

Strengthening Digital Group Plc's equity due to write-downs, conversion of convertible bonds 2021/3 and 2021/4 partly into capital loans

Digitalist Group Oyj

Inside Information

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In the course of preparing the financial statements for the fiscal year 2023, Digital Group Plc ("**Digital Group**" or the "**Company**") has identified the need for write-downs amounting to EUR 3.1 million related to the value of subsidiaries in the balance sheet. Due to the write-downs, the Company's equity will be less than half of the Company's share capital in the 2023 financial statements.

In order to strengthen the Company's equity, Digital Group has decided on 22 March 2024 to utilize the right provided by Turret Oy Ab ("**Turret**") and Holdix Oy Ab ("**Holdix**") to convert a total of 1,907,175.40+interest 334,513.29 euros of the principal and interest of the convertible bonds 2021/3 and 2021/4 subscribed by Turret and Holdix into a capital loan in accordance with Chapter 12 of the Limited Liability Companies Act, as presented below.

Conversion of convertible bond 2021/3

A total of 1,301,065.04 euros of the principal and interest of the convertible bond subscribed by Turret on 20 April 2021 will be converted into a capital loan. After the conversion, the essential main points of the terms of the convertible bond 2021/3 and the special rights attached thereto are as follows:

- The principal amount of the convertible bond is EUR 13,010,650.50 of which the principal amount of 11,059,052.84 euros plus the interest is a capital loan;
- A fixed annual interest of 6 per cent is paid on the principal of the convertible bond;
- The maximum total number of new Digitalist Group shares issued on the basis of the conversion right attached to the convertible bond is 433,688,340;
- The rate of conversion of the share (which means the subscription price per share as referred to in the Limited Liability Companies Act) is the trade volume weighted average price of the company's share in the Nasdaq Helsinki Stock Exchange during the period of six (6) months preceding the making of the Request to Convert defined in section 13 of the terms of the convertible bond, yet so that each bond can be converted into a maximum total of 21,684,417 new Digitalist Group Plc shares. The rate of conversion of a share will be revised in accordance with sections 15 and 16 of the terms of the convertible bond.
- The loan period is 20 April 2021 – 30 June 2024, and the loan with interest will be repaid in one instalment on 30 June 2024.

Conversion of convertible bond 2021/4

A total of 606,110.36 euros of the principal and interest of the convertible bond subscribed by Holdix on 20 April 2021 will be converted into a capital loan. After the conversion, the essential main points of the terms of the convertible bond 2021/4 and the special rights attached thereto are as follows:

- The principal amount of the convertible bond is EUR 6,061,103.57 of which the principal amount of 5,151,938.06 euros plus the interest is a capital loan;
- A fixed annual interest of 6 per cent is paid on the principal of the convertible bond;
- The maximum total number of new Digitalist Group shares issued on the basis of the conversion right attached to the convertible bond is 202,036,780;
- The rate of conversion of the share (which means the subscription price per share as referred to in the Limited Liability Companies Act) is the trade volume weighted average price of the company's share in the Nasdaq Helsinki Stock Exchange during the period of six (6) months preceding the making of the Request to Convert defined in section 13 of the terms of the convertible bond, yet so that each bond can be converted into a maximum total of 20,203,678 new Digitalist Group Plc shares. The rate of conversion of a share will be revised in accordance with sections 15 and 16 of the terms of the convertible bond.
- The loan period is 20 April 2021 – 30 June 2024, and the loan with interest will be repaid in one instalment on 30 June 2024.

Turret is the largest shareholder of Digitalist Group, and Holdix is the Company's second-largest shareholder.

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