

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

671/2023/AR

November 6, 2023

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Bowim	Not rated	6.9	Not rated	Michał Zamel

Event: Preliminary consolidated 3Q23 results released.

Today, during the session, Bowim released 3Q23 consolidated financial results.

3Q23 revenues reached PLN 490.5 million (down 36% yoy) vs our forecast at PLN 473.4 million. EBIT at PLN 7.9 million (up 44% yoy) was close to our expectations (PLN 7.6 million) while NI at PLN 2.3 million exceeded them (we forecast PLN 1.3 million).

Bowim indicates a series of factors adversely affecting 3Q23 results that triggered a slump in demand leading to lowering the prices of metallurgical products offered by the Company. The war in Ukraine, high costs of energy, inflationary pressure, and high interest rates belong to these factors.

Bowim; Preliminary consolidated 3Q23 financial results

Consolidated (PLN m)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	3Q23E (DM BOS)	Results vs forecasts	yoy chg
Sales	645.4	786.4	767.7	553.2	585.6	501.6	490.5	473.4	→	-36%
EBITDA	72.7	89.6	7.2	12.4	13.1	11.0	-	-	-	-
<i>EBITDA margin</i>	11.3%	11.4%	0.9%	2.2%	2.2%	2.2%	-	-	-	-
EBIT	71.0	87.8	5.5	10.4	10.9	8.8	7.9	7.6	→	44%
<i>EBIT margin</i>	11.0%	11.2%	0.7%	1.9%	1.9%	1.8%	1.6%	1.6%	-	-
Gross profit	57.9	76.1	3.4	5.0	3.0	3.7	-	-	-	-
<i>Gross margin</i>	9.0%	9.7%	0.4%	0.9%	0.5%	0.7%	-	-	-	-
NI	46.5	54.3	9.6	1.1	2.5	2.5	2.3	1.3	↑	-76%
<i>Net margin</i>	7.2%	6.9%	1.2%	0.2%	0.4%	0.5%	0.5%	0.3%	-	-

Source: Company, DM BOS estimates

Expected impact: Neutral. We consider the released figures slightly positive, albeit their impact should be limited as the Company had already shown preliminary unconsolidated results.

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.