



This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program 4.0.

542/2023/AR

September 12, 2023

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Brand24	Not rated	37.2	Not rated	Sobiesław Pająk, CFA

Event: Selected preliminary financial results for 2Q23.

On September 12, during the WSE trading hours, Brandt24 released its selected consolidated 1H23 financial results featuring (i) revenues at c. PLN13.1 million vs PLN 10.3 million in 1H22, (ii) EBITDA at c. PLN 4.0 million of vs PLN 2.6 million in 1H22, (ii) EBIT at c. PLN 2.7 million vs PLN 1.4 million in 1.4 million in 1H22. After deducting 1Q23 results we are able to estimate some preliminary 2Q23 figures (see the table below).

IFRS, cons. (PLN million)	2Q23	2Q22	yoy chg	1Q23	qoq chg	1-2Q23	1-2Q22	yoy chg
Revenues	6.7	5.4	25%	6.4	5%	13.1	10.3	27%
EBITDA	2.1	1.4	52%	1.9	7%	4.0	2.6	54%
EBIT	1.6	0.8	112%	1.2	29%	2.7	1.4	92%

Source: Company, DM BOŚ SA estimates

2Q23 sales implied at PLN 6.7 million (up 25% yoy and 5% qoq) are a tad (by c. 3% or c. PLN 200,000 in absolute categories) higher than we expected (PLN 6.5 million), while EBITDA at PLN 2.1 million¹ (up 52% yoy and 7% qoq) implies an increase of the EBITDA margin by c. 5 pp yoy (and qoq comparable increase) which indicates that in 2Q23 a yoy/ qoq growth of all the Company's operating costs (excluding amortization) at 16%/5% was lower/ comparable to a yoy/ qoq growth of the Company's revenues at 25%/ 5%.

Brand24 will publish final consolidated 2Q23 and 1H23 results on October 2.

We believe the implied preliminary figures are good and constitute some positive surprise, hence our slightly positive perception. On the other hand, the market's reaction seems to have been overwhelmingly positive (a strong growth of the Company's share price followed the release during Tuesday's session), albeit by now this information should have been already discounted.

The report is not a recommendation within the meaning of Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest.

¹ Slightly (by c. 3% or PLN 100,000 in absolute values) above our expectations at PLN 2.0 million.