

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program. 3.0.

195/2023/AR

April 14, 2023

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
DataWalk	Hold	107.0	Neutral	Tomasz Rodak, CFA

Event: 4Q22 final results released – close to preliminary figures.

After yesterday's market close DataWalk released 4Q22 final financial results which proved to be close to preliminary figures.

DataWalk; final 4Q22 financial results vs preliminary results

(PLN million)	Final Preliminary								
	4Q22	4Q21	3Q22	yoy chg	qoq chg	1-4Q22	1-4Q21	yoy chg	
Revenues	7,5	7,5	10,8	7,7	-31%	-2%	33,4	30,8	8%
Adj OPEX	-13,8	-14,5	-11,9	-15,0	22%	-4%	-60,3	-36,4	65%
EBIT	-11,5	-12,2	-1,1	-4,4	n.m.	n.m.	-129,5	-5,7	n.m.
Adj EBIT	-6,3	-7,0	-1,1	-7,3	n.m.	n.m.	-27,0	-5,7	n.m.
NI	-18,8	-	2,6	-20,2	n.m.	n.m.	-116,7	-6,3	n.m.

Adj OPEX and EBIT exclude the motivation program costs and write-off for development
 Source: Company, DM BOS SA estimates

More highlights below (including information from the letter to shareholders):

- The Company had to redesign its pre- and post-sales processes in 2022;
- This year DataWalk plans to accelerate a sales growth dynamic as well as the pace of new client acquisition;
- The management expects a several dozen percent revenue yoy growth in 2023;
Our comment: we consider this information positive as we feared this year's sales would be flat yoy.
- The Company's growth should even accelerate in the following years;
- Currently the Group is focused on the cooperation with its key US and European clients;
- The Company sees the growing demand for DataWalk's software which is corroborated by a rising number of projects in the Company's sales funnel;
- The Company presented the sales funnel graph which shows that as of the date of the financial report's release its value rose to USD 37 million, including USD 19.4 million on the US market and USD 17.6 million on the remaining markets; this implies a record high level of the sales funnel and its 37% growth at the 2022-end.

Expected impact: *Slightly positive; we like a material growth of the sales funnel and the Company's declaration about a several dozen percent growth dynamic of revenues this year.*

Today (on April 14) at 12.00/ 16.00 (Polish/ English language version) DataWalk will hold a conference call to share its review of FY22 financial results and elaborate upon the connections between DataWalk's platform and AI.

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.