

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

414/2025/AR/June 2, 2025

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Action	Buy	27.2	Neutral	Jakub K. Viscardi +48 506 142 575

Event: 1Q25 financial results released.

On Thursday, after the market close, Action released 1Q25 financial results.

- Quarterly revenues at PLN 663,6 million (up 8% yoy) were marginally above the preliminary monthly data.
- **Gross margin on sales at 8.6%** was higher than we expected (8.2%) and materially above the preliminary monthly data which implied 7.6%.
- **EBITDA and EBIT reached PLN 12.7 million** (down 41% yoy) and **PLN 10.4 million** (down 47% yoy), respectively, albeit in the base period the Company's EBITDA was elevated on the back of a PLN 12.2 million one-off gain on a real estate disposal. **Adj EBITDA and adj EBIT rose 34% yoy and 29% yoy**, respectively, and exceeded our forecasts by 16% and 19%, respectively.
- **The SG&A cost to sales ratio arrived at 7.1% vs 7.4%** in 1Q24; we expected an improvement to **6.9%**.
- **Adj EBITDA margin rose to 1.9%** vs our forecast at 1.7% and 1.5% in 1Q24.
- **The Company's adj net profit reached PLN 7.8 million (up 28% yoy) vs our expectations at PLN 7.4 million. The effective tax rate stood at 19.6% vs 19.0% expected by us.**
- In the discussed quarter **Action generated positive CFO, albeit weaker yoy, which reached PLN 10.4 million vs PLN 56.9 million in 1Q24.**

Action; 1Q25 financial results

IFRS, consolidated (PLN m)	1Q25	1Q25 (DM BOS)	Results vs forecasts	1Q24	yoy chg
Sales	663.6	658.7	→	615.6	8%
Gross profit on sales	57.3	54.1	↑	53.0	8%
Gross profit on sales margin	8.6%	8.2%	-	8.6%	-
EBITDA	12.7	11.0	↑	21.7	-41%
EBITDA margin	1.9%	1.7%	-	3.5%	-
adj EBITDA	12.7	11.0	↑	9.5	34%
Adj EBITDA margin	1.9%	1.7%	-	1.5%	-
EBIT	10.4	8.7	↑	19.6	-47%
EBIT margin	1.6%	1.3%	-	3.2%	-
adj EBIT	10.4	8.7	↑	7.5	39%
Adj EBIT margin	1.6%	1.3%	-	1.2%	-
Gross profit	9.7	9.2	↑	20.4	-52%
Gross margin	1.5%	1.4%	-	3.3%	-
Adj gross profit	9.7	9.2	↑	8.2	19%
Adj gross margin	1.5%	1.4%	-	1.3%	-
Net profit	7.8	7.4	↑	15.9	-51%
Net margin	1.2%	1.1%	-	2.6%	-
Adj net profit	7.8	7.4	↑	6.1	28%
Adj net margin	1.2%	1.1%	-	1.0%	-

Adjusted profits

Adjusted profits in 1Q24 exclude a PLN 12.2 million one-off gain on a real estate disposal

Source: Company, DM BOS SA

Expected impact: Slightly positive.

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.