

**Digitalist Group Plc's Business Review, 1 January – 31 March 2021****January–March 2021 (comparable figures for 2020 in parentheses):**

- Turnover: EUR 4,8 million (EUR 6,5 million), decrease: -26,3%.
- EBITDA: EUR -0,7 million (EUR -0,7 million), -14,3% of turnover (-10,7%).
- EBIT: EUR -1,2 million (EUR -1,5 million), -26,0% of turnover (-22,8%).
- Net income: EUR -0,7 million (EUR -2,1 million), -13,6% of turnover (-32,9%).
- Earnings per share (diluted and undiluted): EUR -0,00 (EUR -0,00).
- Number of employees at the end of the review period: 181 (235), reduction of -23,0%

**CEO's review**

Digitalist Group combines brand, design and technology expertise in a unique way. We aim to help our customers to provide their target groups with first-class customer experiences.

At the end of March, the company had a total of 181 employees (a decrease of 23.0%) of more than 30 different nationalities. This is a good illustration of our company's diversity, a characteristic which provides our customers with added value. In the first quarter, Digitalist Group's studios in Helsinki, Stockholm, London and Vancouver continued to do most of their work remotely, in line with the COVID-19 safety regulations.

Digitalist Group's largest clients include Finning, Honda, Volvo, Spotify, Posti, Electrolux, TetraPak and Fennia. In the first quarter, Digitalist Group agreed on new assignments with customers including Svensk Fastighetsförmedling and it worked with Tapaus to implement a Virtual Showroom concept for SAKO, which is celebrating 100 years in business. Turnover outside Finland accounted for a significant proportion of the total in the review period at 77.8% (76.5%)

In 2020, Digitalist Group began taking measures to improve profitability, and these measures will continue in 2021. Our cost structure is now significantly lighter than in the comparison period. In the second quarter of the financial year, we will continue to place a special focus on enhancing our operating models and structures with the aim of profitable growth.

I believe that comprehensively improving the customer experience is an increasingly important priority for our customers. In particular, almost every company has its sights on a digital customer experience that is coordinated with the company's brand and exceeds customers' expectations, and Digitalist Group is in a unique position to design and deliver such solutions.

/CEO Petteri Poutiainen

**FUTURE PROSPECTS**

In 2021, turnover and EBITDA is expected to improve in comparison with 2020.

**OTHER EVENTS DURING THE FIRST QUARTER**

The stock exchange releases for the review period are on the company's website at [www.digitalist.global/investors/releases](http://www.digitalist.global/investors/releases).

On 25 January 2021, the Board of Directors of Digitalist Group Plc decided to issue option rights on the basis of an authorisation granted by the Annual General Meeting held on 14 April 2020. The option rights will be distributed gratuitously as determined by the Board of Directors to key persons employed or recruited by a company belonging in Digitalist Group Plc's group for the purpose of improving their commitment and motivation. The maximum amount of option rights issued is 60,000,000, and they entitle their holders to subscribe for altogether a maximum of 60,000,000 of new Company shares.

The Company's Board of Directors has found option rights within option plan 2019 to have expired insofar as they have not been distributed. Of the options within the Company's option plan 2019, altogether 3.580.000 series 2019A1 and 2019A2 option rights have been distributed, on the basis of which it is possible to subscribe for a maximum of 3.580.000 new Company shares under the terms and conditions of the option plan.

The full terms of the option scheme are available on the company's website at <https://investor.digitalistgroup.com/fi/investor/shares/option-schemes>.

On 30 March 2021, Digitalist Group Plc's Company's Board of Directors resolved under the authorisation granted by the Company's Annual General Meeting of 14 April 2020 to, in deviation from the pre-emptive right of the Company's shareholders, directed convertible bonds to Turret Oy Ab ("Convertible Bond 2021/1") and Holdix Oy Ab ("Convertible Bond 2021/2") and the attached special rights as referred to in Chapter 10 Section 1(2) of the Limited Liability Companies Act for subscription by Turret Oy Ab and Holdix Oy Ab in accordance with the terms of the agreement concerning the loans..

Under the Terms, Convertible Bond 2021/1 and Convertible Bond 2021/2 totalling to 1.0 MEUR can be converted into a maximum total of 33,333,332 new Digitalist Group shares. The Terms concerning them are available on the company's website at <https://investor.digitalistgroup.com/fi/investor/releases>

**EVENTS SINCE THE REVIEW PERIOD**

The company held its Annual General Meeting on 20 April 2021. The minutes of the Annual General Meeting and the decisions made are available on the company's website at: <https://investor.digitalistgroup.com/fi/investor/releases>

The Annual General Meeting elected Paul Ehrnrooth, Andreas Rosenlew, Esa Matikainen, Peter Eriksson, Maria Olofsson and Johan Almquist as ordinary members of the Board. In its organizing meeting, the Board of Directors of Digitalist Group Plc resolved to elect Esa Matikainen as the chairman of the board of directors and Andreas Rosenlew as the vice chairman of the Board of Directors.



On 20 April 2021, Digitalist Group Plc's Annual General Meeting resolved to, in deviation from the pre-emptive right of the Company's shareholders, direct convertible bonds to Turret Oy Ab ("Convertible Bond 2021/3") and Holdix Oy Ab ("Convertible Bond 2021/4") and the attached special rights as referred to in Chapter 10 Section 1(2) of the Limited Liability Companies Act for subscription by Turret Oy Ab and Holdix Oy Ab in accordance with the terms of the agreement concerning the loans.

Turret has subscribed and paid for the Convertible Bond 2021/3 and the attached Special Rights in full in accordance with the Terms. Holdix has subscribed and paid for the Convertible Bond 2021/4 and the attached Special Rights in full in accordance with the Terms. These Convertible Bonds mature on June 30, 2024 and set off previous receivables of Turret and Holdix from the Company as identified in the Terms.

The Company's Board of Directors has accepted Turret's and Holdix's subscription.

The Terms concerning the convertible bonds are available on the company's website at: <https://investor.digitalistgroup.com/fi/investor/releases>

When the business review was published, the company expected its working capital to be sufficient to cover its requirements over the next 12 months.

DIGITALIST GROUP OYJ

Board of Directors

Additional information:

Digitalist Group Plc

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