

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

693/2023/AR

November 14, 2023

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

Event: Preliminary 3Q23 financial results released – NP in line with our forecasts.

On Monday, during the WSE trading hours, Action released preliminary 3Q23 financial results.

- 3Q23 revenues at PLN 641.0 million (up 11% yoy) are almost in line with the earlier published preliminary figures (PLN 643,0 million).
- **The gross margin on sales reached 8.5%** and was in line with our expectations while materially higher than monthly preliminary readings (7.7%). The Company's **adj net profit reached PLN 8.1 million** (down 14% yoy) vs our forecast at PLN 8.3 million.

Action; Preliminary 3Q23 financial results

IFRS cons. (PLN m)	3Q23	3Q23E (DM BOS)	Results vs forecasts	3Q22	yoy chg
Sales	641.0	643.5	→	577.1	11%
Gross profit on sales	54.5	54.8	→	49.7	10%
Gross margin on sales	8.5%	8.5%	-	8.6%	-
EBITDA	n/a	11.9	n/a	12.7	n/a
EBITDA margin	-	1.8%	-	2.2%	-
EBIT	n/a	9.3	n/a	10.5	n/a
EBIT margin	-	1.4%	-	1.8%	-
PBT	n/a	10.2	n/a	14.3	n/a
PBT margin	-	1.6%	-	2.5%	-
Adj gross profit	n/a	10.2	n/a	10.9	n/a
Adj gross margin	-	1.6%	-	2.5%	-
Net profit	8.1	8.3	→	12.2	-33%
Net margin	1.3%	1.3%	-	2.1%	-
Adj net profit	8.1	8.3	→	9.5	-14%
Adj net margin	1.3%	1.3%	-	2.1%	-

Adjusted profits: PBT adjusted for PLN 3.4 million obtained from the tax office
Source: Company, DM BOS SA

Expected impact: *Neutral*; as the information was released yesterday during the market hours. The Company's preliminary financial results are in line with our forecasts. Final 3Q23 figures will be revealed on November 29.

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.