



Digitalist Group Plc

Inside information

27.8.2021 at 14:30

Digitalist Group divests its share in Ticknovate Limited

Digitalist UK Limited ("Company") belonging to Digitalist Group has signed today a share purchase agreement ("Share transaction") to divest its subsidiary Ticknovate Limited ("Ticknovate"). The Company owns 65% of Ticknovate's shares. The Share transaction will be completed by selling all Ticknovate's shares in Company's possession to Turret Oy Ab (Turret). Turret is Digitalist Group Plc's largest shareholder.

Sales price is 2,6 million eur and its paid in cash. The Share transaction is estimated to be closed on 31.8.2021. The parties have agreed about possible additional sales price, which is estimated to be 0 - 0,4 million eur depending on the development of the value of Ticknovate by 31.12.2023.

Information of Ticknovate

Ticknovate's turnover January - July 2021 was 0,3 million eur and EBITDA -0,3 million eur. Ticknovate's equity was 2,4 million eur, balance sheet total 2,5 million eur and the amount of personnel was five on 31.7.2021.

Ticknovate's business is to provide an intelligent, comprehensive cloud-based ticketing and booking software to tourism and travel businesses. The business was transferred by a transfer of assets in July 2020 to subsidiary Ticknovate the Company established in England. In connection with the arrangement ABC Leisure Investments Ltd. became a minority shareholder with holding of 35% of the shares of Ticknovate.

Estimated effects on Digitalist Group's performance

Digitalist Group will book in other operating income a capital gain of about 1,2 million eur of the Share transaction. The Share transaction will not have a material effect on the group's turnover, but it supports the group's equity. With the arrangement, Digitalist Group increases its financial flexibility and the focus on its core business. Following the Share transaction, Ticknovate and Digitalist Group will continue cooperation under market terms.

Digitalist Group estimates that the Share transaction will not affect its 17.8.2021 updated guidance for 2021: "In 2021, turnover is expected to decrease in comparison to 2020 and EBITDA is expected be approximately at the same level as compared to 2020."

Decision making in related party transactions

Digitalist Group's largest current shareholder is Turret, who represents 46,9% of the outstanding shares and voting rights of Digitalist Group. Board members Esa Matikainen, Johan Almquist, Maria Olofsson and Andreas Rosenlew, who are independent of Turret, have participated in the evaluation of Share transaction.

Independent board members have asked an external impartial assessor for a valuation of Ticknovate. According to the valuation the sales price can be considered fair.

According to company law legislation relating to related party transactions Digitalist Group's board members Paul Ehrnrooth and Peter Eriksson have not participated in the decision making of Share transaction.

DIGITALIST GROUP Plc

Board of Directors

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