

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

122/2024/AR/March 13, 2024

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
<b>Action</b>	<b>Buy</b>	<b>21.6</b>	<b>Neutral</b>	Jakub K. Viscardi

**Event: Preliminary 4Q23 financial results released – NP 8% below our forecasts.**

On Tuesday, during the WSE trading hours, Action release preliminary 4Q23 financial results.

- Quarterly revenues reached PLN 723.2 million (up 7% yoy) vs PLN 736.0 million implied by monthly figures.
- The gross margin on sales at 9.1%** exceeded our expectations at 8.7% and is materially higher than the figures published monthly implying 7.6%.
- The Company's net profit reached PLN 14.2 million** (down 25% yoy) and proved to be below our expectations at PLN 15.5 million.

Action; Preliminary 4Q23 financial results

IFRS cons. (PLN m)	4Q23E		Results vs forecasts	4Q22	
	4Q23	(DM BOŚ)		yoy	chg
Sales	723.2	736.7	→	674.6	7%
Gross profit on sales	65.8	64.0	→	60.7	8%
Gross profit on sales margin	9.1%	8.7%	-	9.0%	-
EBITDA	n.a.	21.2	n.a.	21.7	n.a.
EBITDA margin	-	2.9%	-	3.2%	-
EBIT	n.a.	18.9	n.a.	19.5	n.a.
EBIT margin	-	2.6%	-	2.9%	-
Gross profit	n.a.	19.3	n.a.	22.6	n.a.
Gross margin	-	2.6%	-	3.4%	-
Net profit	14.2	15.5	↓	19.0	-25%
Net margin	2.0%	2.1%	-	2.8%	-

Source: Company, DM BOŚ SA estimates

**Expected impact:** Neutral, as the results were released during yesterday's market session. Preliminary NP is 8% lower than we forecasted. Final figures for 4Q23 and FY23 will be published on April 26.

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.