

Digitalist Group Plc. Business Review 1 January – 31 March 2019**January - March 2019 (figures for 2018 in brackets):**

- Turnover EUR 7.6 million (EUR 5.3 million), growth of 44.2%.
- EBITDA EUR -0.4 million (EUR -2.1 million), -5.1% of turnover (-39.0%).*
- Operating result EUR -1.2 million (EUR -2.4 million), -16.2% of turnover (-45.8%). *
- Net result EUR -1.1 million (EUR -2.7 million), -14.4% of turnover (-51.7 %).
- Earnings per share (undiluted and diluted) EUR -0.00 (EUR -0.00).
- Number of employees at the end of the review period 270 (238), growth of 13.4%

*The effect of IFRS 16 to EBITDA was EUR 0.3 million and to Operating result EUR -0.1 million during the first quarter of 2019.

CEO Hans Parvikoski:

During the first quarter of 2019 our business continued to develop into positive direction. The growth of turnover was 44% compared to the same period last year. The growth was fuelled by the acquisition of Grow Holding AB. In the first quarter approximately 72% of turnover came from outside of Finland.

In alignment with our strategy, we intend to benefit from the expanding markets by developing better customer experiences and to grow to a preferred end-to-end partner in accordance with our vision "From Ideas to Life". We have decisively continued to combine branding, design and technology services in our customer projects and our ability to deliver globally from our different studios. The Company has three strong regions: FIN/UK, Sweden and North America, with significant key clients in all of them.

In the beginning of the year the Company opened up a new flagship studio in Stockholm in which we already have approximately one hundred experts working. At the end of the first quarter the Company had altogether 270 employees with over 30 nationalities in seven studios and five countries. This describes well the diversity of our Company which we also believe will bring added value to our clients.

The CEO of the Company changed during the first quarter as Ville Tolvanen resigned from the CEO position as of 15.3.2019 to be appointed as member of the Company's Board of Directors. Ville Tolvanen's strategic lead responsibilities are the promotion of digitalisation, growth strategies, partnerships, M&A and management consulting. I will take care of the CEO responsibilities on an interim basis and the Company's Board of Directors has started to search for a new CEO. On the

same occasion, the Company's Board of Directors decided to appoint Board member Peter Eriksson as interim Chief Operating Officer and member of the Company's management group to strengthen the operative leadership of the Company.

Both EBITDA and EBIT improved significantly in the first quarter compared to the same period last year while still remaining negative. However, the direction of the development continued to be positive.

In 2019 the target is to improve profitability, efficiency, continue growing and to unify Company's culture and operating model.

FINANCIAL SITUATION/GOODWILL

The Company estimates that its funding will be sufficient for the needs of the 12 following months. The Company has noted no indication of impairment related to goodwill.

FUTURE PROSPECTS

In 2019, turnover and operating result are expected to develop positively compared to 2018.

OTHER EVENTS DURING THE FIRST QUARTER

The Stock Exchange releases of the review period are available on the company website at <https://digitalist.global/investors/releases>.

EVENTS FOLLOWING THE REVIEW PERIOD

The company held its Annual General Meeting on 2 April 2019. The minutes of the Annual General Meeting and the decisions made are available on the Company website at www.digitalist.global/investors/releases.

The Annual General Meeting elected Paul Ehrnrooth, Andreas Rosenlew, Esa Matikainen, Pekka Pylkäs, Peter Eriksson, Jaana Rosendahl, Anders Liljeblad and Ville Tolvanen as ordinary member of the Board.

In their meeting held after the Annual General Meeting, the Board of Directors elected Andreas Rosenlew as the Chairman of the Board and Esa Matikainen as the Vice Chairman of the Board.

The meeting also decided on the members of the Board's Audit Committee and Remuneration Committee.

Pekka Pylkäs was elected as the Chairman and Anders Liljeblad and Esa Matikainen as members of the Audit Committee. Anders Liljeblad and Esa Matikainen are independent both of the company and of its major shareholders.

Esa Matikainen was elected as the Chairman of the Remuneration Committee and Jaana Rosendahl and Peter Eriksson as members. Esa Matikainen and Jaana Rosendahl are independent both of the company and of its major shareholders.

On 11 April 2019 Digitalist Group Plc initiated a rationalisation program within the group through cost-saving measures contemplated by the Company. The measures aim to lighten Digitalist Group's cost structure and enhance its profitability. On group level, the Company aims for annual cost savings of approximately EUR 1.5 to 2.3 million.

As part of the rationalisation measures, the Company's subsidiary Digitalist Finland Ltd initiated co-operation negotiations concerning the Company's employees in group leadership, sales, support functions, project management and supervisor roles. Besides cost savings, the planned reorganisation aims at streamlining the organisation. The co-operation negotiations are initially estimated to result in personnel reductions and changes in terms of employment. The planned changes are preliminarily estimated to lead to a reduction in the number of employees by a maximum of 9 persons.

DIGITALIST GROUP PLC

Board of Directors

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