

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

745/2023/AR

November 28, 2023

| Company | LT fundamental recommendation | 12M EFV (PLN) | ST market-relative bias | Analyst |
|---------------------------|-------------------------------|---------------|-------------------------|-------------------|
| Cloud Technologies | Hold | 88.0 | Neutral | Tomasz Rodak, CFA |

Event: 3Q23 financial results review.

Yesterday, after the market close, Cloud Technologies released 3Q23 financial results.

3Q23 EBITDA reached PLN 6.1 million vs PLN 6.2 million expected by DM BOŚ. The Group's sales at PLN 13.4 million (up 9% yoy) turned to be 3% higher than we expected, mainly due to the segment Other activity that generated higher revenues while the revenues of the key segment Data sales at PLN 9.9 million were in line with our forecast.

3Q23 OPEX at PLN 11.6 million were 6% higher than we expected and included PLN 3.8 million of costs of media and data purchase which exceeded our forecast at PLN 3.1 million by 19%, albeit this difference was balanced with the slightly higher than we expected revenues. In the segment of Data sales the margin at 64% was lower than we expected (68%).

Consolidated 3Q23 EBIT and EBITDA at PLN 2.9 million (down 9% yoy) and PLN 6.1 million (up 11% yoy), respectively, were in line with our forecasts. The effective tax rate was lower than we expected and ultimately 3Q23 NI reached PLN 3.2 million beating our expectations by 7%. OCF in 3Q23 arrived at PLN 6.1 million (up 165% yoy).

Cloud Technologies; 3Q23 financial results vs expectations

| IFRS consolidated (PLN million) | 3Q23E | | Results vs forecasts (DM BOŚ SA) | 2Q23 | | 3Q22 | qoq chg | yoy chg |
|------------------------------------|------------|-------------|-------------------------------------|-------------|------------|------|-------------|-------------|
| | 3Q23E | (DM BOŚ) | | 2Q23 | 3Q22 | | | |
| Revenues, including: | 13,4 | 12,9 | → | 14,5 | 12,3 | | -8% | 9% |
| Data sales | 9,9 | 10,2 | → | 11,8 | 9,8 | | -16% | 2% |
| Other activity | 3,4 | 2,7 | ↑ | 2,7 | 2,5 | | 28% | 36% |
| OPEX, including: | 11,6 | 11,0 | → | 11,7 | 10,1 | | -1% | 15% |
| Cost of media and data purchase | 3,8 | 3,1 | ↑ | 3,5 | 3,2 | | 7% | 19% |
| Other costs | 7,8 | 7,9 | → | 8,2 | 7,0 | | -4% | 13% |
| EBITDA | 5,5 | 5,6 | → | 6,6 | 4,9 | | -17% | 12% |
| Adj EBITDA | 6,1 | 6,2 | → | 7,2 | 5,5 | | -15% | 11% |
| EBIT | 2,3 | 2,4 | → | 3,4 | 2,6 | | -31% | -12% |
| Adj. EBIT | 2,9 | 3,0 | → | 3,9 | 3,2 | | -26% | -9% |
| NI | 3,2 | 3,0 | → | 1,4 | 4,5 | | 128% | -30% |
| Adj NI | 3,8 | 3,6 | → | 2,0 | 5,1 | | 90% | -26% |

* adjusted figures exclude the impact of the incentive program costs (c. PLN 0.6 million per quarter)
Source: Company, DM BOŚ

Expected impact: 3Q23 financial results are close to our expectations, hence we consider them neutral.

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.