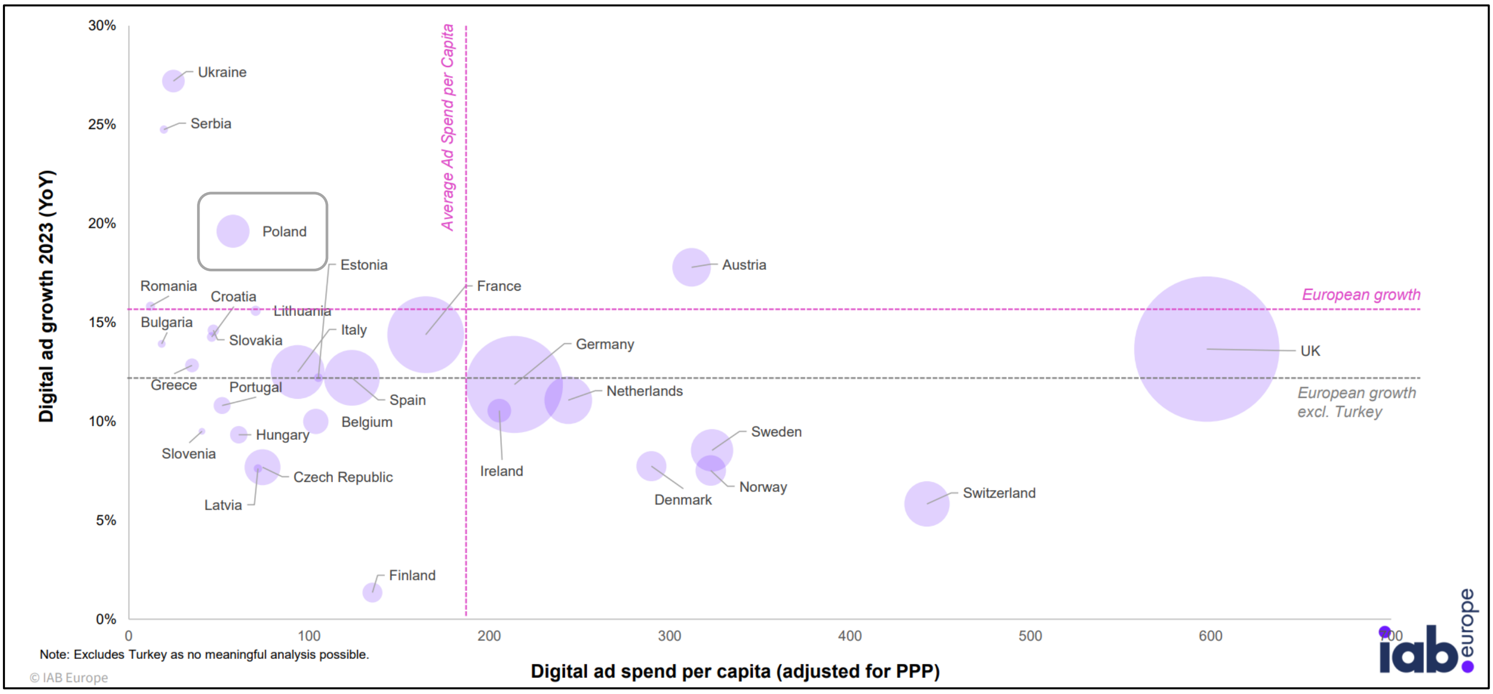
Within Europe, the UK is at the forefront with spending exceeding EUR 41bn, followed by Germany at EUR 17.9bn. Poland, at EUR 2.2bn, trails behind countries with significantly smaller populations, such as Sweden. This indicates that Poland's digitalization process is still in its early stages compared to more mature European advertising markets, suggesting substantial room for growth in digital ad adoption and monetization.

Poland is an attractive investment opportunity, supported by its position as one of the fastest-growing economies in Europe (GDP growth: 3.6% in 2025, 3.5% in 2026, 2.8% in 2027).[1] Real disposable income is rising rapidly, directly supporting retail sales and, in turn, advertising spending. Unemployment is also well below the European average, at approx. 3% versus c. 6% in the EU.

Poland is also in the midst of building a mega international airport, the Central Communication Port (pol. CPK), with expectations that it will open in 2032E. Costing a total of over PLN 100bn (over USD 25bn), CPK might become a hub for long-haul passenger transfers between Western Europe, Central and Eastern Europe, and selected Asian–North American routes. If effectively integrated into the broader rail and highway network, the project could materially increase inbound tourism by improving connectivity and reducing travel times to secondary cities beyond Warsaw. Over time, higher passenger flows and greater international exposure are likely to support growth in the travel, hospitality, and retail sectors, which are typically among the most advertising-intensive industries.

1 https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/spring-2026-economic-forecast-slowdown-growth-energy-shock-drives-inflation_en

Digital advertising market maturity in Europe
Source: ADEX Benchmark 2024 Report



Out-of-Home Advertising

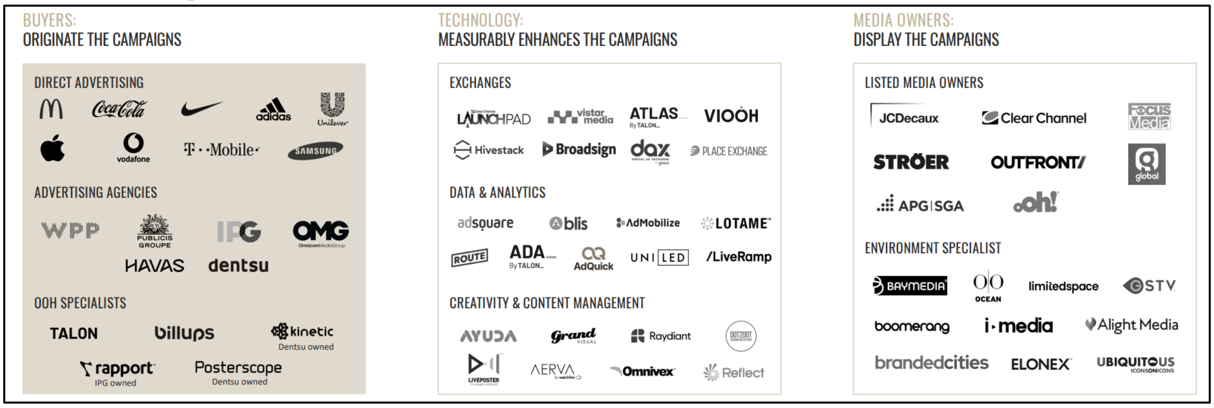
Highstead estimates that the global OOH spending equalled USD 53bn in 2025. The consulting firm expects it to grow at 6.4% on average until 2029E to reach USD 68bn. By geography, China is already the largest market with a share of 34%, followed by USA (31%) and Europe (25%).

Out-of-Home (OOH) advertising remains one of the most resilient and visible media channels, operating across physical environments where consumers live, commute, and shop. It includes static billboards, transit advertising, street furniture, and retail placements. Despite being one of the oldest advertising formats, OOH continues to play a strategic role in media plans due to its scale, high reach efficiency, and strong brand-building impact.

The current landscape of OOH has evolved. Today, buyers (advertisers) matched with media owners (sellers of media space) are far more integrated with technology companies. The OOH technology companies offer, amongst other things, advanced analytics, enhanced targeting, and ad exchanges (DSP – demand-side platforms) that facilitate advertisers to buy media space automatically or SSPs (supply-side platform) that media owners use to efficiently manage their inventory.

The OOH ecosystem is structurally shaped by three core layers: advertisers and agencies that originate demand, intermediaries and technology providers that facilitate planning and measurement, and media owners that control physical inventory. This structure is reflected across the value chain, where global advertisers and agency groups allocate budgets, specialist trading platforms and data providers optimize campaign delivery, and large media owners operate national and urban inventory networks.

OOH landscape



Source: Out of Home Market Report June 2025 by Highstead

The most significant structural change in the OOH market is the rapid transition towards Digital Out-of-Home (DOOH). DOOH replaces static placements with digital screens, enabling programmatic control, dynamic content, and data integration. Digital screens have multiple improvements compared to traditional screens including, real-time content scheduling, improved inventory management and ability to incorporate contextual triggers.

DOOH has by far outpaced the growth rate of traditional OOH having multiple advantages as well as future prospects such as most importantly integration into omnichannel digital budgets, allowing advertisers to manage all of their advertising within the same planning systems.

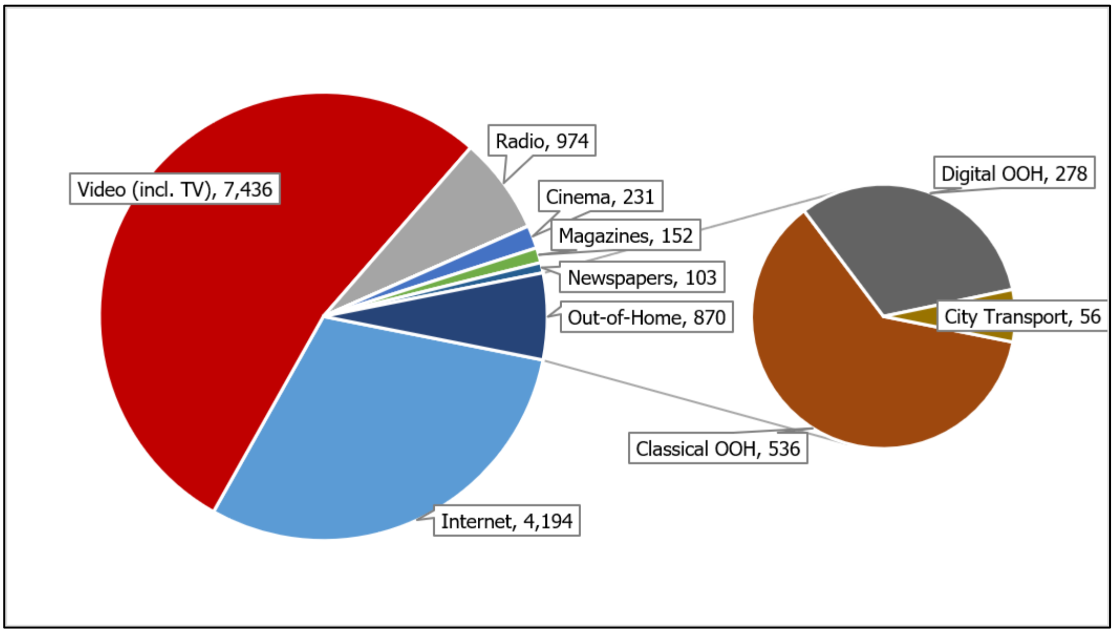
The (outdoor) advertising market in Poland

As per the report by Publicis Groupe Poland, the total value of the advertising market in Poland equalled PLN 14bn (+6.9% y-o-y) in 2025. By segment, the largest was video format (PLN 7.4bn in 2024), while the fastest growing segment was internet advertising (PLN 4.2bn; +8.3% y-o-y). Sector-wise, trade maintains its leading position, increasing advertising spending by 11.7% in 2025 to PLN 3.6bn, with leading advertisers being Media Expert, Lidl and Kaufland.[2]

In 2025, the outdoor advertising market in Poland maintained a steady growth rate, driven by optimistic macroeconomic indicators (Poland's real GDP growth in 2025 stood at 3.6%, compared to the European Union average of 1.5%) and the rapid development of digital technologies. According to official market estimates compiled by OOHlife, the Chamber of Commerce, and Publicis Groupe, the total value of sales in the OOH market in Poland (including traditional, digital, and transit advertising) amounted to PLN 870.2m (+7.0% y-o-y) in 2025. The growth was mostly related to digital advertising carriers with a total value of PLN 278m.

2 Reklama OOH w Polsce – Raport 2025 by OOHlife

Segments of the advertising market in Poland by size (PLNm)



Source: Reklama OOH w Polsce – Raport 2025 by OOHlife, East Value Research

in PLNm	2025	Y-o-Y growth (%)	Market share
Classical OOH	536.2	2.8%	61.6%
Digital OOH	278.4	16.4%	32.0%
City Transport	55.6	6.0%	6.4%
Total	**870.2**	**7.0%**	**100.0%**
Digital Network - OOH revenue	111.2		
DIG's estimated market share	12.8%		

Source: Reklama OOH w Polsce – Raport 2025 by OOHlife, East Value Research

The market structure is undergoing significant changes, with advertising budgets gradually shifting from traditional media (print, billboards) toward interactive and dynamic digital formats (DOOH), whose share is steadily increasing from 11.3% in 2019 to 32.0% in 2025. In the last year, digital OOH was the growth-driving segment with an increase of 16.4% y-o-y. DOOH demonstrates particularly impressive growth during peak advertising seasons.

In the fourth quarter of 2025, DOOH's share of total advertising spending rose to 37.8% (reaching PLN 100.8m; +21.5% y-o-y), reflecting a rapid shift of consumer brands' short-term and sales budgets toward digital screens during the pre-holiday campaign period. With DIG's DOOH sales of PLN 111.2m and the Polish OOH market size of PLN 870.2m, the estimated market share of the Polish company equals to 12.8% (c. 1/8). However, considering record high Q1/26 for Digital Network (thanks to the acquisition of BGMO), and data from OOHLife for Q1, the company's market share could now amount to as much as 20%.

Key trends in DOOH

A key trend in the near future will be the hyper-personalisation of advertising, enabling increasingly precise targeting of specific audience segments. Another major trend is the ongoing AI revolution, with advertising companies already using AI tools to analyse the effectiveness of marketing campaigns. AI will enable optimisation of screen selection, prediction of audience behaviour, and automation of creative variations, resulting in increased client satisfaction and higher sell-out rates of inventory.

Another key differentiator in the DOOH industry is programmatic DOOH (pDOOH), which essentially refers to the automated purchase of advertising inventory. pDOOH enables real-time, optimised delivery of advertisements, finely tuned to the audience, context, and parameters of the marketing campaign. This innovation is widely regarded as a game changer, as it gives advertisers greater control over when, where, and how their content is displayed. Industry leaders highlight that the implementation of pDOOH enables smaller players to compete with larger industry incumbents by providing access to broad advertising inventory without the need for extensive sales teams. According to the World Out of Home Organization, pDOOH reached USD 1.2bn globally (8.1% of DOOH market) in 2024, with expectations for significant growth in the coming years.

Advancements in measurement technologies represent another important trend. Improvements in data analytics are expected to deliver significantly more robust attribution and performance measurement models, enabling advertisers to make better-informed investment decisions.

The development of retail media networks in DOOH is one of the fastest-growing areas in digital out-of-home advertising, as it combines retailers’ purchase data with advertising space in the physical world. In practice, this means that retail chains are transforming their screens into a media channel that they can sell to brands in a way similar to online advertising inventory.

Finally, omnichannel integration is expected to deepen, with DOOH increasingly embedded within broader marketing ecosystems alongside mobile, connected TV, and online channels. This integration allows for more consistent messaging, improved reach, and better coordination of campaign strategies across platforms.

Regulatory Environment

The regulatory framework for outdoor advertising in Poland is governed by a 2015 law enabling municipalities to dictate layout and visual standards, though enforcement has been slow and highly litigious due to mandatory asset-removal clauses. A December 2023 Constitutional Tribunal ruling substantially altered this dynamic by declaring the removal of legally installed structures without compensation unconstitutional, creating widespread legal uncertainty and forcing local governments to pause or revise their local ordinances. While complex, this landscape structurally advantages established operators like Digital Network S.A. The tribunal's ruling effectively shields its Braughman large-format assets from arbitrary dismantling, while escalating local restrictions serve to diminish market fragmentation, elevate barriers to entry, and increase localized advertising demand.

Competitors / Poland

The Polish DOOH market is split between global DOOH players (including largest by revenue French JCDecaux), regional operators, and local outdoor advertising companies. Global groups typically focus on premium street furniture, transport hubs, and high-traffic urban locations, while domestic players tend to dominate large-format billboards and more fragmented local inventory. This structure creates a dual market where standardized, high-quality digital networks coexist with more traditional, analog outdoor formats.

Growth in the Polish DOOH segment is driven by ongoing digitisation of existing inventory, increasing programmatic buying, and stronger demand for measurable advertising solutions. Concurrently, city regulations are squeezing out illegal outdoor ads and driving demand toward compliant, well-designed digital networks, increasing the premium value of DOOH inventory. As a result, the market is steadily consolidating, with operators investing in scale, technology, and data capabilities to strengthen their positions. Notable recent acquisitions include take-over of Synergic Media by AMS Group, inclusion of Clear Channel Europe to Bauer Media Group and acquisition of Braughman Group Media Outdoor by Digital Network. According to market leaders, this trend is a result of the move towards digitalization of the OOH market, that favours companies with extensive media infrastructure as well as companies with access to capital.

In addition to companies that own or operate screen networks, the Polish market also includes outdoor advertising brokers/marketplaces (including DOOH advertising). These companies aggregate thousands of advertising media and help purchase campaigns from various media owners. Their operations are similar to those of an advertising agency, offering comprehensive advertising campaign management services.

Largest OOH companies in Poland

Name	Ownership	Area of focus	Sales FY23 (PLN m)	Sales FY24 (PLN m)	EBITDA FY23 (PLN m)	EBITDA FY24 (PLN m)	EBITDA margin FY23	EBITDA margin FY24	Net income FY23 (PLN m)	Net income FY24 (PLN m)
AMS	Agora S.A. (100%)	Leading OOH advertising company in Poland. Focus on city furniture (bus shelters, citylights), large format, and digital screens.	193.4	213.6	52.5	63.6	27.1%	29.8%	20.8	27.0
STRÖER Polska	Ströer SE & Co. KGaA - Germany (100%)	OOH advertising, billboard networks, digital and traditional outdoor advertising.	150.7	n/d	16.6	n/d	11.0%	n/d	9.2	n/d
Bauer Media Outdoor Poland	Bauer Media Group - Germany (100%)	This company operates as a modern publisher in the Polish OOH and DOOH market. Its portfolio combines traditional paper formats, digital screens, and transit advertising across major cities.	71.1	84.3	5.6	6.1	7.9%	7.2%	0.1	-0.7
Braughman Group Media Outdoor	Digital Network S.A. (100%)	A premium operator specializing in large-format OOH advertising. They manage a vast network of wall murals and city-center backlights.	43.2	57.8	7.0	8.0	16.2%	13.9%	6.0	2.5
Screen Network	Digital Network S.A. (93%)	DOOH advertising network in shopping malls, public transport, urban locations.	50.4	47.6	26.4	28.3	52.3%	59.4%	13.5	16.5
Business Consulting	Wilgus family (100%)	A regional marketing agency that manages the Media Miejskie brand. They operate a strong national portfolio of city-light posters, billboards, and transit advertising networks.	29.8	36.0	1.1	2.1	3.6%	5.8%	0.2	1.2
Jet Line	Private person (80%) Private person (20%)	A premier independent operator of large-format outdoor advertising along major highways. They own and manage premium digital city screens alongside traditional large billboards.	38.2	33.2	9.1	5.3	23.7%	15.9%	6.0	3.2
JCDecaux Airport Polska	JCDecaux Airport Media GmbH - Germany (100%)	Airport advertising solutions, OOH advertising in Polish airports.	20.5	28.6	4.5	7.0	22.0%	24.6%	3.6	5.7
Synergic	AMS S.A. (100%)	A leading nationwide outdoor media operator that dominates transit and alternative OOH spaces. They control premium ad spaces across major city bus fleets, rail networks, and bicycle-sharing hubs.	26.3	28.5	4.3	4.0	16.2%	14.1%	2.9	3.0
APPLink	Private person (51%) Private person (49%)	A technology firm focused on the technical delivery of the Digital Signage and DOOH ecosystem. They specialize in the deployment, maintenance, and integration of professional commercial displays.	36.4	19.4	14.9	5.3	41.1%	27.3%	10.3	2.3
Revo DOOH	IMS S.A. (100%)	Digital signage systems development, DOOH advertising technology, video marketing solutions.	11.7	16.1	4.0	1.8	34.0%	11.2%	3.0	0.5
Iposter	AGK Fundacja Rodzinna w Organizacji (100%)	An indoor Digital OOH operator controlling over 600 screens across major Polish shopping malls. Their network consists of large-format digital installations and multimedia totems at the point of sale.	9.6	14.3	3.4	4.3	36.0%	30.3%	0.3	0.4
WarexPO	Municipality of Warsaw (100%)	A Warsaw-based municipal OOH operator that manages historical and modern city street furniture. They specialize in classic poster pillars and digital totems within the capital's urban fabric.	8.6	13.5	0.9	0.6	10.0%	4.7%	0.5	0.3

Source: East Value Research based on Company's da

Future Outlook

The DOOH market will transform from a digitalization phase into a stage of full integration with the broader digital advertising ecosystem. As advertisers increasingly seek unified omnichannel strategies, DOOH is becoming more closely connected with mobile, online, social media, and retail media channels, allowing for more coordinated campaign planning, execution, and measurement.

Programmatic DOOH is expected to become the dominant sales model, supported by increasingly sophisticated technologies that streamline transactions between advertisers, agencies, and media owners. The growing adoption of automated buying platforms, audience-based targeting, dynamic creative optimization, and real-time campaign management is expected to improve efficiency, transparency, and campaign effectiveness across the industry.

Over the coming years, market consolidation is likely to continue, leading to the emergence of larger regional and global networks of digital screens. Greater scale will enable operators to achieve higher operational efficiency, optimize inventory utilization, enhance audience reach, and offer advertisers more standardized and scalable campaign solutions across multiple markets.

In Poland, similar trends can be observed: pDOOH is expected to increase its share of DOOH revenues, and DOOH will expand its share of the total OOH market, with expectations that it could reach as much as 50% in the near term, supported by Poland's strong technical base and relatively lower digital advertising market maturity. Key figures in the Polish OOH market predict continued consolidation, which is an echo of the transition from traditional analogue advertising to modern digital solutions.

On the risk side, regulatory challenges are expected to remain among the most significant factors affecting the DOOH industry. Media owners may face increasing restrictions on advertising in public spaces, changes to local landscape and urban planning regulations, and stricter requirements related to the placement and operation of digital screens. In addition, growing ESG-related expectations may lead to tighter standards regarding energy consumption, light pollution, and the environmental impact of outdoor advertising infrastructure.

Profit and loss statement

in PLNm	2023	2024	2025	2026E	2027E	2028E
Net sales	**64.28**	**74.67**	**112.92**	**276.65**	**314.00**	**356.39**
Cost of goods sold	-16.16	-19.24	-30.46	-116.47	-130.62	-146.48
Gross profit	**48.13**	**55.42**	**82.46**	**160.18**	**183.38**	**209.91**
Other operating income	0.17	0.57	0.40	0.20	0.20	0.21
Distribution expenses	-3.76	-3.73	-3.37	-2.70	-2.90	-3.12
Administrative costs	-8.49	-8.10	-11.79	-18.80	-20.21	-21.73
Other operating expenses	-2.69	-0.44	-0.80	-0.70	-1.12	-1.56
EBITDA	**33.35**	**43.72**	**66.90**	**138.18**	**159.35**	**183.71**
Depreciation & Amortization	-10.61	-12.02	-16.39	-39.00	-40.95	-43.00
EBIT	**22.73**	**31.70**	**50.52**	**99.18**	**118.40**	**140.72**
Net financial results	8.24	2.76	-0.74	-14.00	-13.75	-13.50
EBT	**30.98**	**34.46**	**49.78**	**85.18**	**104.65**	**127.22**
Income taxes	-6.93	-6.27	-9.68	-16.19	-19.88	-24.17
Result from discontinued operations	0.68	0.00	0.00	0.00	0.00	0.00
Minority interests	-3.38	-3.04	-2.48	-1.30	-1.37	-1.43
Net income / loss	**21.35**	**25.15**	**37.61**	**67.70**	**83.40**	**101.61**
EPS	5.12	6.04	9.03	14.83	18.27	22.25
DPS	4.10	4.82	4.46	7.32	9.02	10.99
Share in total sales						
Net sales	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Cost of goods sold	-25.13 %	-25.77 %	-26.97 %	-42.10 %	-41.60 %	-41.10 %
Gross profit	74.87 %	74.23 %	73.03 %	57.90 %	58.40 %	58.90 %
Other operating income	0.26 %	0.76 %	0.36 %	0.07 %	0.07 %	0.06 %
Distribution expenses	-5.85 %	-5.00 %	-2.99 %	-0.98 %	-0.92 %	-0.88 %
Administrative costs	-13.21 %	-10.85 %	-10.44 %	-6.80 %	-6.44 %	-6.10 %
Other operating expenses	-4.19 %	-0.59 %	-0.71 %	-0.25 %	-0.36 %	-0.44 %
EBITDA	51.87 %	58.55 %	59.25 %	49.95 %	50.75 %	51.55 %
Depreciation & Amortization	-16.51 %	-16.10 %	-14.51 %	-14.10 %	-13.04 %	-12.06 %
EBIT	35.37 %	42.46 %	44.74 %	35.85 %	37.71 %	39.48 %
Net financial results	12.82 %	3.70 %	-0.66 %	-5.06 %	-4.38 %	-3.79 %
EBT	48.19 %	46.16 %	44.08 %	30.79 %	33.33 %	35.70 %
Income taxes	-10.79 %	-8.40 %	-8.58 %	-5.85 %	-6.33 %	-6.78 %
Result from discontinued operations	1.06 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Minority interests	-5.26 %	-4.07 %	-2.19 %	-0.47 %	-0.43 %	-0.40 %
Net income / loss	33.21 %	33.68 %	33.31 %	24.47 %	26.56 %	28.51 %

Balance sheet

in PLNm	2023	2024	2025	2026E	2027E	2028E
Cash and cash equivalents	25.38	13.14	24.13	43.72	46.17	58.75
Other financial assets	11.37	11.28	7.04	7.00	7.07	7.14
Inventories	0.00	0.00	0.00	0.00	0.00	0.00
Trade accounts and notes receivables	13.70	17.18	41.35	53.06	59.36	66.40
Prepaid expenses, deferred charges and others	3.31	3.63	9.12	9.30	9.48	9.67
Current assets	**53.76**	**45.23**	**81.63**	**113.08**	**122.08**	**141.96**
Property, plant and equipment	12.74	13.31	20.15	26.04	26.09	26.14
Rights-to-use assets	22.01	21.60	129.03	149.03	169.03	189.03
Other intangible assets	0.58	0.45	0.36	0.34	0.39	0.44
Goodwill	8.03	8.03	125.91	125.91	125.91	125.91
Other long-term assets	2.94	1.46	3.68	4.30	4.09	3.88
Deferred tax assets	1.40	2.07	3.68	0.00	0.00	0.00
Non-current assets	**47.70**	**46.92**	**282.81**	**305.62**	**325.50**	**345.40**
Total assets	**101.47**	**92.15**	**364.44**	**418.69**	**447.58**	**487.36**
Trade payables	7.85	9.21	24.07	31.91	32.21	32.10
Short-term financial debt	7.84	7.34	67.60	56.00	51.00	46.00
Other liabilities	5.68	5.91	7.93	3.00	3.03	3.06
Provisions	2.00	0.05	0.30	0.33	0.36	0.40
Current liabilities	**23.37**	**22.52**	**99.89**	**91.24**	**86.60**	**81.56**
Long-term financial debt	16.36	15.92	138.06	136.00	116.00	96.00
Other long-term liabilities	0.16	0.07	9.05	8.15	7.33	6.60
Provisions	0.00	2.29	7.94	8.02	8.10	8.18
Deferred tax liabilities	1.24	1.33	1.14	0.00	0.00	0.00
Long-term liabilities	**17.75**	**19.61**	**156.20**	**152.17**	**131.44**	**110.78**
Total liabilities	**41.12**	**42.13**	**256.09**	**243.41**	**218.03**	**192.34**
Shareholders equity	**57.34**	**48.06**	**105.63**	**171.28**	**224.17**	**288.21**
Minority interests	3.00	1.97	2.71	4.01	5.38	6.81
Total liabilities and equity	**101.47**	**92.15**	**364.44**	**418.69**	**447.58**	**487.36**

Cash Flow Statement

in PLNm	2023	2024	2025	2026E	2027E	2028E
Net income / loss	21.35	25.15	37.61	67.70	83.40	101.61
Depreciation & Amortization	10.61	12.02	16.39	39.00	40.95	43.00
Change of working capital	-0.65	-2.11	-2.55	-3.87	-6.00	-7.14
Others	0.11	-1.09	2.50	-3.98	-0.64	-0.57
Net operating cash flow	**31.42**	**33.97**	**53.95**	**98.85**	**117.71**	**136.90**
Cash flow from investing	**-4.40**	**-6.96**	**-91.50**	**-64.87**	**-61.05**	**-63.10**
Free cash flow	27.02	27.01	-37.55	33.97	56.66	73.80
Cash flow from financing	**-14.87**	**-36.24**	**48.54**	**-14.38**	**-54.21**	**-61.22**
Change of cash	12.91	-12.23	10.99	19.59	2.45	12.58
Cash at the beginning of the period	12.47	25.38	13.14	24.13	43.72	46.17
Cash at the end of the period	25.38	13.14	24.13	43.72	46.17	58.75

Financial ratios

Fiscal year	2023	2024	2025	2026E	2027E	2028E
Profitability and balance sheet quality						
Gross margin	74.87%	74.23%	73.03%	57.90%	58.40%	58.90%
EBITDA margin	51.87%	58.55%	59.25%	49.95%	50.75%	51.55%
EBIT margin	35.37%	42.46%	44.74%	35.85%	37.71%	39.48%
Net margin	33.21%	33.68%	33.31%	24.47%	26.56%	28.51%
Return on equity (ROE)	44.30%	47.72%	48.95%	48.90%	42.18%	39.66%
Return on assets (ROA)	12.91%	24.29%	10.52%	19.51%	21.71%	23.62%
Return on capital employed (ROCE)	22.59%	37.24%	15.38%	24.53%	26.57%	28.09%
Economic Value Added (in PLNm)	7.09	16.52	4.94	36.09	47.12	59.14
Net debt (in PLNm)	-1.18	10.12	181.53	148.28	120.83	83.25
Net gearing	-2.06%	21.05%	171.85%	86.57%	53.90%	28.88%
Equity ratio	56.51%	52.15%	28.99%	40.91%	50.09%	59.14%
Current ratio	2.30	2.01	0.82	1.24	1.41	1.74
Quick ratio	2.16	1.85	0.73	1.14	1.30	1.62
Net interest cover	-2.76	-11.47	67.99	7.08	8.61	10.42
Net debt/EBITDA	-0.04	0.23	2.71	1.07	0.76	0.45
Tangible BVPS	11.83	9.61	-4.87	9.94	21.52	35.55
Capex/Sales	-21.46%	-16.14%	-220.01%	-23.45%	-19.44%	-17.70%
Working capital/Sales	9.10%	10.67%	15.30%	7.64%	8.65%	9.62%
Cash Conversion Cycle (in days)	-100	-91	-155	-30	-21	-12
Trading multiples						
EV/Sales	19.62	16.89	11.17	4.56	4.02	3.54
EV/EBITDA	37.83	28.85	18.85	9.13	7.92	6.87
EV/EBIT	55.49	39.79	24.97	12.72	10.65	8.96
P/Tangible BVPS	20.02	24.63	-48.65	23.83	11.00	6.66
P/E	46.25	39.21	26.22	15.97	12.96	10.64
P/FCF	36.54	36.51	-26.27	31.82	19.08	14.65

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Buy: Based on our analysis, we expect the stock to appreciate and generate a total return of at least 10% over the next twelve months

Add: Based on our analysis, we expect the stock to appreciate and generate a total return between 0%- 10% over the next twelve months

Reduce: Based on our analysis, we expect the stock to cause a negative return between 0% and -10% over the next twelve months

Sell: Based on our analysis, we expect the stock to cause a negative return exceeding -10% over the next twelve months

The respective supervisory authority is:

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