

## Results Presentation for 1st half of Financial Year 2016



**ACTION is still in the game,  
a few words about restructuring  
proceedings**



# Reasons of Initiation of restructuring proceedings with respect to Action



**Job protection for employees**



**Business Protection**  
- Maintain its market position



**Protection the Financial Liquidity**



**Time to prove our rights**

# Media about us

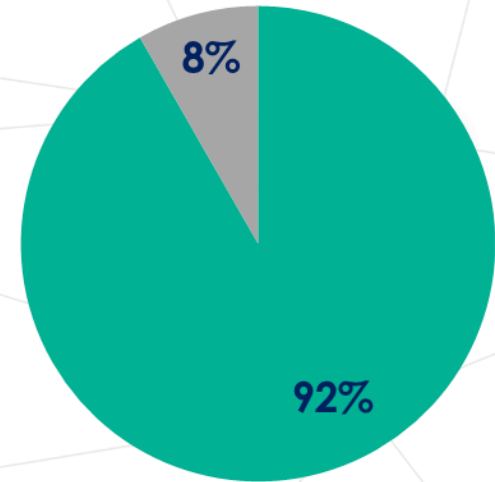
Whole number of publication from 04.07 to 11.09



11-18.07	18-25.07	25-01.07	01-08.08	08-15.08
48	195	147	559	300

Increased interest of Media

overtone publication

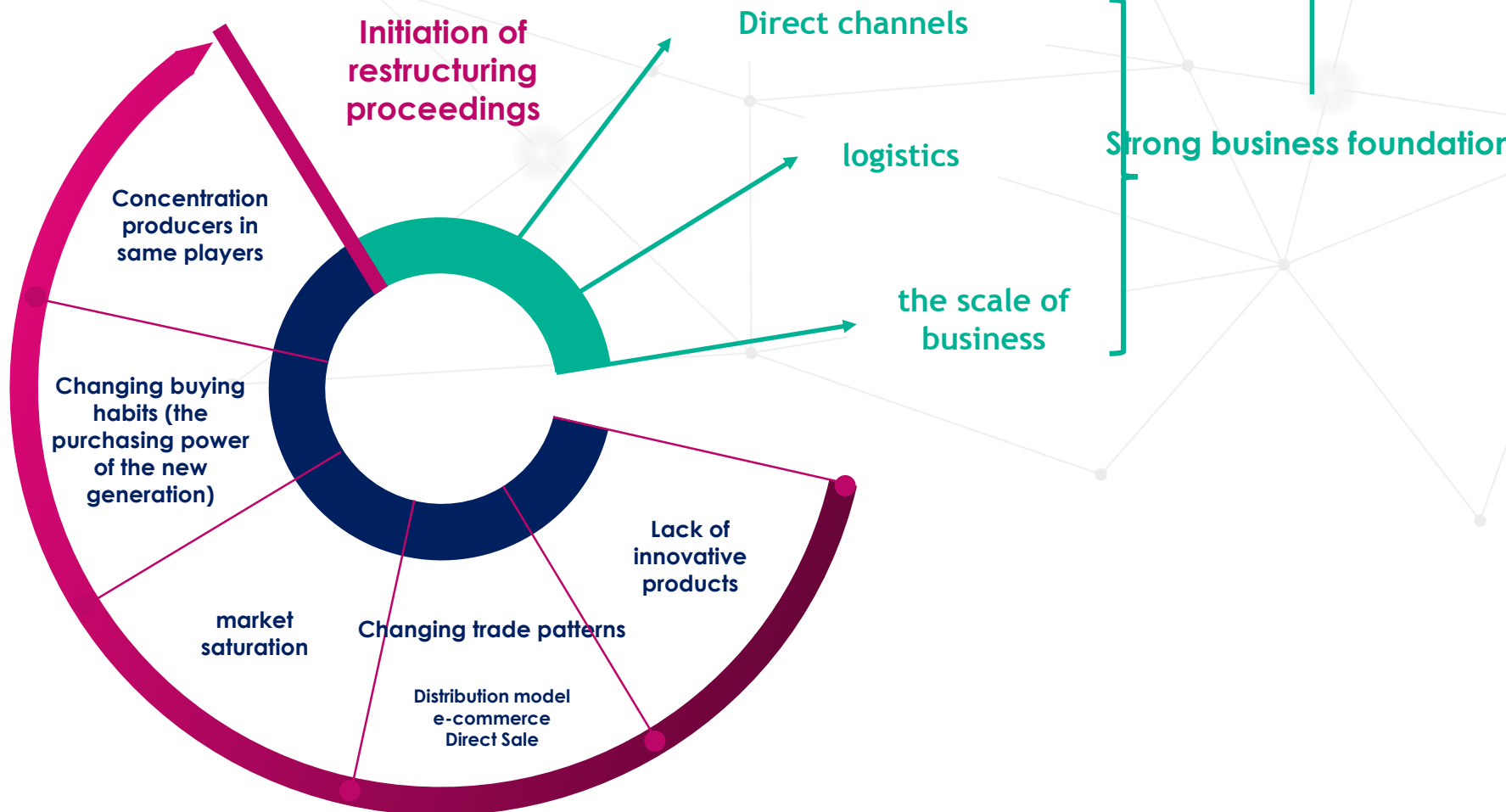


■ positive and neutral ■ Negative

Updated period:11.07-15.08

# Restructuring as a Chance to change

**ACTION**



# Restructuring Plans ACTION



Significant reduction of low-margin contracts and financing projects

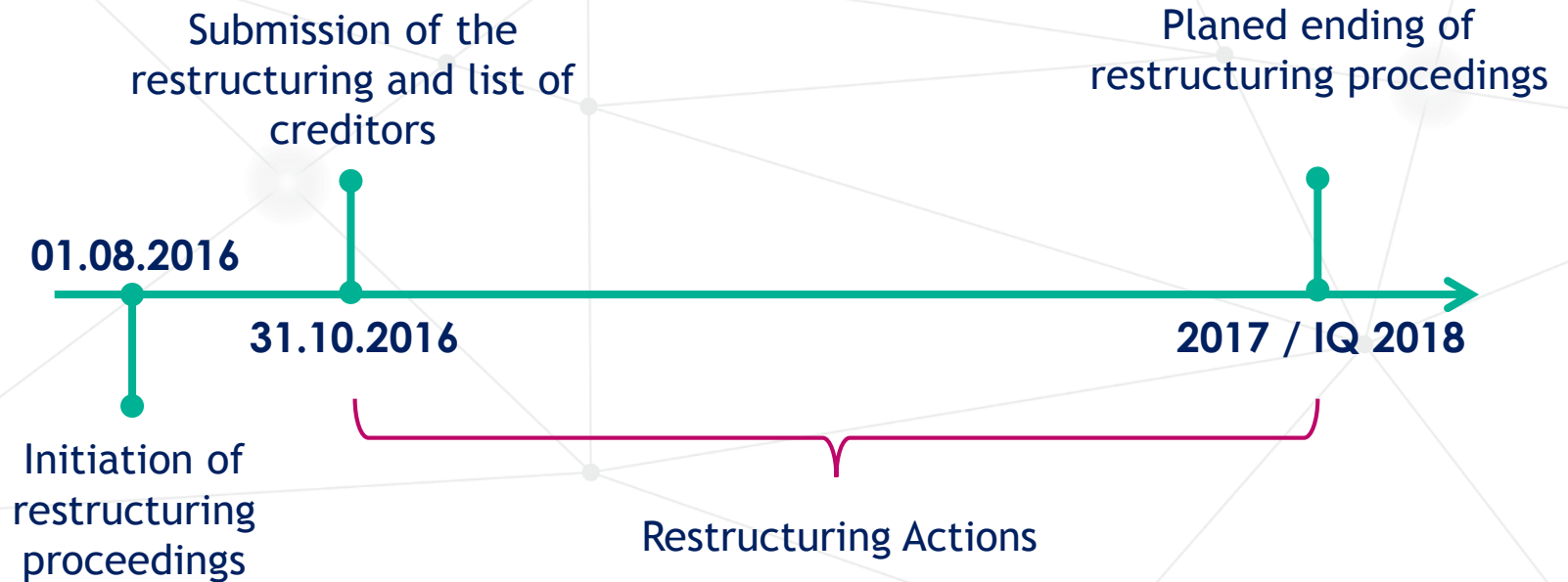


Focus on the further development of distribution channels, based on the construction of value-added, The most profitable and fastest rafting receivables



Consolidation of GK ACTION SA with a focus on building e-commerce and the use of excellent Logistics stock

# Restructuring Proceedings Schedule



# Financial results

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# Selected consolidated financial data of **ACTION S.A.**

	<b>IIQ 2015</b>	<b>IIQ 2016</b>	<b>Zmiana %</b>	<b>IH 2015</b>	<b>IH 2016</b>	<b>Zmiana %</b>
Revenues from sales of products	1 023 582	648 626	-37%	2 283 230	1 578 123	-31%
Gross profit	48 133	39 393	-18%	100 846	87 011	-14%
profitability gross margin	4,7%	6,1%	+1,4 p.p	4,4%	5,5%	+1,1 p.p
Cost of sales and marketing	-35 518	-31 836	-10%	-65 123	-66 433	2%
In relation to revenue	3,5%	4,9%	+1,4 p.p	2,9%	4,2%	+1,3 p.p
general administrative expenses	-6 752	-5 768	-15%	-13 547	-11 783	-13%
In relation to revenue	0,7%	0,9%	+0,2 p.p	1%	1%	0 p.p
Other income and costs	72	1 329	-	844	1 201	42%
Profit from operating activities	5 935	3 118	-47%	23 020	9 996	-57%
Net financial expenses	-2 016	-2 228	11%	-3 593	-4 326	20%
Net profit attributed to the Company's shareholders	3 808	894	-77%	16 445	5 016	-69%
Net profit margin	0,4%	0,1%	-0,3 p.p	0,7%	0,3%	-0,4 p.p
EBITDA	8 922	4 986	-44%	28 172	15 035	-47%

# Cash Flow

	IH 2015	IH 2016
Net cash flows from operating activities	-26 909	43 580
Net cash flows from investing activities	-14 116	-2 472
Net cash flows from financing activities	-28 433	-7 373

# Cash conversion cycle

	IH 2015	IH 2016
Warehouse rotation	39	45
Incoming receivables	32	27
Obligions repayment	43	43
Cash conversion	28	29

**We count for**

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 **ACTION**®

# ACTION Europe



A positive result for the first half 2016

Good prospects for the next quarter

Positive effect of restructuring

- optimization of employment
- elimination of unprofitable product lines
- adjust the structure of sales to market dynamics

## **Inwestycja w system WMS:**

New procedures for the exchange of information about inventory, allowing the free sale of Polish products throughout the EU

# ACTION Europe



Building a broad recognition of own brands on the German market

Regular shares trade in cooperation with the network NORMA

Maintaining a stable level of customer base

Participation in the International Trade Fair for Information Technology and Telecommunications – CEBIT.

# Sferis



- Orientation on the search for new locations:
- new stores in Poznan (Gallery Posnania) and in Warsaw (North Gallery)

Investment in new tools in the Internet channel:  
goal: gradual increase of visits and purchases on the website

Innovative industry marketing:  
sponsoring a professional team of e-Gaming giant gaming SFERIS PRIDE  
continued sponsorship of the boxing SFERIS KnockOut Promotions

Successive introduction of new brands with increased acquired margins

Establishment of long-term: to strengthen retail channels - stores and Internet

# Actionmed



## **PwC Report:**

Spending on private health care in Central and Eastern Europe grow 6 percent in a year, so two times faster than public outgoings, because a growing demand for innovative technological solutions for patients

The market value of private health services in the countries of Central and Eastern Europe amounts to 13.9 billion euros, of which the largest is the Polish market, valued at 5 billion euros, which represents 36 percent of the entire region.

In Poland lives 9 million seniors, it shows the scale of investment in the health service for this group of society

Market demand the medical packages for employees (prevention, periodic testing), require investing by medical facilities in a diagnostic solutions and IT infrastructure.



# Actionmed



Won a tender to supply equipment to the hospital in Bartoszyce together with MedFinance:  
project value: approx. 5 million zł  
participation Actionmed 3.5 million zł

Finalized implementation of two automated X-ray machines Samsung in a hospital in Legnica (automated X-ray Samsung GC-85 with a ceiling mount for outstanding performance)  
value of the project: 2 million zł

Development of a nearly 7 thousand. clients - to arrive directly at industry events

**Completing** the sale SERVICES markets medical and veterinary according to plan

Carrying out the first seminar dot. Automated warehouse for the pharmacy market (bundled with consulting: optimization of warehouse management and purchasing in the pharmacy, the acquisition of EU funds on the purchase of innovative solutions for the pharmaceutical industry).



Active&Food

# Active&Food

## Participation in the fair:

**SIAL Shanghai** - the largest food industry trade fair in Asia (05.05-07.05.2016); transfer of an offer to more than 100 business customers

**IFE Guangzhou** - one of the most important B2B trade fairs? Imported food in South China (29.06-01.07.2016); establish cooperation with more than 40 companies, signing a letter of intent on the delivery of 1,250 pallets of beverages in 2017

**Winning** declared by Action the Polish water "Ustronianka" Contest Water Competition IFE - establishing cooperation? Distributor of bottled water from the province of Fujian

**Nominate** more than 100 customers, of which will be further developed cooperation in the 2016/2017 year - exchange of documents of intent

**Complete** the establishment of commercial company in China, and the sales team. Obtaining a license for sale of food products and licenses for import / export.



Active&Food

# Active&Food

## The first commercial activities:

- Preparation and shipment of over 100 pallets of breakfast products for the retail network of Guangdong province. Preparing a plan supplies approx. 20 containers in 2016 and more than 50 containers for 2017 years.
- Preparation and approval of labels for supply of Candy. Worth over 80 thousand. USD for Chinese Partner for 2017 years  
Creation together with Chinese partner new brand juice? Children "Active Panda" juice-based przecierowych - Scheduling deliveries 2016/2017
- Preparation and shipment of samples Polish low-sugar jams to a Chinese retail chain Convenience Store, preparing orders for the 2016/2017 year.
- Conversations and schedule preparation drinking water supply bottled "Ustronianska" 0.5 l and 1.5 l and their financing for the Chinese Distributor
- Further cooperation in the introduction by Chinese Partner of water "Ostromecko" to Singapore

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**Thank you for your attention**

A white network diagram on a teal background, consisting of numerous nodes (small white circles) connected by thin white lines. Some nodes are larger and have a glowing effect, while others are smaller and dimmer. The connections form a complex web of triangles and polygons across the entire page.