

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

280/2023/AR/May 13, 2024

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Bowim	Not rated	7.2	Not rated	Michał Zamel

Event: Preliminary consolidated 1Q24 financial results released.

On Friday, during the WSE trading hours, Bowim released preliminary consolidated 1Q24 financial results.

The Group's consolidated revenues at PLN 461.5 million (down 21% yoy) were in line with our expectations at PLN 461.3 million while EBIT at PLN 7.9 million (down 28% yoy) and net profit at PLN 3.6 million (up 45% yoy) were slightly below our forecasts at PLN 8.7 million and 4.5 million, respectively. The Company enumerated a number of unfavorable factors including the war in Ukraine, high energy costs, inflationary pressure and high interest rates which caused a demand in drop the discussed quarter and in consequence affected the prices of metallurgical products sold by the Company. Conversely, the Company's lower debt needs had some positive impact on Bowim's results.

Bowim; Preliminary consolidated 1Q24 financial results

Consolidated (PLN m)	1Q23	2Q23	3Q23	4Q23	1Q24	1Q24E (DM BOS)	results vs forecasts	yoy chg
Sales	585.6	501.6	490.5	459.0	461.5	461.3	→	-21%
EBITDA	13.1	11.0	10.1	10.0	-	-	-	-
<i>EBITDA margin</i>	2.2%	2.2%	2.1%	2.2%	-	-	-	-
EBIT	10.9	8.8	7.9	7.7	7.9	8.7	→	-28%
<i>EBIT margin</i>	1.9%	1.8%	1.6%	1.7%	1.7%	1.9%	-	-
Gross profit	3.0	3.7	0.5	4.3	-	-	-	-
<i>Gross margin</i>	0.5%	0.7%	0.1%	0.9%	-	-	-	-
Net profit	2.5	2.5	2.3	5.9	3.6	4.5	↓	45%
<i>Net margin</i>	0.4%	0.5%	0.5%	1.3%	0.8%	1.0%	-	-

Source: Company, DM BOS estimates

Expected impact: Neutral; as the information was discounted during Friday's session.

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.