



**DATAWALK CAPITAL GROUP**  
**SUMMARY OF THE CONDENSED**  
**INTERIM FINANCIAL STATEMENTS**  
FOR THE 1st QUARTER OF 2019

Wroclaw, 30<sup>th</sup> May 2019

## THE EXECUTIVE BOARD'S LETTER

Dear Shareholders,

In the first quarter of this year, we finalized the process of transferring our stocks from the NewConnect market to the main market of the Warsaw Stock Exchange and we executed the financing round that we had been preparing for. As a result of these steps the Group can continue its strategy execution.

In terms of sales, we are at the stage of finalizing a significant number of customer wins, both in Europe and in the United States. These potential projects can be of great importance to the Group - because of their economic value, contribution to product and solution development as well as their value as references.

We recruited Mark Massop as VP of Sales for North America. He is a senior sales executive with experience in our specific markets having been responsible for the success of i2 (and later IBM i2) in the US. Paul Rivet, another i2 team leader, now responsible for Account Management for the West Coast USA and Canada joined Mark's team. Mark and Paul took ownership of the sales funnel which had so far been a responsibility of our Chief of Analytics (Chris Westphal) and marketing department. Currently, the funnel contains more than a dozen qualified leads with confirmed budget, project team and the will to negotiate the purchase of the system, and all of these deals fit into the public security market or the financial sector.

We observe increased activity in the EMEA region (Europe, Middle East, Africa) and Asia which shows up as an increase in the requests from potential customers and business partners. These proposals are subjected to strict verification via processes that we have standardized. Our experience shows the number of challenges we can encounter in remote locations during a 2-3 year sales cycles, thus we can not allocate more than a fraction of our resources to these numerous inquiries. Nevertheless, the fact of their occurrence and all the data coming from the European and American markets confirm that DataWalk is perceived as an alternative to IBM i2 and Palantir solutions in the global market for link analytics.

In conclusion, we expect the effects of commercialization to become visible in the coming months and in the traditional shopping window at the end of the year, when we expect to finalize long-term talks.

We encourage you to subscribe to the investor's newsletter using the form located on the [www.datawalk.pl](http://www.datawalk.pl) website.

We invite you to visit the DataWalk SA headquarters in Wrocław and to follow our activity on the websites and social profiles of Twitter and LinkedIn.

Thank you for your trust!

Paweł Wiczyński

*CEO*

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## SELECTED CONSOLIDATED FINANCIAL DATA OF THE DATAWALK CAPITAL GROUP

The following table presents selected data regarding the consolidated financial statements of the DataWalk Capital Group.

SELECTED FINANCIAL DATA	from 01/01/2019	from 01/01/2018	from 01/01/2019	from 01/01/2018
	to 03/31/2019	to 03/31/2018	to 03/31/2019	to 03/31/2018
	in thousands of PLN	in thousands of PLN	in thousands of EUR	in thousands of EUR
Revenues from sales	180,1	336,1	41,9	80,4
Profit/Loss on sales	-2 754,4	-3 170,6	-640,9	-758,8
Operating profit (loss)	-3 443,9	-3 871,2	-801,3	-926,5
Pre-tax profit (loss)	-3 430,5	-3 796,5	-798,2	-908,6
Net profit (loss)	-3 432,4	-3 806,6	-798,6	-911,0
Total comprehensive income	-3 416,2	-3 815,6	-794,9	-913,2
Number of shares	4 138 048	3 680 500	4 138 048	3 680 500
Profit (loss) per share	-0,83	-1,03	-0,19	-0,25
Net cash generated (used) in operating activities	-2 342,2	-3 157,2	-545,0	-755,6
Net cash generated (used) in investing activities	-5 337,4	1 354,5	-1 241,9	324,2
Net cash (used) in financing activities	10 056,5	-9,2	2 339,9	-2,2
Total net cash flows	2 376,8	-1 811,9	553,0	-433,6

SELECTED FINANCIAL DATA	03/31/2019	12/31/2018	03/31/2019	12/31/2018
	in thousands of PLN	in thousands of PLN	in thousands of EUR	in thousands of EUR
	Total assets / equity and liabilities	15 726,4	9 324,2	3 656,2
Non-current assets	4 579,1	4 113,0	1 064,6	956,5
Current assets	11 147,3	5 211,2	2 591,6	1 211,9
Equity	14 350,0	8 010,8	3 336,2	1 863,0
Total liabilities	1 376,4	1 313,4	320,0	305,4
Long-term liabilities	2,9	10,9	0,7	2,5
Short-term liabilities	1 373,5	1 302,4	319,3	302,9

**SELECTED SEPARATE FINANCIAL DATA DATAWALK S.A.**

The following table presents selected data on the separate financial statements DataWalk SA

SELECTED FINANCIAL DATA	from 01/01/2019	from 01/01/2018	from 01/01/2019	from 01/01/2018
	to 03/31/2019	to 03/31/2018	to 03/31/2019	to 03/31/2018
	in thousands of PLN	in thousands of PLN	in thousands of EUR	in thousands of EUR
Revenues from sales	180,1	336,1	41,9	80,4
Profit/Loss on sales	-2 791,8	-3 195,0	-649,6	-764,6
Operating profit (loss)	-3 481,3	-3 895,6	-810,0	-932,3
Pre-tax profit (loss)	-3 456,0	-3 827,7	-804,1	-916,1
Net profit (loss)	-3 456,0	-3 827,7	-804,1	-916,1
Total comprehensive income	-3 456,0	-3 827,7	-804,1	-916,1
Number of shares	4 138 048	3 680 500	4 138 048	3 680 500
Profit (loss) per share	-0,84	-1,04	-0,19	-0,25
Net cash generated (used) in operating activities	-2 301,4	-3 190,1	-535,5	-763,5
Net cash generated (used) in investing activities	-5 330,9	1 190,5	-1 240,4	284,9
Net cash (used) in financing activities	10 056,5	-9,2	2 339,9	-2,2
Total net cash flows	2 424,2	-2 008,8	564,1	-480,8

SELECTED FINANCIAL DATA	03/31/2019	12/31/2018	03/31/2019	12/31/2018
	in thousands of PLN	in thousands of PLN	in thousands of EUR	in thousands of EUR
	Total assets / equity and liabilities	15 807,6	9 354,1	3 675,1
Non-current assets	5 166,5	4 694,7	1 201,1	1 091,8
Current assets	10 641,1	4 659,3	2 473,9	1 083,6
Equity	14 120,9	7 821,5	3 282,9	1 819,0
Total liabilities	1 686,7	1 532,5	392,1	356,4
Long-term liabilities	2,9	10,9	0,7	2,5
Short-term liabilities	1 683,7	1 521,6	391,4	353,9

Applied EUR / PLN rates:

- Items of the statement of financial position were translated at the average rate of the euro published by the Polish National Bank, valid on the last day of the reporting period.

Rate on the last day of the period	03/31/2019	12/31/2018
1 EUR	4,3013	4,3000

- Items in the statement of profit or loss and other comprehensive income and statement of cash flows were translated at the average rate of the euro which is the arithmetic average of euro exchange rates published by Polish National Bank and valid on the last day of each month of the reporting period.

The average exchange rate in a given period	from 01/01/2019 to 03/31/2019	from 01/01/2019 to 03/31/2019
1 EUR	4,2978	4,1784



**DATAWALK CAPITAL GROUP  
CONDENSED INTERIM  
CONSOLIDATED FINANCIAL  
STATEMENT**

**FOR THE 1st QUARTER OF 2019**

## Consolidated Condensed Interim Statement of Financial Position (in thousands of PLN)

ASSETS		03/31/2019	12/31/2018
<b>A.</b>	<b>Non-current assets</b>	<b>4 579,1</b>	<b>4 113,0</b>
	I. Fixed assets	80,5	122,3
	II. Intangible assets	4 286,5	3 814,9
	III. Right-of-use assets	36,3	0,0
	IV. Long-term financial assets	0,0	0,0
	V. Long-term receivables	172,9	172,9
	VI. Deferred tax assets	2,9	2,9
	VII. Long-term prepayments	0,0	0,0
<b>B.</b>	<b>Current assets</b>	<b>11 147,3</b>	<b>5 211,2</b>
	I. Inventory	0,0	0,0
	II. Trade receivables	932,1	1 919,4
	III. Receivables from income tax	0,0	0,0
	IV. Other receivables	655,0	555,5
	V. Financial assets	4 803,3	0,0
	VI. Prepayments	137,6	494,8
	VII. Cash and cash equivalents	4 619,3	2 241,5
<b>TOTAL ASSETS</b>		<b>15 726,4</b>	<b>9 324,2</b>

EQUITY AND LIABILITIES		03/31/2019	12/31/2018
<b>A.</b>	<b>Equity</b>	<b>14 350,0</b>	<b>8 010,8</b>
	I. Share capital	413,8	368,1
	II. Other capitals	63 792,2	54 783,2
	III. Profit (loss) from previous years	-49 953,3	-36 203,4
	IV. Net profit (loss) for the current period	-3 432,4	-13 749,9
	V. Reserve capital	3 503,3	2 802,6
	VI. Foreign exchange translation differences	26,5	10,3
<b>B.</b>	<b>Long-term liabilities</b>	<b>2,9</b>	<b>10,9</b>
	I. Other provisions	0,0	0,0
	II. Deferred tax liabilities	2,9	2,9
	III. Other long-term liabilities	0,0	8,0
<b>C.</b>	<b>Short-term liabilities</b>	<b>1 373,5</b>	<b>1 302,4</b>
	I. Trade liabilities	649,9	575,9
	II. Income tax liabilities	31,2	24,4
	III. Other liabilities	325,6	355,2
	IV. Other provisions	148,1	124,5
	V. Prepayments	218,7	222,4
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15 726,4</b>	<b>9 324,2</b>

<b>NET ASSET VALUE PER SHARE</b>	<b>03/31/2019</b>	<b>12/31/2018</b>
Net asset value	14 350,0	8 010,8
Number of shares	4 138 048	3 680 500
Net asset value per share	3,47	2,18
Diluted number of shares	4 318 048	3 860 500
Diluted net asset value per share	3,32	2,08

The net profit (loss) per share / per share was calculated in relation to the weighted average number of shares of the Company for a given period. The number was 4 138 048 shares as at 31/03/2019, and in turn as at 31/03/2018 the number of shares was equal to 3 680 500 of each. Diluted number of shares includes shares offered (180 000 items) as part of the incentive program.

## Consolidated Condensed Interim Profit and Loss Account with The Statement of Comprehensive Income (in thousands of PLN)

PROFIT AND LOSS ACCOUNT		01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>A.</b>	<b>Revenues</b>	<b>180,1</b>	<b>336,1</b>
<b>B.</b>	<b>Operating costs</b>	<b>2 934,5</b>	<b>3 506,7</b>
	Materials and energy	20,8	27,2
	Employee benefits	1 415,7	1 069,5
	Amortisation and depreciation	82,0	44,4
	External services	1 253,3	1 657,0
	Costs of producing benefits for own needs	0,0	0,0
	Other costs	162,9	708,6
<b>C.</b>	<b>Profit/Loss on sales</b>	<b>-2 754,4</b>	<b>-3 170,6</b>
	Other operating incomes	70,3	16,2
	Other operating costs	759,9	716,8
<b>D.</b>	<b>Operating profit (loss)</b>	<b>-3 443,9</b>	<b>-3 871,2</b>
	Financial incomes	15,8	108,4
	Financial costs	2,3	33,6
<b>E.</b>	<b>Pre-tax profit (loss)</b>	<b>-3 430,5</b>	<b>-3 796,5</b>
	Income tax	1,9	10,1
	current	1,9	10,1
	deferred	0,0	0,0
<b>F.</b>	<b>Net profit (loss)</b>	<b>-3 432,4</b>	<b>-3 806,6</b>

NET PROFIT (LOSS) ATTRIBUTABLE TO:	01.01.2019 - 31.03.2019	01.01.2018 - 31.03.2018
- shareholders of the parent company	-3 432,4	-3 806,6
- non-controlling interests	0,0	0,0

STATEMENT OF COMPREHENSIVE INCOME	01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>Net profit (loss)</b>	<b>-3 432,4</b>	<b>-3 806,6</b>
<b>Other comprehensive income</b>	<b>16,2</b>	<b>-9,0</b>
1. Other comprehensive income, which in the future will be able to be reclassified to the result	0,0	0,0
2. Other comprehensive income, which will not be able in the future be reclassified to the result	16,2	-9,0
<b>Total comprehensive income</b>	<b>-3 416,2</b>	<b>-3 815,6</b>

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:	01.01.2019 - 31.03.2019	01.01.2018 - 31.03.2018
- shareholders of the parent company	-3 416,2	-3 815,6
- non-controlling interests	0,0	0,0

<b>PROFIT (LOSS) PER SHARE ATTRIBUTABLE TO:</b>	<b>01/01/2019 – 03/31/2019</b>	<b>01/01/2018 – 03/31/2018</b>
Number of shares (pcs.)	4 138 048	3 680 500
Profit (loss) per share	-0,83	-1,03
Diluted number of shares (pcs.)	4 318 048	3 860 500
Diluted profit (loss) per share	-0,79	-0,99

The net profit (loss) per share / per share was calculated in relation to the weighted average number of shares of the Company for a given period. The number was 4 138 048 shares as at 31/03/2019, and in turn as at 31/03/2018 the number of shares was equal to 3 680 500 of each. Diluted number of shares includes shares offered (180 000 items) as part of the incentive program.

## Consolidated Condensed Interim Statement of Changes in Equity (in thousands of PLN)

STATEMENT OF CHANGES IN EQUITY	Share capital	Other capitals	Foreign exchange translation differences	Reserve capital	Profit (loss) from previous years	Net profit (loss) for the current period	Total equity
<b>Balance as at 01/01/2019</b>	<b>368,1</b>	<b>54 783,2</b>	<b>10,3</b>	<b>2 802,6</b>	<b>-36 203,4</b>	<b>-13 749,9</b>	<b>8 010,8</b>
<i>Change in accounting policy</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>
<b>Balance as at 01/01/2019 adjusted</b>	<b>368,1</b>	<b>54 783,2</b>	<b>10,3</b>	<b>2 802,6</b>	<b>-36 203,4</b>	<b>-13 749,9</b>	<b>8 010,8</b>
Net profit (loss)	0,0	0,0	0,0	0,0	0,0	-3 432,4	-3 432,4
Foreign exchange translation differences	0,0	0,0	16,2	0,0	0,0	0,0	16,2
Share capital increase	45,8	9 009,0	0,0	0,0	0,0	0,0	9 054,7
Distribution of profit (loss) for 2018	0,0	0,0	0,0	0,0	-13 749,3	13 749,9	0,0
Changes in equity resulting from IFRS 2	0,0	0,0	0,0	700,7	0,0	0,0	700,7
<b>Balance as at 03/31/2019</b>	<b>413,8</b>	<b>63 792,2</b>	<b>26,5</b>	<b>3 503,3</b>	<b>-49 953,3</b>	<b>-3 432,4</b>	<b>14 350,0</b>

STATEMENT OF CHANGES IN EQUITY	Share capital	Other capitals	Foreign exchange translation differences	Reserve capital	Profit (loss) from previous years	Net profit (loss) for the current period	Total equity
<b>Balance as at 01/01/2018</b>	<b>368,1</b>	<b>54 783,2</b>	<b>-47,6</b>	<b>0,0</b>	<b>-17 077,5</b>	<b>-19 125,9</b>	<b>18 900,2</b>
<i>Change in accounting policy</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>
<b>Balance as at 01/01/2018 adjusted</b>	<b>368,1</b>	<b>54 783,2</b>	<b>-47,6</b>	<b>0,0</b>	<b>-17 077,5</b>	<b>-19 125,9</b>	<b>18 900,2</b>
Net profit (loss)	0,0	0,0	0,0	0,0	0,0	-3 806,6	-3 806,6
Foreign exchange translation differences	0,0	0,0	-9,0	0,0	0,0	0,0	-9,0
Share capital increase	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Distribution of profit (loss) for 2017	0,0	0,0	0,0	0,0	-19 125,9	19 125,9	0,0
Changes in equity resulting from IFRS 2	0,0	0,0	0,0	700,7	0,0	0,0	700,7
<b>Balance as at 03/31/2018</b>	<b>368,1</b>	<b>54 783,2</b>	<b>-56,6</b>	<b>700,7</b>	<b>-36 203,4</b>	<b>-3 806,6</b>	<b>15 785,3</b>

## Consolidated Condensed Interim Cash Flow Statement (in thousands of PLN)

CASH FLOW STATEMENT	01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>Net cash flows from operating activities</b>		
Net profit (loss)	-3 432,4	-3 806,6
Total adjustments, including:	769,2	585,5
- amortisation and depreciation	82,0	44,4
- foreign exchange gains (losses)	-1,0	-54,9
- interest and dividends	-12,4	-9,8
- profit (loss) on investing activities	0,0	-94,8
- income tax of current period	1,9	10,1
- other	700,7	700,7
- income tax paid	-1,9	-10,1
<b>Net cash flow from operating activities before the change in working capital</b>	<b>-2 663,1</b>	<b>-3 221,1</b>
Change in working capital, including:	320,9	63,9
- change in receivables	887,7	-364,5
- change in inventories	0,0	591,9
- change in liabilities due to employee benefits	31,1	0,0
- change in provisions	23,7	4,3
- change in short-term liabilities	20,0	-165,1
- change in other assets	373,4	-1,9
- change in deferred income	-3,7	-0,8
- other adjustments (capital increase)	-1 011,3	0,0
<b>Net cash generated (used) in operating activities</b>	<b>-2 342,2</b>	<b>-3 157,2</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant, equipment and intangible assets	0,0	0,0
Proceeds from sale of shares in related entities	0,0	0,0
Proceeds from sale of shares in other entities	0,0	0,0
Proceeds from sale of short-term securities	0,0	1 500,0
Purchases of property, plant and equipment and intangible assets	-548,1	-156,3
Expenditure on assets related to exploration and evaluation of mineral resources	0,0	0,0
Expenses for purchase of shares in related entities	0,0	0,0
Expenses for purchase of shares in other entities	0,0	0,0
Expenses for purchase of short-term securities	0,0	0,0
Granted loans and borrowings	0,0	0,0
Paid loans and borrowings	0,0	0,0
Proceeds from derivative financial instruments	0,0	0,0
Expenses related to derivative financial instruments	0,0	0,0
Interest	14,0	10,8
Proceeds from financial leasing	0,0	0,0
Dividends received	0,0	0,0
Establishment of bank deposits with maturities over of 3 months	-4 803,3	0,0
<b>Net cash generated (used) in investing activities</b>	<b>-5 337,4</b>	<b>1 354,5</b>

<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	10 066,1	0,0
Proceeds from loans and borrowings received	0,0	0,0
Proceeds from the issue of bonds	0,0	0,0
Repayments of bank loans and borrowings	0,0	0,0
Redemption of bonds	0,0	0,0
Payments of liabilities under finance lease agreements	-8,0	-8,2
Proceeds from derivative financial instruments	0,0	0,0
Expenses related to derivative financial instruments	0,0	0,0
Dividends paid	0,0	0,0
Interest paid	-1,6	-1,0
Other	0,0	0,0
<b>Net cash (used) in financing activities</b>	<b>10 056,5</b>	<b>-9,2</b>
<b>Total net cash flows</b>	<b>2 376,8</b>	<b>-1 811,9</b>
Change in cash due to foreign currency translation	1,0	54,9
<b>Opening balance of cash</b>	<b>2 241,4</b>	<b>5 121,4</b>
<b>Closing balance of cash</b>	<b>4 618,2</b>	<b>3 309,4</b>



**COMMENTARY AND ADDITIONAL  
INFORMATION FOR THE QUARTERLY  
REPORT OF THE DATAWALK  
CAPITAL GROUP**

## SUMMARY AND ANALYSIS OF RESULTS OF THE DATAWALK CAPITAL GROUP FOR THE 1ST QUARTER OF 2019

Revenues of the DataWalk Group in the first quarter of 2019 amounted to PLN 180,1 thousand and were 46,4% lower than revenues earned in the first quarter of 2018. This is mainly due to the sale in the first quarter of last year of the license to HDI Sigorta A.S. In the first quarter of current year, the Group tested the sale of licenses in the subscription model, providing for contractors' access to the license, where the counterparty makes payments during the period for which the license was granted, which also affected the difference between revenues in relation to the first quarter of 2018.

The table below presents selected consolidated financial data for the three months ended March 31, 2019 and the comparable period of 2018 (in thousands of PLN).

Position	01/01/2019 - 03/31/2019	01/01/2018 - 03/31/2018	Change
Revenues	180,1	336,1	-46,4%
Operating costs	2 934,49	3 506,7	-16,3%
Profit/Loss on sales	-2 754,40	-3 170,6	-13,1%
Other operating incomes	70,3	16,2	332,8%
Other operating costs	759,87	716,8	6,0%
Operating profit (loss)	-3 443,9	-3 871,2	-11,0%
Net profit (loss) attributable to shareholders of the parent company	-3 432,4	-3 806,6	-9,8%

Source: Issuer.

In the item other operating costs, the Group recognizes non-cash costs related to the settlement of the incentive program in accordance with IFRS 2. In the first quarter of 2019, the costs of the incentive program accounted for 92,2% of the value of this item, i.e. PLN 700,7 thousand. PLN, while in the corresponding period of 2018 it was 700,7 thousand. PLN (97,7% of the sum of other operating costs). Net loss attributable to shareholders of the parent company in the first quarter of 2019 it amounted to PLN 3 432,4 thousand and was by 9,8% lower than in the first quarter of 2018. This difference is mainly due to the recognition in Q1 2018 in other operating costs of the value of goods and materials sold for the amount of PLN 591,9 thousand.

The table below presents additional selected consolidated financial information for the three months ended March 31, 2019 and the comparable period of 2018 (in thousands of PLN).

Position	01/01/2019 - 03/31/2019	01/01/2018 - 03/31/2018	Change
Revenues*	180,1	336,1	-46,4%
EBIT	-3 443,9	-3 871,2	-11,0%
<i>Amortisation and depreciation</i>	82,0	44,4	84,5%
EBITDA	-3 362,0	-3 826,8	-12,1%
<i>Non-cash costs of the incentive program</i>	700,7	700,7	0,0%
Adjusted EBITDA	-2 661,3	-3 126,2	-14,9%
CFO <sub>bt</sub>	-2 342,2	-3 157,2	-25,8%
CAPEX	-548,1	-156,3	250,6%
FCF	-2 890,3	-3 313,5	-12,8%
Closing balance of cash	4 618,2	3 309,4	39,5%
Interest debt	33,2	65,2	-49,0%

Source: Issuer.

\* Sales between segments did not occur.

EBIT = Operating profit (loss),

EBITDA = EBIT + Amortisation and depreciation,

Adjusted EBITDA = EBITDA + non-cash transaction costs with people covered by the incentive program settled in the form of capital instruments,

$CFO_{bt}$  = Net cash generated (used) in operating activities (i.e. before income tax paid),

CAPEX = expenditure on acquisition of tangible fixed assets + expenses for intangible assets + expenses related to development work,

$FCF = CFO_{bt} - |CAPEX|$ .

### *The revenue structure of the DataWalk Group*

In the first quarter of 2019, revenues from the sale of licenses amounted to PLN 48,1 thousand, which constituted 26,7% of the Group's total revenues and was 79,6% lower than in the corresponding period of 2018. Revenues from the sale of implementation services and technical assistance (so-called maintenance) amounted to PLN 132,0 thousand, which constituted 73,3% of the total revenues of the Group, which gives an increase of 156,4% compared to the first quarter of 2018. The decrease in the item of other revenues resulted from the lack of sales in the discussed period of additional services by the Group.

The table below presents consolidated revenues in the 3 months ended 31 March 2019 and in the comparable period divided into operating segments (in thousands of PLN).

Position	01/01/2019 - 03/31/2019	01/01/2018 - 03/31/2018	Change
Sales of licenses	48,1	236,3	-79,6%
Services (implementation and technical assistance)	132,0	51,5	156,4%
Other	0,0	48,4	-100,0%
<b>Total revenues</b>	<b>180,1</b>	<b>336,1</b>	<b>-46,4%</b>

Source: Issuer.

The table below presents the currency structure of sales for the first quarter of 2019 and the first quarter of 2018.

Position	01/01/2019 -03/31/2019	01/01/2018 -03/31/2018
PLN (Polish zloty)	31,3%	26,9%
USD (U.S. Dollar)	68,7%	73,1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Issuer.

### *Cash flows of the DataWalk Group*

Cash flows from operating activities (CFO) of the Group in the first quarter of 2019 amounted to PLN -2 342,2 thousand, while in the first quarter of 2018 it was PLN -3 157,2 thousand. In the analysed periods, the adjustment of net profit (loss) related to non-cash costs resulting from the settlement of the incentive program was a significant impact on the cash flows from operating activities. Both in the first quarter of 2019 and in the first quarter of 2018, the amount of this adjustment amounted to PLN 700.7 thousand. In addition, the cash flow on operating activities was affected by the adjustment resulting from the settlement of the share issue costs of series M in the amount of PLN -1 011,3 thousand, which was a consequence of the registration by the National Court Register of the increase in the share capital of DataWalk S.A.

Cash flows from the Group's investment activities (CFI) in the first three months of 2019 were at the level of PLN - 5 337,4 thousand, which was particularly influenced by i) bank deposits with a maturity period over 3 months for a total amount of PLN 4 803,3 thousand PLN, which were classified as short-term financial assets, and ii) expenditure on the development of DataWalk software incurred in the amount of PLN 532,8 thousand.

In the first quarter of 2018, cash flows from investing activities amounted to PLN 1 354,5 thousand. The most important influence on CFI was in particular the sale of participation units in the Investment Fund for a total value of PLN 1 500 thousand, which were previously acquired as part of a short-term investment.

Cash flows from financing activities (CFF) of the Group in the first quarter of 2019 amounted to PLN 10 056,5 thousand, which is mainly due to the inflow of funds acquired under the initial public offering of series M shares carried out by the Issuer. In the first quarter of 2018 CFF were formed on the level of -9,2 thousand PLN, which is mainly the effect of repayment of liabilities due to financial leasing.

Position (in thousands of PLN)	01/01/2019 - 03/31/2019	01/01/2018 - 03/31/2018	Change
CFO	-2 342,2	-3 157,2	-25,8%
CFI, including:	-5 337,4	1 354,5	-494,1%
- CAPEX	-548,1	-156,3	250,7%
CFF	10 056,5	-9,2	-109327,5%
Total net cash flows	2 376,8	-1 811,9	-231,2%

Source: Issuer.

CFO = Net cash generated (used) in operating activities,

CFI = Net cash generated (used) in investing activities,

CAPEX = expenditure on acquisition of tangible fixed assets + expenses for intangible assets + expenses related to development work,

CFF = Net cash (used) in financing activities.

### *Balance of the DataWalk Group*

The table below presents selected balance sheet items as at 31 March 2019 and the end of December 2018 (in thousands of PLN).

Assets	03/31/2019	12/31/2018	Change
Intangible assets	4 286,5	3 814,9	12,4%
Trade receivables	932,1	1 919,4	-51,4%
Other receivables	655,0	555,5	17,9%
Financial assets (short-term)	4 803,3	0,0	100,0%
Cash and cash equivalents	4 619,3	2 241,5	106,1%
Other assets	430,3	793,0	-45,7%
Total assets	15 726,4	9 324,2	68,7%

Source: Issuer.

Equity and liabilities	03/31/2019	12/31/2018	Change
Equity	14 350,0	8 010,8	79,1%
Trade liabilities	649,9	575,9	12,8%
Other liabilities	726,6	737,4	-1,5%
Total equity and liabilities	15 726,4	9 324,2	68,7%

Source: Issuer.

The table below presents selected financial ratios of the DataWalk Group as at the end of March 2019, as well as December 31, 2018.

Position	03/31/2019	12/31/2018
Current ratio	8,1	4,0
Quick Ratio	8,0	3,6
Cash Ratio	3,4	1,7
Debt ratio	8,8%	14,1%
Debt / Equity	0,0	0,0
Debt-to-Equity Ratio	9,6%	16,4%
Working Capital (in thousands PLN)	9 773,8	3 908,7

Source: Issuer.

Current ratio = Current assets (short-term) / Current liabilities (short-term),

Quick Ratio = (Cash and cash equivalents + Short-term investments + Account receivables) / Current liabilities (short-term),

Cash Ratio = Cash and cash equivalents / Current liabilities (short-term),

Debt ratio = Total liabilities / Total assets × 100%,

Debt / Equity = (Interest-bearing bank loans + Debt securities + Liabilities due to finance leases) / Total Shareholders' Equity,

Debt-to-Equity Ratio = (Total Liabilities / Total Shareholders' Equity) × 100%,

Working Capital = Current assets (short-term) - Current liabilities (short-term).

## DESCRIPTION OF MAJOR ACHIEVEMENTS OR FAILURES OF THE CAPITAL GROUP IN THE REPORTING PERIOD

- 15th January 2019, the Company obtained information about the conclusion of an Agreement (“Agreement”) with a Customer registered in Warsaw (“Customer”), to execute the sale and implementation of the DataWalk analytical platform (“System”) for anti-fraud applications. Objectives of the Agreement include: (i) granting of a license and (ii) defining the terms of the maintenance services, all with open-ended contractual arrangements.

The Customer is one of the several largest insurance Groups in the world and another insurance customer of DataWalk, as well as this is a first agreement based on a long-term subscription fee. Cooperation with the Customer in Poland is an important milestone for the relationship of the Issuer with the Customer Group, as a part of the Issuer’s land&expand strategy.

Decision about purchasing the DataWalk system were preceded by pilot implementations in Customer Group companies, where the system was tested in fraud detection, targeting organized crime groups and analysis of the claim liquidation process. Due to the international sales context and developing character of the relationship the name of the Customer will remain unpublished for now.

- 25th January 2019, the Company obtained information that the Company’s subsidiary, DataWalk Inc. began execution of a pilot project (“Pilot”) with Praesidium Partners LLC. (“Praesidium”), a private law enforcement agency.

The Pilot will be executed in order to demonstrate the analytical platform DataWalk (“System”) in applications targeted at countering human trafficking and coordination of information and investigations between different private and government agencies fighting against human trafficking. Executing the Pilot is an important milestone for the Capital Group and is part of our strategy to build a market position in the United States of America. 25 stycznia 2019 r. DataWalk Inc. rozpoczęła realizację projektu pilotażowego (“Pilot”) z Praesidium Partners LLC. (“Praesidium”).

- 5th February, basing on authorization granted in Resolution no 9 of General Meeting from 6th of August 2018, the Executive Board has allocated shares series M that were offered publicly.

Executive Board allocated a total of 457 548 ordinary bearer shares series M, including:

- a) 57 548 shares within Retail Tranche;
- b) 400 000 shares within Institutional Investors Tranche.

Issue price of Offered Shares was set up at PLN 22,00 for one share of series M offered.

Total value of deposits amounted to PLN 10 066 056,00.

- 28th February 2019, ordinary bearer shares of series form B to L of the DataWalk S.A., as well as rights to ordinary bearer shares of series M, were introduced to public trading on WSE Main Market.
- 6th March 2019, the District Court for Wrocław-Fabryczna in Wrocław, VI Commercial Division of the National Court Register, has registered amendments to the Company’s Articles of Association adopted by Resolutions 9 and 10 of the Company’s Extraordinary General Meeting of 6th August 2018. The content of the resolutions was disclosed by the Company to the public in the current report EBI number 17/2018 dated 6th August 2018.

The Executive Board of the Company informs that in connection with the registration of the said changes in the Articles of Association, the Company’s share capital amounts to PLN 413 804,80 and is divided into 4 138 048 shares. with a nominal value of PLN 0.10 each.

- 11th March 2019 Mr. Mark Massop has joined DataWalk Inc. (Issuer’s subsidiary) as Vice President of Sales. Given his US role and experience, Mr. Massop will be instrumental to the development and growth of the Company’s Capital Group and execution of issue objectives. Mr. Massop will be responsible for expanding sales in the North America market.

Mr. Massop is an expert in the field of link analytics with a successful track record of selling analytical systems. The Executive Board of Issuer perceives this hire as major step in executing the Company’s strategy and objective of becoming a leading global vendor of link analytics software products.

Short dossier:

Mark Massop began his career in law enforcement in 1988 with the Independence Missouri Police Department, where he served with honor for 16 years. During his tenure with the Police Department, he received two awards for Valor from the Kansas City Metropolitan Police Chiefs and Sheriffs Association. He was also recognized by the Drug Enforcement Administration for Outstanding Contributions in the Field of Drug Investigations, and by the National HIDTA (High Intensity Drug Trafficking Area) Program where he was named the Intelligence Analyst of the Year.

After his career in Law Enforcement, Mark joined i2, a supplier of data visualization and analysis software for law enforcement and other markets. After acquisition of i2 by IBM, Mark was the North America Technical Sales Leader. During his tenure, his team consistently attained over 100% of target revenue.

After 11 years with IBM, Mark joined Sintelix in 2017 as Vice President of the Americas to bring natural language processing and text extraction to the investigation and law enforcement communities. Mark quickly scaled the US business, creating over \$10M in pipeline within the first six months of joining the company.

- 25th March 2019, M series ordinary bearer shares of the Company were introduced to public trading on WSE Main Market.
- 28th March 2019, the Issuer decided to terminate the contract for co-financing the project under the Smart Growth Operational Program 2014-2020 – 1.1.1 concluded with The National Center for Research and Development based in Warsaw (“NCBR”).

Co-financing was granted for the implementation of the project titled “Development of analytical system utilizing advanced methods of big data integration and analytics aimed at identification of chosen categories of organized crime networks threatening the public safety”. The need to withdraw from the project was caused by the occurrence of circumstances unforeseeable at the stage of preparing project assumptions, having a significant impact on the scope and execution of the tasks envisaged within the individual stages. Taking into account these factors, the Executive Board of the Company decided not to implement the above investment in the form indicated in the application and to terminate the mentioned contract.

Due to the withdrawal from the project according to the original assumptions, the Company may concentrate activities related to developing the system in the direction indicated in the application in a more effective manner, using the current knowledge obtained during the execution of projects by the Group in this area. Bearing in mind the above, as well as the fact that during the term of the agreement the Issuer did not receive any payments resulting from co-financing from the NCBR, the termination of the contract will not have a significant impact on the financial position of the Company.

The Executive Board of the Company explains at the same time that the factors being the basis for terminating the agreement do not affect the projects implemented within the Issuer’s Group or projects that may start in the future.

## COMPANY'S AUTHORITIES

### The Executive Board

#### *Paweł Wieczyński, Chairman of the Board*

Responsible for the operational activity and the commercialization department.

#### *Krzysztof Piećko, Member of the Board*

Responsible for the activities of the R&D department and the vision of technological development.

#### *Sergiusz Boryślawski, Member of the Board*

Responsible for administrative activity and the commercialization department.

During the 3 months ended March 31, 2019, the DataWalk SA Executive Board was as follows:

The Executive Board	Period of performing the function
Paweł Wieczyński	01/01/2019 – 03/31/2019
Krzysztof Piećko	01/01/2019 – 03/31/2019
Sergiusz Boryślawski	01/01/2019 – 03/31/2019

Source: Issuer.

Until the date of this report, the composition of Issuer's Executive Board has not changed.

### The Supervisory Board

As at March 31, 2019 and as at the date of this report, the composition of the Issuer's Supervisory Board is as follows:

- Pan Paweł Sobkiewicz - Chairman of the Supervisory Board,
- Pan Wojciech Dyszy - Vice Chairman of the Supervisory Board,
- Pan Grzegorz Dymek - Member of the Supervisory Board,
- Pan Roman Pudelko - Member of the Supervisory Board,
- Pan Wojciech Szymon Kowalski - Member of the Supervisory Board,
- Pan Rafał Wasilewski - Member of the Supervisory Board.

As at March 31, 2019 and as at the date of this report, the composition of the Issuer's Supervisory Board is as follows:

The Supervisory Board	Period of performing the function
Paweł Sobkiewicz	01/01/2019 – 03/31/2019
Wojciech Dyszy	01/01/2019 – 03/31/2019
Grzegorz Dymek	01/01/2019 – 03/31/2019
Roman Pudelko	01/01/2019 – 03/31/2019
Wojciech Szymon Kowalski	01/01/2019 – 03/31/2019
Rafał Wasilewski	01/01/2019 – 03/31/2019

Source: Issuer.

Until the date of this report, the composition of the Issuer's Supervisory Board has not changed.

## DESCRIPTION OF THE ORGANISATION OF THE DATAWALK CAPITAL GROUP AND CONSOLIDATED ENTITIES

### DataWalk S.A.

Basic information about the Issuer.

Name of the parent entity:	DataWalk S.A.
Country of residence:	Poland
Legal form:	Joint stock company
Register address:	ul. Rzeźnicza 32-33, 50-130 Wrocław
Phone:	+48 71 707 21 74
Fax:	+48 71 707 22 73
E-mail:	biuro@datawalk.com
www:	www.datawalk.com
Tax identification number (NIP):	894-303-43-18
Statistical identification number (REGON):	21737247
Company registration number (KRS):	0000405409

Source: Issuer.

The role of the Issuer in the Group is to conduct research and development activities, including the development of DataWalk analytical platform, at the same time the Issuer conducts marketing and sales activities in the EMEA and Asia region and manages the Group.

The company operates in the "global vendor of products" model, focusing on the development and sale of enterprise IT class products, i.e. globally competitive, specialized software for specific application. The business model adopted by the Company is characterized by high scalability, translating into potential high margin. This is possible due to the low participation of services provided individually for every client, both at the pre-implementation stage and after implementation (service).

DataWalk S.A. has been established for an indefinite period of time.

The company has no branches.

## DataWalk Inc.

Basic information about an entity related by capital with the Issuer as at 03/31/2019.

Name of the entity:	DataWalk Inc.
Country of residence:	United States of America
Legal form:	Incorporated
Register adress:	1209 Orange Street, Wilmington, Delaware 19801
Address for correspondence:	303 Twin Dolphin Drive, Suite 600, #62044, Redwood City, CA 94065
TIN	81-3403469
Core business:	Activities related to consultancy in the field of computer science
Relation:	Subsidiary
Consolidation method:	Full
Share in the share capital:	100,00%
Share in the total number of votes at the AGM:	100,00%
E-mail:	info@datawalk.com
www:	www.datawalk.com
Date of taking control:	27 lipca 2016 r.
Value of shares:	597,1 thous. PLN
Revaluation adjustments:	-
Unit balance sheet value of shares	597,1 thous. PLN

Source: Issuer.

DataWalk Inc. is a company incorporated under US law with a registered office in Wilmington, Delaware, where the Issuer holds 100,00% share in the share capital and votes at the shareholders' meeting.

On July 27, 2016, DataWalk S.A. took 100 shares in the company for a total price of 5 000,00 USD becoming its sole shareholder. Furthermore, in order to provide the company with funds to achieve the Group's objectives on the US IT market, the Issuer has contributed to the capital of DataWalk Inc. - in October 2016, the amount of 100 000,00 USD and in February 2018 in the amount of 50 000,00 USD.

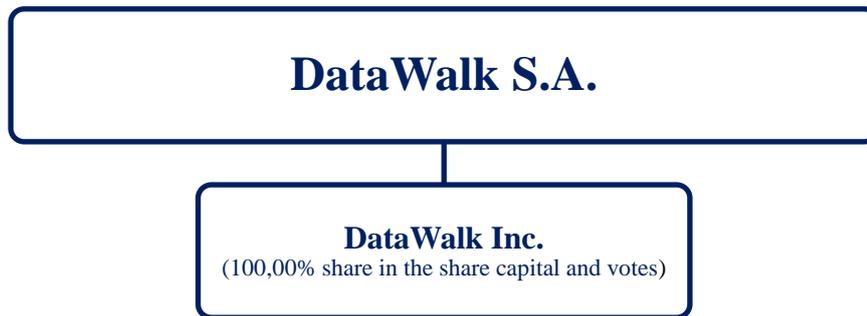
The role of DataWalk Inc. the Group relies on:

- obtaining information necessary for the commercialization of DataWalk software on the markets of countries with the highest level of computerization, with a focus on the US market (marketing activities),
- conducting sales and implementation activities related to the DataWalk platform in the United States and other countries of the North and South America.

DataWalk Inc. has been established for an indefinite period of time.

## Overview of the DataWalk Capital Group

DataWalk organizational structure of the Group as of 31 March 2019 year and in the comparative period:



Source: Issuer.

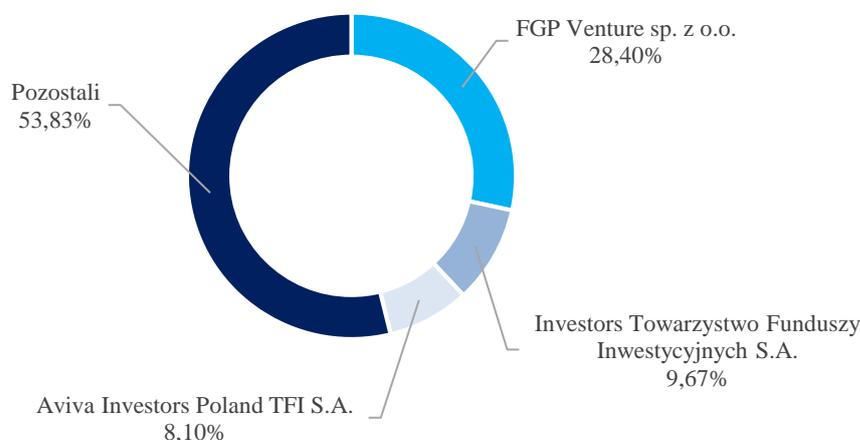
DataWalk Inc. is consolidated by DataWalk S.A. as part of the consolidated financial statements.

## Description of changes in the Group's organization structure

In the first quarter of 2019 and as at the date of this report, there were no changes regarding the structure of the Capital Group.

## THE SHAREHOLDING STRUCTURE OF THE DATAWALK S.A.

Shareholder structure as at 30 May 2019 (share in share capital)



Source: Issuer.

Shareholding structure as at 30 May 2019 year:

Shareholder	Number of shares held	Number of votes at the AGM	Share in the share capital	Share in the total number of votes at the AGM
FGP Venture sp. z o.o.* <sup>1</sup>	1 175 000	1 900 000	28,40%	39,07%
Investors Towarzystwo Funduszy Inwestycyjnych S.A. <sup>2</sup>	400 000	400 000	9,67%	8,23%
Aviva Investors Poland TFI S.A. <sup>3</sup>	335 290	335 290	8,10%	6,89%
Other shareholders	2 227 758	2 227 758	53,83%	45,81%
<b>Total</b>	<b>4 138 048</b>	<b>4 863 048</b>	<b>100,00%</b>	<b>100,00%</b>

Source: Issuer.

\* Mr. Paweł Wieczyński holds 198 000 shares of FGP Venture Sp. z o.o., which constitutes 33.33% of share in the share capital and votes at the shareholders' meeting of FGP Venture Sp. z o.o.

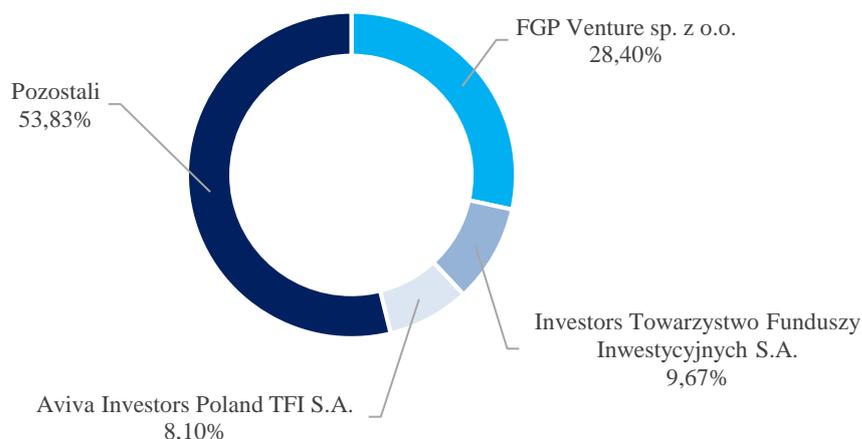
Mr. Krystian Piećko holds 198 000 shares of FGP Venture Sp. z o.o., which constitutes 33.33% of share in the share capital and votes at the shareholders' meeting of FGP Venture Sp. z o.o.

Mr. Sergiusz Borysławski holds 198 000 shares of FGP Venture Sp. z o.o., which constitutes 33.33% of share in the share capital and votes at the shareholders' meeting of FGP Venture Sp. z o.o.

<sup>1</sup> According to the current report No. 11/2019 dated March 7, 2019.

<sup>2</sup> With subsidiaries. According to the current report No. 16/2015 of 16 September 2015.

<sup>3</sup> According to the current report no 1/2018 dated January 2, 2018.

**Shareholder structure as at April 30, 2019 (share in share capital)**


Source: Issuer.

**Shareholding structure as at 30 April 2019 year:**

Shareholder	Number of shares held	Number of votes at the AGM	Share in the share capital	Share in the total number of votes at the AGM
FGP Venture sp. z o.o.* <sup>4</sup>	1 175 000	1 900 000	28,40%	39,07%
Investors Towarzystwo Funduszy Inwestycyjnych S.A. <sup>5</sup>	400 000	400 000	9,67%	8,23%
Aviva Investors Poland TFI S.A. <sup>6</sup>	335 290	335 290	8,10%	6,89%
Other shareholders	2 227 758	2 227 758	53,83%	45,81%
<b>Total</b>	<b>4 138 048</b>	<b>4 863 048</b>	<b>100,00%</b>	<b>100,00%</b>

Source: Issuer.

\* Shareholder structure of FGP Venture Sp. z o.o. is presented in the description to the table "Structure of shareholders as of May 30, 2019" above.

<sup>4</sup> According to the current report No. 11/2019 dated March 7, 2019.

<sup>5</sup> With subsidiaries. According to the current report No. 16/2015 of 16 September 2015.

<sup>6</sup> According to the current report no 1/2018 dated January 2, 2018.

## STRUCTURE OF SHAREHOLDINGS IN DATAWALK S.A. OR RIGHTS ATTACHED TO SHARES, HELD BY MEMBERS OF THE ISSUER'S EXECUTIVE AND SUPERVISORY BOARDS

The shareholdings in DataWalk S.A., owned by key management and supervisory officers as at the date of submission of the report for Q1 2019.

Shareholder	Position	Number of shares held
Paweł Wiecznyński*	President of the Executive Board	55 000
Krzysztof Piećko*	Member of the Executive Board	55 000
Sergiusz Borysławski*	Member of the Executive Board	55 000
Roman Pudelko	Member of the Supervisory Board	15 003
Paweł Sobkiewicz	Chairman of the Supervisory Board	880
Wojciech Dyszy	Vice-chairman of the Supervisory Board	1 000
Rafał Wasilewski	Member of the Supervisory Board	20 000

Source: Issuer.

\* Members of the Executive Board of the Company are also shareholders and members of the executive board of FGP Venture Sp. z o.o., whose share in the Issuer's shareholding structure has been presented in the section "Shareholding structure as at 30 May 2019".

In the period from the submission of the previous periodic report to the date of publication of this report, the status of the shareholdings in DataWalk S.A. owned by key management and supervisory officers has not changed.

## INFORMATION ON THE ACTIVITY OF THE ISSUER IN THE PERIOD COVERED BY THE REPORT IN THE AREA OF DEVELOPMENT OF ITS OPERATIONS

The actions taken by the DataWalk Group include:

- Presentations and pilot-test implementations,
- Participation in fairs and conferences as well as sales and marketing activities,
- Acquiring specialized domain knowledge in the field of optimal product application and developing system functionality in the areas of broadly understood public security and fraud detection,
- Continuation of works aimed at protecting intellectual property rights - patent proceedings with the USPTO,
- Implementation of the IPO process, under which the Group obtained funds for the development of operations and transferred the DataWalk S.A. shares to the Main Market of the Warsaw Stock Exchange.

## **FACTORS LIKELY TO AFFECT, IN THE OPINION OF DATAWALK S.A., THE RESULTS GENERATED BY THE CAPITAL GROUP IN THE NEXT QUARTER AND THEREAFTER**

In the opinion of the Executive Board, the most important external and internal factors that may affect the operations of the DataWalk Capital Group and the results achieved by it in 2019 include:

### *Elements and external trends that may affect the Group's perspectives*

- The growing importance of data processing and analysis and their use (Big Data),
- The situation on the insurance market in Poland,
- Increase in the scale and quality of activities aimed at counteracting and detecting fraud,
- Automation of data collection analysis processes,
- Increasing the user-friendliness of tools for analyzing data sets,
- Pressure on the increase in remuneration in the IT market,
- The situation on the capital market in Poland in the context of obtaining financing.

### *Elements and internal trends that may affect the Group's perspectives*

- The perspective of total revenues and expenses generated,
- The level of planned expenditures on marketing and sales activities,
- Costs related to staff recruitment and purchase of IT services,
- The level of planned investments,
- Development of sales teams in connection with conducted trade activities.

## **OTHER INFORMATION RELEVANT FOR ASSESSING THE HR, PROPERTY AND FINANCIAL STANDING AND THE FINANCIAL RESULT OF THE DATAWALK CAPITAL GROUP**

There are no known information other than those mentioned above, disclosure of which could significantly affect the assessment of the Group's personnel, property and financial situation.

## **NON-TYPICAL EVENTS INFLUENCING THE GROUP'S FINANCIAL RESULTS**

In the reported year, there were no significant irregular events which could influence the results.



**DATAWALK S.A.**

**CONDENSED INTERIM SEPARATE  
FINANCIAL STATEMENT**

**FOR THE 1st QUARTER OF 2019**

## Separate Condensed Interim Statement of Financial Position (in thousands of PLN)

ASSETS		03/31/2019	12/31/2018
<b>A.</b>	<b>Non-current assets</b>	<b>5 166,5</b>	<b>4 694,7</b>
	I. Fixed assets	70,8	118,8
	II. Intangible assets	4 286,5	3 814,9
	III. Right-of-use assets	36,3	0,0
	IV. Long-term financial assets	597,1	585,1
	V. Long-term receivables	172,9	172,9
	VI. Deferred tax assets	2,9	2,9
	VII. Long-term prepayments	0,0	0,0
<b>B.</b>	<b>Current assets</b>	<b>10 641,1</b>	<b>4 659,3</b>
	I. Inventory	0,0	0,0
	II. Trade receivables	893,7	1 881,8
	III. Receivables from income tax	0,0	0,0
	IV. Other receivables	655,0	555,5
	V. Financial assets	4 803,3	0,0
	VI. Prepayments	109,2	467,5
	VII. Cash and cash equivalents	4 179,8	1 754,6
<b>TOTAL ASSETS</b>		<b>15 807,6</b>	<b>9 354,1</b>

EQUITY AND LIABILITIES		03/31/2019	12/31/2018
<b>A.</b>	<b>Equity</b>	<b>14 120,9</b>	<b>7 821,5</b>
	I. Share capital	413,8	368,1
	II. Other capitals	63 792,2	54 783,2
	III. Profit (loss) from previous years	-50 132,3	-36 359,3
	IV. Net profit (loss) for the current period	-3 456,0	-13 773,1
	V. Reserve capital	3 503,3	2 802,6
<b>B.</b>	<b>Long-term liabilities</b>	<b>2,9</b>	<b>10,9</b>
	I. Other provisions	0,0	0,0
	II. Deferred tax liabilities	2,9	2,9
	III. Other long-term liabilities	0,0	8,0
<b>C.</b>	<b>Short-term liabilities</b>	<b>1 683,7</b>	<b>1 521,6</b>
	I. Trade liabilities	1 001,2	841,4
	II. Income tax liabilities	0,0	0,0
	III. Other liabilities	315,7	333,4
	IV. Other provisions	148,1	124,5
	V. Prepayments	218,7	222,4
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15 807,6</b>	<b>9 354,1</b>

<b>NET ASSET VALUE PER SHARE</b>	<b>03/31/2019</b>	<b>12/31/2018</b>
Net asset value	14 120,9	7 821,5
Number of shares	4 138 048	3 680 500
Net asset value per share	3,41	2,13
Diluted number of shares	4 318 048	3 860 500
Diluted net asset value per share	3,27	2,03

The net profit (loss) per share / per share was calculated in relation to the weighted average number of shares of the Company for a given period. The number was 4 138 048 shares as at 31/03/2019, and in turn as at 31/03/2018 the number of shares was equal to 3 680 500 of each. Diluted number of shares includes shares offered (180 000 items) as part of the incentive program.

## Separate Condensed Interim Profit and Loss Account with The Statement of Comprehensive Income (in thousands of PLN)

PROFIT AND LOSS ACCOUNT		01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>A.</b>	<b>Revenues</b>	<b>180,1</b>	<b>336,1</b>
<b>B.</b>	<b>Operating costs</b>	<b>2 971,9</b>	<b>3 531,1</b>
	Materials and energy	17,1	23,5
	Employee benefits	657,2	619,5
	Amortisation and depreciation	81,7	44,4
	External services	2 153,6	2 199,7
	Costs of producing benefits for own needs	0,0	0,0
	Other costs	62,3	643,9
<b>C.</b>	<b>Profit/Loss on sales</b>	<b>-2 791,8</b>	<b>-3 195,0</b>
	Other operating incomes	70,3	16,2
	Other operating costs	759,9	716,8
<b>D.</b>	<b>Operating profit (loss)</b>	<b>-3 481,3</b>	<b>-3 895,6</b>
	Financial incomes	27,7	101,5
	Financial costs	2,3	33,6
<b>E.</b>	<b>Pre-tax profit (loss)</b>	<b>-3 456,0</b>	<b>-3 827,7</b>
	Income tax	0,0	0,0
	current	0,0	0,0
	deferred	0,0	0,0
<b>F.</b>	<b>Net profit (loss)</b>	<b>-3 456,0</b>	<b>-3 827,7</b>

STATEMENT OF COMPREHENSIVE INCOME	01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>Net profit (loss)</b>	<b>-3 456,0</b>	<b>-3 827,7</b>
<b>Other comprehensive income</b>	<b>0,0</b>	<b>0,0</b>
3. <i>Other comprehensive income, which in the future will be able to be reclassified to the result</i>	0,0	0,0
4. <i>Other comprehensive income, which will not be able in the future be reclassified to the result</i>	0,0	0,0
<b>Total comprehensive income</b>	<b>-3 456,0</b>	<b>-3 827,7</b>

PROFIT (LOSS) PER SHARE ATTRIBUTABLE TO:	01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
Number of shares (pcs.)	4 138 048	3 680 500
Profit (loss) per share	-0,84	-1,04
Diluted number of shares (pcs.)	4 318 048	3 860 500
Diluted profit (loss) per share	-0,80	-0,99

The net profit (loss) per share / per share was calculated in relation to the weighted average number of shares of the Company for a given period. The number was 4 138 048 shares as at 31/03/2019, and in turn as at 31/03/2018 the number of shares was equal to 3 680 500 of each. Diluted number of shares includes shares offered (180 000 items) as part of the incentive program.

## Separate Condensed Interim Statement of Changes in Equity (in thousands of PLN)

STATEMENT OF CHANGES IN EQUITY	Share capital	Other capitals	Reserve capital	Profit (loss) from previous years	Net profit (loss) for the current period	Total equity
<b>Balance as at 01/01/2019</b>	<b>368,1</b>	<b>54 783,2</b>	<b>2 802,6</b>	<b>-36 359,3</b>	<b>-13 773,1</b>	<b>7 821,5</b>
<i>Change in accounting policy</i>	0,0	0,0	0,0	0,0	0,0	0,0
<b>Balance as at 01/01/2019 adjusted</b>	<b>368,1</b>	<b>54 783,2</b>	<b>2 802,6</b>	<b>-36 359,3</b>	<b>-13 773,1</b>	<b>7 821,5</b>
Net profit (loss)	0,0	0,0	0,0	0,0	-3 456,0	-3 456,0
Share capital increase	45,8	9 009,0	0,0	0,0	0,0	9 054,7
Distribution of profit (loss) for 2018	0,0	0,0	0,0	-13 773,1	13 773,1	0,0
Changes in equity resulting from IFRS 2	0,0	0,0	700,7	0,0	0,0	700,7
<b>Balance as at 03/31/2019</b>	<b>413,8</b>	<b>63 792,2</b>	<b>3 503,3</b>	<b>-50 132,3</b>	<b>-3 456,0</b>	<b>14 120,9</b>

STATEMENT OF CHANGES IN EQUITY	Share capital	Other capitals	Reserve capital	Profit (loss) from previous years	Net profit (loss) for the current period	Total equity
<b>Balance as at 01/01/2018</b>	<b>368,1</b>	<b>54 783,2</b>	<b>0,0</b>	<b>-17 107,1</b>	<b>-19 252,1</b>	<b>18 792,0</b>
<i>Change in accounting policy</i>	0,0	0,0	0,0	0,0	0,0	0,0
<b>Balance as at 01/01/2018 adjusted</b>	<b>368,1</b>	<b>54 783,2</b>	<b>0,0</b>	<b>-17 107,1</b>	<b>-19 252,1</b>	<b>18 792,0</b>
Net profit (loss)	0,0	0,0	0,0	0,0	-3 827,7	-3 827,7
Share capital increase	0,0	0,0	0,0	0,0	0,0	0,0
Distribution of profit (loss) for 2017	0,0	0,0	0,0	-19 252,1	19 252,1	0,0
Changes in equity resulting from IFRS 2	0,0	0,0	700,7	0,0	0,0	700,7
<b>Balance as at 03/31/2018</b>	<b>368,1</b>	<b>54 783,2</b>	<b>700,7</b>	<b>-36 359,3</b>	<b>-3 827,7</b>	<b>15 664,9</b>

## Separate Condensed Interim Cash Flow Statement (in thousands of PLN)

CASH FLOW STATEMENT	01/01/2019 – 03/31/2019	01/01/2018 – 03/31/2018
<b>Net cash flows from operating activities</b>		
Net profit (loss)	-3 456,0	-3 827,7
Total adjustments, including:	757,0	585,5
- amortisation and depreciation	81,7	44,4
- foreign exchange gains (losses)	-12,9	-54,9
- interest and dividends	-12,4	-9,8
- profit (loss) on investing activities	0,0	-94,8
- income tax of current period	0,0	0,0
- other	700,7	700,7
- income tax paid	0,0	0,0
<b>Net cash flow from operating activities before the change in working capital</b>	<b>-2 698,9</b>	<b>-3 242,2</b>
Change in working capital, including:	397,6	52,1
- change in receivables	888,5	-365,1
- change in inventories	0,0	591,9
- change in liabilities due to employee benefits	31,1	0,0
- change in provisions	23,7	26,9
- change in short-term liabilities	111,0	-201,3
- change in other assets	358,3	0,6
- change in deferred income	-3,7	-0,8
- other adjustments (capital increase)	-1 011,3	0,0
<b>Net cash generated (used) in operating activities</b>	<b>-2 301,4</b>	<b>-3 190,1</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant, equipment and intangible assets	0,0	0,0
Proceeds from sale of shares in related entities	0,0	0,0
Proceeds from sale of shares in other entities	0,0	0,0
Proceeds from sale of short-term securities	0,0	1 500,0
Purchases of property, plant and equipment and intangible assets	-541,6	-156,3
Expenditure on assets related to exploration and evaluation of mineral resources	0,0	0,0
Expenses for purchase of shares in related entities	0,0	-164,0
Expenses for purchase of shares in other entities	0,0	0,0
Expenses for purchase of short-term securities	0,0	0,0
Granted loans and borrowings	0,0	0,0
Paid loans and borrowings	0,0	0,0
Proceeds from derivative financial instruments	0,0	0,0
Expenses related to derivative financial instruments	0,0	0,0
Interest	14,0	10,8
Proceeds from financial leasing	0,0	0,0
Dividends received	0,0	0,0
Establishment of bank deposits with maturities over of 3 months	-4 803,3	0,0
<b>Net cash generated (used) in investing activities</b>	<b>-5 330,9</b>	<b>1 190,5</b>

<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	10 066,1	0,0
Proceeds from loans and borrowings received	0,0	0,0
Proceeds from the issue of bonds	0,0	0,0
Repayments of bank loans and borrowings	0,0	0,0
Redemption of bonds	0,0	0,0
Payments of liabilities under finance lease agreements	-8,0	-8,2
Proceeds from derivative financial instruments	0,0	0,0
Expenses related to derivative financial instruments	0,0	0,0
Dividends paid	0,0	0,0
Interest paid	-1,6	-1,0
Other	0,0	0,0
<b>Net cash (used) in financing activities</b>	<b>10 056,5</b>	<b>-9,2</b>
<b>Total net cash flows</b>	<b>2 424,2</b>	<b>-2 008,8</b>
Change in cash due to foreign currency translation	12,9	54,9
<b>Opening balance of cash</b>	<b>1 754,5</b>	<b>4 829,0</b>
<b>Closing balance of cash</b>	<b>4 178,7</b>	<b>2 820,2</b>

.....  
Paweł Wiczyński  
*Chairman of the Board*

.....  
Krystian Piećko  
*Member of the Board*

.....  
Sergiusz Boryśławski  
*Member of the Board*

Wrocław, May 30, 2019



**DataWalk S.A.**

ul. Rzeznicza 32-33

50-130 Wrocław

tel.: +48 71 707 21 74

fax: +48 71 707 22 73

e-mail: [biuro@datawalk.com](mailto:biuro@datawalk.com)

**Contact for investors:**

Sergiusz Borysławski

*Member of the Board*

[inwestorzy@datawalk.com](mailto:inwestorzy@datawalk.com)

