



Digitalist Group Plc's Business Review, 1 January – 30 September 2024

SUMMARY

July–September 2024 (comparable figures for 2023 in parentheses):

- Turnover: EUR 3.6 million (EUR 3.6 million), decrease: -0.8%.
- EBITDA: EUR -0.2 million (EUR 0.4 million*), -5.0% of turnover (12.1%).
- EBIT: EUR -0.3 million (EUR 0.2 million*), -8.7% of turnover (6.6%).
- Net income: EUR -1.5 million (EUR -0.5 million*), -40.8% of turnover (-13.2%).
- Earnings per share: EUR -0.00 (EUR -0.00).
- Earnings per share (diluted): EUR -0.00 (EUR -0.00).

*) EBIT, EBITDA and net income of the comparison period were impacted by a booked gain of EUR 0.6 million from the FutureLab Share transaction.

January–September 2024 (comparable figures for 2023 in parentheses):

- Turnover: EUR 11.5 million (EUR 12.5 million), decrease: -8.4%.
- EBITDA: EUR -1.3 million (EUR -0.5 million*), -11.5% of turnover (-3.9%).
- EBIT: EUR -1.7 million (EUR -1.1 million*), -14.4% of turnover (-8.8%).
- Net income: EUR -4.0 million (EUR -2.5 million*), -35.0% of turnover (-19.7%).
- Earnings per share: EUR -0.01 (EUR -0.00).
- Earnings per share (diluted): EUR -0.00 (EUR -0.00).
- Number of employees at the end of the review period: 126 (138), decrease of -9%.

*) EBIT, EBITDA and net income of the period were impacted by a booked gain of EUR 0.6 million from the FutureLab Share transaction.

CEO's review

The third quarter of 2024 has been one step towards a profitable business for Digitalist Group. While no major events impacted this quarter, we are seeing slowly improving market conditions in Sweden. However, the weak Finnish economy continues to affect our business operations in the region.

Our revenues for the quarter remained consistent with the same period last year, totaling EUR 3.6 million. EBITDA for the third quarter of 2024 was EUR -0.2 million, compared to EUR 0.4 million in the same period last year, which included a EUR 0.6 million gain from the FutureLab Share transaction. This underscores the need for ongoing efforts in operational efficiency and cost management.

A significant highlight of the quarter was the launch of our first AI offering, Digitalist Private AI Hub, in September. This platform enables companies to leverage the strengths of generative AI without



compromising on data security and GDPR compliance. We believe this innovative solution positions us well to meet the growing demand for secure AI applications in the enterprise as well as in the public sector. The new offering has already brought us clients like Sandå and Pinmeto. Other new clients acquired during the third quarter are DNA, City of Tampere and Pricer.

Looking ahead, I remain cautiously optimistic. The improving market conditions in Sweden provide a foundation for growth, and we are committed to addressing the challenges in Finland through ongoing initiatives and continued focus on efficiency.

I extend my sincere gratitude to all our employees for their dedication and hard work. Together, we are advancing towards a stronger future for Digitalist Group.

/CEO Magnus Leijonborg

FUTURE PROSPECTS

In 2024, turnover and EBITDA are expected to decrease in comparison with 2023.

EVENTS AFTER THE THIRD QUARTER

Digitalist Group Plc decreases its earlier guidance regarding future prospects 17.10.2024

Digitalist Group Plc ("Company") decreases its earlier guidance regarding future prospects. The new guidance is:

In 2024, turnover and EBITDA are expected to decrease in comparison with 2023.

The previous guidance of the company was:

In 2024, it is expected that turnover will maintain its current level and EBITDA will improve in comparison with 2023.

Although the third quarter shows an improvement compared to the first quarters of the year, and we are cautiously optimistic regarding the fourth quarter, we do not expect to reach last year's reported EBITDA, which included other operating income of EUR 1.0 million. Operationally, not including the impact of other operating income, we expect that the current financial year will still be stronger than the previous year.

The stock exchange releases are on the company's website at <https://digitalist.global/investors/releases>

Despite the implemented efficiency measures and financial arrangements, the cash flow for the next 12 months is likely to be negative, according to the forecast. However, at the time of publishing the business review, the company estimates that its working capital is sufficient for the needs of the next 12 months, taking into account the financing support provided by the main owner if needed.



Digitalist Group Plc

Stock Exchange Release 25.10.2024 at 9:00

DIGITALIST GROUP OYJ

Board of Directors

Additional information:

Digitalist Group Plc

CEO Magnus Leijonborg, tel. +46 76 315 8422, magnus.leijonborg@digitalistgroup.com

Chairman of the Board Esa Matikainen, tel. +358 40 506 0080, esa.matikainen@digitalistgroup.com

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