

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

112/2024/AR/March 6, 2024

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Brand24	Not rated	48.8	Not rated	Sobieslaw Pająk, CFA +48 22 504 32 72

Event: Selected preliminary 4Q23 financial results revealed

On March 6 (after 2:00 p.m.) Brand24 released selected preliminary figures for FY23: (i) revenues at PLN 27.7 million vs PLN 22.2 million for FY22, (ii) EBITDA at c. PLN 8.2 million vs PLN 5.9 million for FY22 and (iii) EBIT at c. PLN 5.0 million vs PLN 3.4 million for FY22; after deducting results for last year's first 3 quarters we are able to estimate selected preliminary 4Q23 figures (see the table below). The preliminary EBIT and EBITDA exclude the cost of the motivation program valuation which would be incorporated in 4Q23 final results to be published on April 30.

Implied sales for 4Q23 (at c. PLN 7.6 million, up 25% yoy) exhibit an 8% qoq growth rate which suggests a slight acceleration vs a growth rate in the previous quarters of 2023 (5% in 1Q, 2Q and 3Q23; 4% in 4Q22). 4Q23 EBITDA (at c. PLN 2.1 million) grows by 26% yoy, nevertheless the qoq growth is flat which translates into some dilution of the EBITDA margin (by c. 2 pp) as compared to the previous quarters (though 4Q23 EBITDA margin is flat yoy). 4Q23 EBIT at PLN 1.1 million indicates a 13% yoy growth, though in qoq terms the growth is flat.

Brand24; Selected preliminary 4Q23 financial results

IFRS consolidated (PLN million)	4Q23	4Q22	yoy chg	3Q23	qoq chg	1-4Q23	1-4Q22	yoy chg
Revenues	7.6	6.1	25%	7.0	8%	27.7	22.2	25%
EBITDA	2.1	1.7	26%	2.1	0%	8.2	5.9	39%
EBIT	1.1	1.0	13%	1.1	-2%	5.0	3.4	47%

Source: Company, DM BOŚ SA. estimates

All in all, we perceive selected preliminary 4Q23 financial results as neutral as some revenue qoq growth rate acceleration (by several percentage points) has been offset by a still higher growth dynamic of OPEX which makes EBITDA and EBIT flat qoq.

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.