



**CORRECTION: DIGITALIST GROUP'S FINANCIAL STATEMENT RELEASE, 1 JANUARY–31  
DECEMBER 2023  
(Not audited)**

Digitalist Group Plc hereby corrects its financial statement release for January-December 2023 published on 29 February 2024 at 9:00 a.m.

In the financial statement release, Digitalist Group Plc's ("Digitalist Group") EUR 16.9 million capital loans maturing on 30 June 2024 were presented as non-current liabilities. In the corrected release, the capital loans are presented as current liabilities. The change in the presentation does not affect the company's result.

In the financial statement release, the EUR 1.0 million interest on capital loans had not been recorded as an expense in accordance with the Finnish Limited Liability Companies Act. According to the IFRS, interest must be presented as an expense, and the interest has now been recorded as an expense at Group level. According to the FAS and the Finnish Limited Liability Companies Act, in the parent company, interest is not recorded as an expense. The correction caused changes to the previously published Group result (EUR -1.0 million). The correction does not affect the EBITDA or EBIT of the 2023 financial period.

In addition, Digitalist Group's main owner Turret Oy Ab ("Turret") has confirmed that it will waive its old trade receivables in its financial statements as of 31 December 2023, and Digitalist Group has correspondingly written down these accounts payable as of 31 December 2023. Furthermore, Turret has confirmed the amount of the additional purchase price of the Ticknovate Limited divestment announced on 27.8.2021, as of 31.12.2023. The corrections caused changes to the previously published Group result (EUR +0.3 million).

The full financial statement release with corrected information is attached to this release.

**DIGITALIST 2023****SUMMARY****October–December 2023 (comparable figures for 2022 in parentheses):**

- Turnover: EUR 4.2 million (EUR 4.2 million), change -2.0%.
- EBITDA: EUR -0.4 million (EUR -0.8 million), -9.1% of turnover (-18.8%).
- EBIT: EUR -0.6 million (EUR -1.0 million\*\*), -14.4% of turnover (-23.6%).
- Net income: EUR -1.6 million (EUR -1.5 million\*\*), -38.9% of turnover (-34.5%).
- Earnings per share EUR -0.00 (EUR -0.00).

**January–December 2023 (comparable figures for 2022 in parentheses):**

- Turnover: EUR 16.7 million (EUR 18.6 million), change -10.1%.
- EBITDA: EUR -0.9 million\* (EUR -2.8 million), -5.2% of turnover (-15.1%).
- EBIT: EUR -1.7 million\* (EUR -4.4 million\*\*), -10.2% of turnover (-23.7%).
- Net income: EUR -4.1 million\* (EUR -6.4 million\*\*), -24.5% of turnover (-34.7%).
- Earnings per share: EUR -0.01 (EUR -0.01).
- Earnings per share (diluted): EUR -0.00 (EUR -0.01).
- Cash flow from operations EUR -2.3 million (EUR -2.2 million).
- Number of employees at the end of the review period: 124 (150), decrease of 17.3%.

\*) EBIT, EBITDA and net income of the period were impacted by a booked gain of EUR 0.6 million from the FutureLab Share transaction. EUR 0.3 million is attributed to the write-down of Turret accounts payable and an additional purchase price related to the Ticknovate divestment.

\*\*) EBIT and net income of the comparison period were impacted by an impairment charge of EUR 0.2 million against the right-of-use assets concerning the subletting of Digitalist UK Ltd's rental premises.

**Future prospects**

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

**CEO's review**

2023 was a year of operational adjustments, acquisitions and divestments and a relentless pursuit of creating a profitable business amidst challenging market conditions.

This year has been a year of continued market uncertainties, with tightening conditions impacting our turnover by -2.0% in the last quarter compared to the previous year. However, our cost-saving initiatives are bearing fruit, reducing our operational cost structure by EUR 0.2 million in the fourth quarter and showing improvement in both EBITDA margin and absolute numbers.

Despite a decline in turnover to 16.7 MEUR in 2023 from 18.6 MEUR in the financial year 2022, our strategic decisions — such as the divestment of FutureLab & Partners AB and the acquisition of Open Communications International AB — coupled with a focus on our core businesses in the European markets, have set the stage for a more streamlined and healthy Digitalist Group. Despite the decline in turnover our EBITDA has improved from -2.8 MEUR in 2022 to -0.9 MEUR in 2023.

During the financial year, our acquisition of Walker & Handson Oy in February strengthened our design and digital transformation capabilities and laid a foundation for future growth opportunities in Finland. With the acquisition of Open Communications International AB in July, we widened our brand and communication strategy offering as well as added a number of international clients to our portfolio. In addition, the sale of



FutureLab & Partners AB and the downsizing of our operations in Canada align with our focus on core businesses and markets, enhanced our financial flexibility.

Our commitment to improving operational efficiency and profitability has been unwavering. Through further savings programs in our subsidiaries and the adaptation of our cost structure to current market outlooks, we have made significant strides in improving our financial health.

Innovations such as the launch of our new SaaS offering, Open Cloud, which is offering open source products as a service, exemplify our ongoing efforts to capitalize on the growing demand for open technology products and services. This, along with the steady growth of our LeanLab SaaS business, underscores our dedication to find new growth areas and reinforcing our market position.

Our focus on both the private and public sectors has continued to yield positive results. New framework agreements and long-term collaborations, such as those with City of Helsinki, EQT, and Business Sweden, have not only diversified our client base but also strengthened our foothold in critical sectors less affected by weaker market conditions.

While we've seen improvement in our profitability indicators and operational efficiencies, it's clear that our journey towards sustained profitability and growth requires ongoing effort and acceleration. As we move into 2024, Digitalist Group is leveraging the strengths of our diverse and talented team, optimizing our offerings, and capitalizing on new opportunities. Together, we will not only meet the challenges ahead but also seize the opportunities that lie within them, ensuring our long-term success and sustainability.

I extend my heartfelt gratitude to our employees, clients, and stakeholders for their support and dedication throughout 2023.

/CEO Magnus Leijonborg

## **SEGMENT REPORTING**

Digitalist Group reports its business in a single segment.

### **TURNOVER**

In the fourth quarter, the Group's turnover was EUR 4.2 million (EUR 4.2 million). Continuing general economic uncertainty was visible in the fourth quarter.

The Group's turnover for the period totalled EUR 16.7 million (EUR 18.6 million), which is 10.1% lower than in the previous year. The turnover for the whole year fell short of the targets. Inflation, increased interest rates and general economic uncertainty made customers more cautious about starting new projects.

The turnover earned outside Finland accounted for a major proportion of the total being 61% (74%) in the financial period. The proportion of revenue generated in Finland increased, driven by the acquisition of W&H and sales expansion in the Finnish subsidiaries. Conversely, the portion of revenue generated outside Finland declined due to the downsizing of business operations in Canada and the divestment of Future Lab. The depreciation of the Swedish krona against the euro had a negative impact on the turnover of ca. 4%.



## RESULT

In the fourth quarter, EBITDA was EUR -0.4 million (EUR -0.8 million), EBIT was EUR -0.6 million (EUR -1.0 million) and profit before taxes was EUR -1.6 million (EUR -1.4 million). EBITDA was positively affected by a reduction in operating expenses EUR -0.2 million.

Balance sheet currency changes had a positive impact on the financial items in the comparison period and a negative impact on the financial items in the fourth quarter. Higher interest rates also affected the net income. Net income for the final quarter amounted to EUR -1.6 million (EUR -1.5 million), earnings per share were EUR -0.00 (EUR -0.00), and cash flow from operating activities per share was EUR 0.00 (EUR -0.00).

EBITDA for the financial period amounted to EUR -0.9 million (EUR -2.8 million), EBIT was EUR -1.7 million (EUR -4.4 million) and profit before taxes was EUR -4.0 million (EUR -6.4 million). Operating expenses were EUR 3.9 million lower compared to the previous year, of which subcontractor expenses were EUR 1.1 million lower and personnel expenses EUR 1.4 million lower. The improvement in EBIT was influenced by the decrease of depreciations of balance sheet items capitalized at the acquisition by EUR 0.4 million. EBIT, EBITDA and net income of the period were impacted by a booked gain of EUR 0.6 million from the FutureLab Share transaction and EUR 0.3 million is attributed to the write-down of Turret accounts payable and an additional purchase price related to the Ticknovate divestment. EBIT and net income of the comparison period were impacted by an impairment charge of EUR 0.2 million against the right-of-use assets concerning the subletting of Digitalist UK Ltd's rental premises.

Net financial items amounted to EUR -2.3 million (EUR -2.0 million), mainly comprising external interest expenses related to loans from financial institutions and related parties. Financial items were improved by Business Finland's non-collection decision on a EUR 0.3 million part of the product development loan. Currency changes had a negative impact on financial items.

Net income for the financial period amounted to EUR -4.1 million (EUR -6.4 million), earnings per share totalled EUR -0.01 (EUR -0.01) and cash flow from operating activities per share was EUR -0.00 (EUR -0.00).

## RETURN ON EQUITY

The Group's shareholders' equity amounted to EUR -32.7 million (EUR -30.8 million). The Group's equity considering the capital loans was EUR -15.8 million (EUR -14,0 million). Return on equity (ROE) was negative. Return on investment (ROI) was -27.8% (-75.6%).

## INVESTMENTS

During the financial period, the subsidiary Digitalist Finland acquired Walker&Handson Oy. The acquisition consideration was EUR 0.9 million, of which EUR 0.6 million was recognized as an increase in goodwill.

During the financial period, acquired the Swedish Open Communications International AB. The acquisition consideration was EUR 0.9 million, of which EUR 0.5 million was recognized as an increase in goodwill.

## BALANCE SHEET AND FINANCING

The balance sheet total was EUR 11.4 million (EUR 12.2 million). The solvency ratio was -285.9% (-252.0%).

At the end of the period, the Group's liquid assets totalled EUR 0.9 million (EUR 0.9 million). In the beginning of 2023, the company agreed with the financing bank to increase the financing limit by 0.7 million euros. The minority shareholders of Digitalist Open Tech AB (ex Digitalist Sweden AB) paid EUR 1.4 million long-term

debt to Digitalist Group Oyj during the financial period. The sale of FutureLab supported the liquidity of EUR 1.2 million.

At the end of the financial period the Group's interest-bearing liabilities amounted to EUR 35.7 million (EUR 35.3 million). The Group's balance sheet recognised EUR 11.4 million (EUR 11.0 million) in loans from financial institutions, including the overdrafts in use. IFRS 16 leasing debts were EUR 1.0 million (EUR 1.3 million).

In addition, the company has loans from its main owners. The loans from related parties amount to EUR 23.4 million (EUR 23.1 million). EUR 16.9 million (EUR 16.8 million) related party loans were capital loans, EUR 5.8 million (EUR 5.8 million) were convertible bonds. EUR 5.8 million (EUR 0.0 million) of the convertible bonds were short term.

## CASH FLOW

The Group's cash flow from operating activities during the review period was EUR -2.3 million (EUR -2.2 million), a change of EUR 0.1 million. The development of the company's liquid assets was influenced by the improved profitability, repayment of loan receivables, increase in financing limit and the sale of FutureLab.

In order to reduce the rate of turnover of trade receivables, the Group sells part of its trade receivables from Finnish customers. Trade receivables worth EUR 3.2 million (EUR 3.1 million) were sold during the financial period. Change in working capital had a negative impact on the cash flow.

## GOODWILL

On 31 December 2023, the Group's balance sheet included goodwill of EUR 5.4 million (EUR 4.7 million). The increase in goodwill was impacted by the acquisition of Walker&Handson Oy and Open Communications International AB and the divestment of FutureLab AB. The company tested goodwill in accordance with IAS 36 on 30 June 2023 and 31 December 2023 and no need for an impairment charge was detected.

## PERSONNEL

The average number of employees in the last quarter was 131 (151). The average number of employees during the financial period was 137 (159), and the Group had 124 (150) employees at the end of the period. At the end of the financial period, 52 (60) of the Group's personnel were employed by the Finnish companies, and 72 (90) were employed in the Group's foreign companies.

## SHARES AND SHARE CAPITAL

### Share turnover and price

During the financial period, the company's share price hit a high of EUR 0.03 (EUR 0.04) and a low of EUR 0.01 (EUR 0.02), and the closing price on 31 December 2023 was EUR 0.02 (EUR 0.02). The average price in the financial period was EUR 0.02 (EUR 0.03). During the financial period 40,711,793 (72,922,485) shares were traded, corresponding to 6.0% (10.7%) of the number of shares in circulation at the end of the period. The Group's market capitalisation at the closing share price on 31 December 2023 was EUR 10,236,341 (EUR 12,966,032).

### Share capital

At the beginning of the period under review, the company's registered share capital was EUR 585,394.16, and there were 682,422,746 shares. At the end of the period, the share capital was EUR 585,394.16, and there

were 693,430,455 shares. The company has one class of shares. At the end of the reporting period, the company held a total of 7,664,943 treasury shares corresponding to 1.1% of the total shares.

### **Option plan 2019 and 2021**

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 1,302,000 new Company shares under the terms and conditions of the option plan. Other parts of the option plan 2019 have expired.

The option rights belonging to the company's option program 2021 are marked as series 2021A1, 2021A2, 2021B1, 2021B2 and 2021C1. A maximum of 60,000,000 stock options can be issued and they entitle to subscribe for a maximum of 60,000,000 new shares of the Company. A total of 38,450,000 options belonging to the 2021A1 and 2021A2 series have been distributed among the options included in the option program. 18,100,000 of the distributed options have expired, so based on the terms of the option program, it is possible to subscribe for a maximum of 20,350,000 new shares of the Company.

The theoretical market value of the options allocated by the end of the financial period is approximately EUR 0.8 million, which is recognised as an expense in accordance with IFRS 2 for the years 2021-2025. The expense recognition for 2023 is EUR 0.2 million. The expense recognition does not have cash flow impact.

Terms and conditions of option programs can be found at the Company's web site <https://digitalist.global>.

### **Shareholders**

The number of shareholders on 31 December 2023 was 5,578 (5,457). Private individuals owned 10.4% (10.1%) of the shares, and institutions held 79.5% (79.5%). Foreign nationals or entities held 10.0% (10.4%) of the shares. Nominee-registered shares accounted for 6.3% (3.4%) of the total.

## **AUTHORIZATIONS OF THE BOARD OF DIRECTORS**

### **Annual General Meeting 26 April 2023**

The company held its Annual General Meeting on 26 April 2023. The minutes of the Annual General Meeting and the decisions made are on the company's website at <https://digitalist.global/investors/hallinnointi/yhtiokokous>

### **Authorization of the Board of Directors to decide on share issues and on granting special rights entitling to shares**

The Annual General Meeting authorized the Board to decide on a paid share issue and the issuance of stock options and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Companies Act or a combination of all or some of the above in one or more tranches under the following conditions:

The total number of new shares to be issued under the authorization may not exceed 341,211,370 shares.

The Board of Directors was given the right to decide, within the limits of the above authorization, on all terms and conditions of the share issue and special rights entitling to shares, such as payment of the subscription price not only in cash but also by offsetting the receivable from the company.

The Board of Directors was entitled to decide on crediting the subscription price either to the company's share capital or, entirely or in part, to the invested unrestricted equity fund.



The share issue and the issuance of special rights entitling to shares may also take place in a directed manner deviating from the shareholder's pre-emptive right, if there is a compelling financial reason for this in accordance with the Companies Act. The authorization can then be used to finance acquisitions or other investments related to the company's business, as well as to maintain and increase the Group's solvency and to implement an incentive scheme.

The authorization is valid until the Annual General Meeting to be held in 2024, but not later than 30 June 2024. The Board used the authorization and directed a share issue of 11,007,709 shares on 4 July 2023.

#### **Authorisation of the Board of Directors to decide on the acquisition of own shares**

The Annual General Meeting authorized the Board to decide on the repurchase or pledge of a maximum of 68,242,000 of the company's own shares with the company's distributable funds. Acquisition can take place in one or more batches. The acquisition price of the shares is the highest price to be paid for the share in public trading at the time of acquisition. In carrying out the repurchase of own shares, ordinary derivative, share lending or other agreements may be entered into on the capital market within the framework of law and regulations. The authorization entitles the Board of Directors to decide on the repurchase other than in proportion to the shares held by the shareholders (directed repurchase).

The shares may be acquired for use in the implementation of acquisitions or other arrangements related to the company's business, to improve the company's financial structure or otherwise for further transfer or cancellation.

The authorization includes the right of the Board of Directors to decide on all other matters related to the acquisition of shares. The authorization is valid until the Annual General Meeting to be held in 2024, but not later than 30 June 2024. The authorization has not been used by the date of publication of the financial statement release.

#### **Amendment of the Articles of Association**

The Annual General meeting resolved to amend "Article 8 Notice of General Meeting" of the Articles of Association so that the meeting place is included in the title and the regulations concerning the meeting place and holding a remote meeting were added to the second paragraph.

#### **CHANGES IN THE GROUP STRUCTURE**

On 23 February 2023, Digitalist Group Oyj's subsidiary Digitalist Finland Oy acquired Walker&Handson Oy in a share exchange by directing new shares of Digitalist Finland Oy in a share issue directed at Walker&Handson Oy, an amount corresponding to approximately 10% of all shares of Digitalist Finland Oy after the share issue. With the transaction the owner of W&H Jussi Hermunen has been nominated as the Managing Director of Digitalist Finland Oy. W&H was merged with Digitalist Finland in December 2023.

On 19 June 2023, Digitalist Group Oyj agreed on a directed share issue with a subscription price of EUR 250,000 to the holding company owned by the Managing director of LeanLab Oy. The share issue resulted in the management having a 15% minority ownership in LeanLab Oy.

Digitalist Group acquired 70% of the shares in Open Communications International AB 4 July 2023 for a consideration consisting of SEK 2.5 million paid in cash, and by issuing 11,007,709 new Digitalist Group shares to be directed to David Gray through his holding company. In addition, Digitalist Group acquired the remaining 30% of the shares in OC with shares of its fully-owned subsidiary Grow AB transferred as



consideration to the sellers. The total consideration for the full acquisition is SEK 10.6 million. The transaction results in 10% minority ownership of the sellers and 90% majority ownership of Digitalist Group remaining in Grow AB post transaction.

Digitalist Group divested its fully-owned subsidiary FutureLab & Partners AB 4 July 2023. The Share transaction was completed by selling all FutureLab shares in Digitalist Group's possession to Turret Oy Ab. Turret is Digitalist Group's largest shareholder. Sales price was EUR 1.2 million and it was paid in cash.

#### **EVENTS SINCE THE FINANCIAL PERIOD**

There have been no significant events since the end of the financial period.

#### **RELATED-PARTY TRANSACTIONS**

##### **Financial arrangements with related parties**

Digitalist Group agreed 31 October 2023 with Turret Oy Ab on a loan amounting to EUR 2,000,000. Digitalist Group has the right to withdraw the loan in instalments by 31 December 2024 at the latest. The loan was granted on market terms and it will fall due on 31 December 2025. Turret is Digitalist Group's largest shareholder.

According to company law legislation relating to related party transactions Digitalist Group's board members Paul Ehnrooth and Peter Eriksson have not participated in the decision making regarding the Loan.

##### **Company arrangements with related parties**

Digitalist Group divested its fully-owned subsidiary FutureLab & Partners AB 4 July 2023. The Share transaction was completed by selling all FutureLab shares in Digitalist Group's possession to Turret Oy Ab. Turret is Digitalist Group's largest shareholder. Sales price was EUR 1.2 million and it was paid in cash.

#### **OTHER EVENTS DURING THE FINANCIAL PERIOD**

Digitalist Group informed 4 July 2023 that it will focus on its core business in the European markets and downsize business operations in Canada.

Digitalist Group decreased its earlier guidance regarding future prospects 4 July 2023. The new guidance was: In 2023, turnover is expected to decrease and EBITDA is expected to improve in comparison with 2022.

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

#### **RISK MANAGEMENT AND SHORT-TERM UNCERTAINTIES**

The objectives of Digitalist Group Plc's risk management are to ensure the uninterrupted continuity and development of the company's operations, support the achievement of the company's business objectives and increase the company's value. For more details about the organisation of risk management, processes and identified risks, see the company's website at <https://digitalist.global>.

The company has been making loss despite the efficiency measures taken. The negative result has a direct impact on the adequacy of the company's working capital and financing. Risk is managed by maintaining readiness for various financing solutions. The company aims to constantly evaluate and monitor the amount of funding required by the business, so that the company has enough liquid assets to finance operations and



repay the loans that are due. Any disruptions in financial arrangements would weaken Digitalist Group's financial position.

The company is currently dependent on external financing, most of which has been obtained from related-party companies and financial institutions. Digitalist Group's ability to finance its operations and reduce the amount of its debt depends on several factors, such as the cash flow from operations and the availability of debt and equity financing, and there is no certainty that such financing will be available in the future. Similarly, there can be no certainty that Digitalist Group will be able to obtain additional debt or refinance its current debt on acceptable terms, if at all. In 2022 the company rearranged its short-term loans with the main owners and a financial institution. Negotiations on the arrangements for related party convertible bonds maturing in 2024 began in the fall of 2023. As of the release date, negotiations are still in progress.

Changes in key customer accounts could adversely affect Digitalist Group's operations, earning capacity and financial position. If one of Digitalist Group's largest customers decided to switch to a competing company or drastically altered its operating model, the chances of finding customer volumes to replace the shortfall in the near term would be limited.

The Group's business mainly consists of individual customer contracts, which are often relatively short-term. Forecasting the start times and scope of new projects is challenging from time to time, while the cost structure is largely fixed in nature. The above-mentioned factors can cause unforeseeable fluctuations in turnover and, through that, in profitability. Part of the Group's business consists of fixed-price deliveries. There is a time and content risk associated with fixed-price customer deliveries. This risk is managed with contract and project management tools.

Irrespective of the market situation, there is a shortage of certain experts in the Group's sector. Furthermore, any aggressive recruitment policies prevalent in the Group's sector may increase the risk of personnel moving to competitors. There is no guarantee that the company will be able to retain its current personnel and recruit new employees to maintain growth. If Digitalist Group loses a significant part of its current personnel, it would be more difficult to complete existing projects and acquire new ones. This could have an adverse impact on Digitalist Group's business, earnings and financial position.

Cost inflation causes salary increase pressure, which highlights the importance of cost monitoring. The rise in interest rates does not have a large immediate impact on financing costs, because the majority of the company's debts are fixed interest. A one percentage point in the interest rate of the company's financial institution loans would increase interest costs by approximately EUR 0.1 million annually.

Part of the Group's turnover is invoiced in currencies other than the euro, mainly SEK. The risk associated with changes in exchange rates can be managed in various ways, including net positioning and currency hedging contracts. No hedging contracts were used in 2023 or 2022.

The Group's balance sheet contains goodwill that is subject to impairment risk in the event that the Group's future yield expectations decrease due to internal or external factors. The goodwill is tested for impairment every six months and whenever the need arises.

The overall economic uncertainty and low general growth outlook in the Group's key geographic markets during the financial period have impacted the Group's business, but estimating the future impact remains challenging. The geopolitical uncertainty may affect the business operations of some of the Group's customers, consequently affecting the Group's own business operations indirectly. The Group has no business in Russia or Ukraine.



## **LONG-TERM GOALS AND STRATEGY**

Digitalist Group aims to achieve a profit margin of at least 10% over the long term. In order to achieve its long-term goals, Digitalist Group strives for profitable, international growth by shaping new forms of thinking, services and technological solutions for digitalizing sectors. These sectors include the technology industry, energy industry, transport and logistics, as well as consumer services in the public and private sectors. Digitalist Group's strategy focuses on enhancing its service and solution business and seamlessly integrating user and operational research, branding, design and technology.

## **PROPOSAL BY THE BOARD OF DIRECTORS TO THE ANNUAL GENERAL MEETING**

The Board of Directors of Digitalist Group Plc proposes to the Annual General Meeting that the distributable funds be retained in shareholders' equity and that no dividend be distributed to shareholders for the 2023 financial period. On 31 December 2023, the parent company's distributable assets were negative.

Digitalist Group Plc's Annual General Meeting will be held in Helsinki on Thursday 25 April 2024. Digitalist Group's Financial Statements 2023 will be published and posted on the company's website on 28 March 2024. Digitalist Group Plc's Financial Statements will be published in Finnish and English and they are available on the Group's website <https://digitalist.global> immediately after publication.

## **NEXT REVIEW**

The Business review for January–March 2024 will be published on Friday 26 April 2024.

DIGITALIST GROUP PLC  
Board of Directors

Further information:

Digitalist Group Plc

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## **Distribution:**

NASDAQ Helsinki

Key media

<https://digitalist.global>



**DIGITALIST GROUP**

**SUMMARY OF THE FINANCIAL STATEMENTS AND NOTES, 1 JANUARY–31 DECEMBER 2023**

**CONSOLIDATED INCOME STATEMENT, EUR THOUSAND**

|   | 1 Oct -<br>31 Dec<br>23 | 1 Oct -<br>31 Dec<br>22 | Change<br>(%) | 1 Jan - 31<br>Dec 23 | 1 Jan - 31<br>Dec 22 | Change<br>(%) |
|---|-------------------------|-------------------------|---------------|----------------------|----------------------|---------------|
| Turnover                                  | 4,160.22                | 4,245.32                | -2%           | 16,680.74            | 18,562.71            | -10%          |
| Other operating<br>income                 | 280.21                  | 41.36                   | 577%          | 1,006.67             | 278.96               | 261%          |
| Operating<br>expenses                     | -<br>5,037.80           | -<br>5,284.67           | -5%           | -<br>19,383.11       | -<br>23,270.65       | -17%          |
| EBIT                                      | -597.37                 | -997.99                 | -40%          | -1,695.70            | -4,428.98            | -62%          |
| Financial income<br>and expenses          | -<br>1,017.55           | -433.22                 | 135%          | -2,273.71            | -2,019.31            | 13%           |
| Profit before<br>taxes                    | -<br>1,614.92           | -<br>1,431.21           | 13%           | -3,969.41            | -6,448.29            | -38%          |
| Income taxes                              | -3.87                   | -35.53                  | -89%          | -115.46              | 5.84                 | -2077%        |
| PROFIT/LOSS<br>FOR<br>FINANCIAL<br>PERIOD | -<br>1,618.78           | -<br>1,466.75           | 10%           | -4,084.87            | -6,442.45            | -37%          |
| Distribution:                             |                         |                         |               |                      |                      |               |
| Parent company<br>shareholders            | -<br>1,557.64           | -<br>1,518.48           | 3%            | -4,042.14            | -6,532.77            | -38%          |
| Non-controlling<br>interests              | -61.15                  | 51.00                   | -220%         | -42.73               | 90.32                | -147%         |
| Earnings per<br>share:                    | 0.00                    | 0.00                    | 0%            | 0.00                 | 0.00                 | 0%            |
| Undiluted (EUR)                           | 0.00                    | 0.00                    | 0%            | 0.01                 | -0.01                | -60%          |
| Diluted (EUR)                             | 0.00                    | 0.00                    | 0             | 0.00                 | -0.01                | -0,6          |

**COMPREHENSIVE INCOME STATEMENT, EUR THOUSAND**

|  | 1 Oct -<br>31 Dec<br>23 | 1 Oct -<br>31 Dec<br>22 | Change<br>(%) | 1 Jan -<br>31 Dec<br>23 | 1 Jan -<br>31 Dec<br>22 | Change<br>(%) |
|--|-------------------------|-------------------------|---------------|-------------------------|-------------------------|---------------|
| Profit/loss for the financial period           | -<br>1,618.78           | -<br>1,466.75           | 10%           | -<br>4,084.87           | -<br>6,442.45           | -37%          |
| Other items of comprehensive income            |                         |                         |               |                         |                         |               |
| Translation difference                         | 663.20                  | -<br>2,373.00           | -128%         | 229.71                  | -711.40                 | -132%         |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b> | <b>-955.58</b>          | <b>-<br/>3,839.75</b>   | <b>-75%</b>   | <b>-<br/>3,855.45</b>   | <b>-<br/>7,153.85</b>   | <b>-46%</b>   |
| Parent company shareholders                    | -869.23                 | -<br>4,007.00           | -78%          | -<br>3,807.09           | -<br>7,247.00           | -47%          |
| Non-controlling interests                      | -86.35                  | 167.00                  | -152%         | -48.06                  | 93.00                   | -152%         |

**CONSOLIDATED BALANCE SHEET, EUR THOUSAND**

| <b>ASSETS</b>                             | 31 December 2023 | 31 December 2022 |
|---|------------------|------------------|
| <u>NON-CURRENT ASSETS</u>                 |                  |                  |
| <b>Intangible assets</b>                  | <b>422.06</b>    | <b>109.65</b>    |
| <b>Goodwill</b>                           | <b>5,444.44</b>  | <b>4,677.98</b>  |
| <b>Tangible assets</b>                    | <b>916.99</b>    | <b>1,201.17</b>  |
| Buildings and structures, rights-of-use   | 867.73           | 1,135.74         |
| Machinery and equipment                   | 34.52            | 36.50            |
| Other tangible assets                     | 14.74            | 28.93            |
| <b>Investments</b>                        | <b>6.28</b>      | <b>101.84</b>    |
| <b>Other non-current financial assets</b> | <b>24.35</b>     | <b>1,244.80</b>  |
| <b>NON-CURRENT ASSETS</b>                 | <b>6,814.12</b>  | <b>7,335.44</b>  |
|   |                  |                  |

|   |                   |                   |
|---|-------------------|-------------------|
| <u>CURRENT ASSETS</u>                       |                   |                   |
| Trade and other receivables                 | 3,508.10          | 3,796.67          |
| Income tax asset                            | 228.46            | 182.70            |
| Cash and cash equivalents                   | 893.65            | 898.55            |
| <b>CURRENT ASSETS</b>                       | <b>4,630.21</b>   | <b>4,877.93</b>   |
| <b>ASSETS</b>                               | <b>11,444.12</b>  | <b>12,213.36</b>  |
|   |                   |                   |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b> |                   |                   |
| <u>SHAREHOLDERS' EQUITY</u>                 |                   |                   |
| <u>Parent company shareholders</u>          |                   |                   |
| Share capital                               | 585.39            | 585.39            |
| Share premium account                       | 218.73            | 218.73            |
| Invested non-restricted equity fund         | 73,916.78         | 73,662.00         |
| Retained earnings                           | -103,343.29       | -99,210.40        |
| Profit/loss for the financial period        | -4,042.14         | -6,533.00         |
| Non-controlling interests                   | -53.08            | 503.00            |
| Parent company shareholders                 | -32,664.53        | -31,277.00        |
| <b>SHAREHOLDERS' EQUITY</b>                 | <b>-32,717.61</b> | <b>-30,774.28</b> |
| NON-CURRENT LIABILITIES                     | 3 749.0           | 25,611.68         |
| CURRENT LIABILITIES                         | 40,412.84         | 17,375.93         |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>11,444.28</b>  | <b>12,213.32</b>  |

**CALCULATION OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY, EUR THOUSAND**

- A: Share capital
- B: Share premium account
- C: Invested unrestricted equity fund
- D: Translation difference
- E: Retained earnings
- F: Total shareholders' equity attributable to the parent company's
- G: Non-controlling interests

H: Total shareholders' equity

|  | A             | B             | C                | D                | E                  | F                 | G             | H                 |
|--|---------------|---------------|------------------|------------------|--------------------|-------------------|---------------|-------------------|
| Shareholders' equity 1 Jan 2022              | 585.00        | 219.00        | 72,972.00        | -483.73          | -98,381.55         | -25,091.00        | 506.00        | -24,586.00        |
| Other changes                                |               |               |                  |                  |                    |                   |               |                   |
| Profit/loss for the financial period         |               |               |                  |                  | -6,533.30          | -6,533.30         | 90.32         | -6,441.98         |
| Purchase of own shares                       |               |               |                  | -714.18          |                    | -714.18           | 2.99          | -711.19           |
| <b>Other items of comprehensive income</b>   |               |               |                  |                  |                    | <b>-7,247.48</b>  |               |                   |
| Paid in capital                              |               |               | 690.80           |                  |                    | 690.80            |               | 690.80            |
| Translation difference                       |               |               |                  |                  | 240.00             | 240.00            |               | 240.00            |
| Share-based remuneration                     |               |               |                  |                  | 130.27             | 130.27            |               | 130.27            |
| Transactions with non-controlling interests  |               |               |                  |                  |                    |                   | -95.88        | -95.88            |
| <b>Shareholders' equity 31 December 2022</b> | <b>585.00</b> | <b>219.00</b> | <b>73,662.80</b> | <b>-1,197.92</b> | <b>-104,544.58</b> | <b>-31,277.41</b> | <b>503.43</b> | <b>-30,774.29</b> |

|                                 | A      | B      | C         | D         | E           | F          | G      | H          |
|---------------------------------|--------|--------|-----------|-----------|-------------|------------|--------|------------|
| Shareholders' equity 1 Jan 2023 | 585.00 | 219.00 | 73,662.80 | -1,197.92 | -104,544.08 | -31,277.41 | 503.13 | -30,774.29 |
| Other changes                   |        |        |           | -229.49   | 229.49      |            |        |            |

|  |               |               |                  |                  |                    |                   |               |                   |
|--|---------------|---------------|------------------|------------------|--------------------|-------------------|---------------|-------------------|
| Profit/loss for the financial period         |               |               |                  |                  | 4,042.14           | 4,042.14          | 42.73         | 4,084.87          |
| Purchase of own shares                       |               |               |                  | 235.05           |                    | 235.05            | -5.33         | 229.72            |
| <b>Other items of comprehensive income</b>   |               |               |                  |                  |                    | <b>-3,807.09</b>  |               |                   |
| Paid in capital                              |               |               | 253.98           |                  |                    | 253.98            |               | 253.98            |
| Translation difference                       |               |               |                  |                  | 176.44             | 176.44            |               | 176.44            |
| Share-based remuneration                     |               |               |                  |                  |                    |                   |               |                   |
| Transactions with non-controlling interests  |               |               |                  |                  | 1,989.17           | 1,989.17          | -508.15       | 1,481.02          |
| <b>Shareholders' equity 31 December 2023</b> | <b>585.00</b> | <b>219.00</b> | <b>73,916.78</b> | <b>-1,192.36</b> | <b>-106,190.63</b> | <b>-32,664.92</b> | <b>-53.08</b> | <b>-32,717.39</b> |

**CONSOLIDATED CASH FLOW STATEMENT, EUR THOUSAND**

|   | 1 Jan - 31 Dec 23 | 1 Jan - 31 Dec 22 | 1 Jul - 31 Dec 23 | 1 Jul - 31 Dec 22 |
|---|-------------------|-------------------|-------------------|-------------------|
| <b>Cash flow from operations</b>          |                   |                   |                   |                   |
| Earnings before taxes in the period       | -3,969.41         | -6,448.29         | -1,325.94         | -3,271.71         |
| Adjustments to cash flow from operations: |                   |                   |                   |                   |
| Other income and expenses with no payment | -76.63            |                   | 80.75             |                   |
| Depreciation, impairment                  | 834.41            | 1,643.36          | 417.90            | 752.82            |
| Financial income and expenses             | 2,273.71          | 2,019.31          | 711.89            | 1,117.09          |

|  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
| Other adjustments  | -817.49          | -51.23           | -872.41          | -125.83          |
| <b>Cash flow financing before changes in working capital</b> | <b>-1,755.41</b> | <b>-2,836.86</b> | <b>-987.82</b>   | <b>-1,527.62</b> |
|  |                  |                  |                  |                  |
| Change in working capital                                    | -262.04          | 891.45           | -313.93          | 538.00           |
| Interest received  | 0.72             | 62.07            | 3.07             | 62.07            |
| Interest paid  | -89.09           | -15.60           | -42.89           | 38.09            |
| Taxes paid   | -149.65          | -304.44          | -46.81           | -64.24           |
| <b>Net cash flow from operations</b>                         | <b>-2,255.46</b> | <b>-2,203.37</b> | <b>-1,388.38</b> | <b>-953.69</b>   |
|  |                  |                  |                  |                  |
| <b>Cash flow from investments</b>                            |                  |                  |                  |                  |
| Acquisition of shares in group companies                     | -9.51            |                  | -54.52           |                  |
| Proceeds from disposal of shares in group companies          | 1,113.56         |                  | 1,113.56         |                  |
| Investments in other shares                                  | 0.00             | -470.40          |                  | -4.42            |
| Investments in tangible and intangible assets                | -22.33           | -38.99           | -9.95            | -15.53           |
| Proceeds from repayment of loans                             | 1,289.55         |                  |                  |                  |
| Interest received on investments                             | 90.80            |                  |                  |                  |
| Taxes paid on investments                                    | -14.40           |                  |                  |                  |
| Disposal of investments                                      |                  | 592.71           |                  | 5.57             |
| <b>Cash flow from investments</b>                            | <b>2,447.66</b>  | <b>83.32</b>     | <b>1,049.09</b>  | <b>-14.38</b>    |
|  |                  |                  |                  |                  |
| <b>Net cash flow before financial items</b>                  | <b>192.20</b>    | <b>-2,120.06</b> | <b>-339.29</b>   | <b>-968.07</b>   |
|  |                  |                  |                  |                  |
| <b>Cash flow from financing activities</b>                   |                  |                  |                  |                  |



|   |                |                 |               |                 |
|---|----------------|-----------------|---------------|-----------------|
| Paid in capital                             |                | 690.80          |               | 690.80          |
| Transactions with non-controlling interests | 136.18         | -70.17          | -12.17        | 41.12           |
| Drawdown of long-term loans                 | 750.00         | 1,909.21        | 750.00        | 1,909.21        |
| Repayment of long-term loans                | 0.00           | -60.35          |               | -60.35          |
| Drawdown of short-term loans                | 736.90         | 874.43          | 60.37         |                 |
| Repayment of short-term loans               | -501.81        |                 | -1.81         | -400.63         |
| Interest and other charges                  | -621.73        | -347.91         | -291.01       | -139.67         |
| Repayment of lease liabilities              | -697.51        | -902.23         | -354.56       | -497.58         |
| <b>Net cash flow from financing</b>         | <b>-197.97</b> | <b>2,093.77</b> | <b>150.82</b> | <b>1,542.89</b> |
|   |                |                 |               |                 |
| Change in cash and cash equivalents         | -4.76          | -85.03          | -147.59       | 530.76          |
| Liquid assets, beginning of period          | 898.55         | 983.56          | 1,041.04      | 367.77          |
| Liquid assets, end of period                | 893.44         | 898.55          | 893.44        | 898.55          |

### Accounting principles

This financial statement release has been prepared in accordance with IAS 34 – Interim Financial Reporting. The financial statement release complies with the same accounting principles and calculation methods as the annual financial statements. New and revised standards have been implemented from the beginning of year 2023. They have no material impact on the Half-Year review or financial statement release.

The preparation of a financial statement release in accordance with IFRS requires the management to use certain estimates and assumptions that affect the amounts recognised in assets and liabilities when the balance sheet was prepared, as well as the amounts of income and expenses in the period. In addition, discretion must be used in applying the accounting policies. As the estimates and assumptions are based on outlooks on the balance sheet date, they contain risks and uncertainties. The realised values may deviate from the original assessments and assumptions.

The original release is in Finnish. The English release is a translation of the original.

The figures in the release have been rounded, so the sums of individual figures may deviate from the presented totals. This interim report is unaudited.

### Going concern

Negotiations on the arrangements for related party convertible bonds (EUR 5.8 million) maturing 31 May 2024 and 30 June 2024 began in the fall of 2023. As of the release date, negotiations are still in progress. The management is confident that the negotiations will have a positive outcome from the company's point of view.

and the probability for a successful arrangement is high. On this basis, the financial statements have been prepared with the principle of the business as a going concern.

Despite implementing savings programs, the business remains unprofitable. Digitalist Group agreed 31 October 2023 with Turret Oy Ab on a loan amounting to EUR 2,000,000. Digitalist Group has the right to withdraw the loan in instalments by 31 December 2024 at the latest. As of the release date, EUR 0.9 millions have been withdrawn. Based on the above, the Board of Directors estimates that the company will have sufficient funding to cover its operations' running costs for the next 12 months.

If the above-mentioned measures are not implemented as planned, there may be an uncertainty relating to the going concern.

The assumption of continuity is based is also based the following factors, among others:

- The cost-saving programs started in 2022 have improved the Group's profitability from the year starting 2023 and onwards. The operating expenses have decreased by EUR 3.9 million in comparison with the previous year and the cost structure for 2024 is lighter.
- Additional cost-saving programs started in 2023 will have nearly full effect in 2024.
- The Group is finding new growth areas and reinforcing its market position through LeanLab and Open Cloud, and this is expected to have a positive impact on sales trends.
- During the financial period the Group has agreed with the financing bank to increase the cash pool overdraft by EUR 0.7 million.
- The company divested fully-owned subsidiary FutureLab & Partners AB with EUR 1.2 million. The transaction supports the equity by a capital gain of about EUR 0.6 million.
- As part of the efforts to improve the company's profitability, the business operations in Canada have been downsized. Digitalist Group focuses increasingly on its core businesses in the European markets, especially in Sweden and Finland. It is anticipated that this will enhance the cost structure of the company.

#### **Goodwill impairment testing and recognised impairment**

-

Digitalist Group tested its goodwill for impairment on 30 June 2023 and 31 December 2023. The goodwill is allocated to one cash-generating unit. No need to write down of goodwill was identified.

The value in use of the tested property exceeded the tested amount by EUR 2.3 million. The amount of goodwill in the balance sheet at the end of the review period is EUR 5.4 million.

The company tests its goodwill based on the utility value of the assets. In the testing conducted on 31 December 2023 in conjunction with the financial statements, the cash flow forecasting period was from 2024 to 2028.

During the forecast period, average growth in revenue of 11% (11%) is expected to be achieved as digitalisation spreads to an increasing share of business life.

The method involves comparing the tested assets with their cash flow over the selected period, taking into account the discount rate and the growth factor of the cash flows after the forecast period. The discount rate is 11.4% (11.0%). The weighted average operating profit margin for the forecast period was used to calculate the value of the terminal period. A significant negative change in individual assumptions used in the calculations can necessitate a goodwill impairment charge. The annual increase in turnover below 1% 2024-2025 could necessitate an impairment charge unless the cost structure is changed. If the EBITDA falls below 6% during the forecast period or the WACC surpasses 17%, impairment charges may become necessary.

**CONSOLIDATED INCOME STATEMENT BY QUARTER, EUR THOUSAND**

|                                     | <b>Q4/2023</b>             | <b>Q3/2023</b>           | <b>Q2/2023</b>           | <b>Q1/2023</b>           | <b>Q4/2022</b>             |
|-------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|----------------------------|
|                                     | <b>1.10.-<br/>31.12.23</b> | <b>1.7.-<br/>30.9.23</b> | <b>1.4.-<br/>30.6.23</b> | <b>1.1.-<br/>31.3.23</b> | <b>1.10.-<br/>31.12.21</b> |
| Turnover                            | 4,160.22                   | 3,613.56                 | 4,314.48                 | 4,592.48                 | 4,245.32                   |
| Other operating income and expenses | -4,757.59                  | -3,375.25                | -5,093.27                | -5,150.35                | -5,243.31                  |
| EBIT                                | -597.37                    | 238.31                   | -778.79                  | -557.86                  | -997.99                    |
| Financial income and expenses       | -1,017.55                  | -686.98                  | -348.29                  | -220.88                  | -433.22                    |
| Profit before taxes                 | -1,614.92                  | -448.67                  | -1,127.07                | -778.75                  | -1,431.21                  |
| Income taxes                        | -3.87                      | -27.50                   | -57.05                   | -27.04                   | -35.53                     |
| PROFIT/LOSS FOR COMPARISON PERIOD   | -1,618.78                  | -476.17                  | -1,184.13                | -805.78                  | -1,466.75                  |

**CHANGES IN INTANGIBLE AND TANGIBLE ASSETS, EUR THOUSAND**

|                                    | <b>Goodwill</b> | <b>Intangible assets</b> | <b>Tangible fixed assets</b> | <b>Right-of-use assets</b> | <b>Other investments</b> | <b>Total</b>    |
|------------------------------------|-----------------|--------------------------|------------------------------|----------------------------|--------------------------|-----------------|
| Carrying value 1 Jan 2022          | 5,165.55        | 857.37                   | 99.32                        | 1,528.73                   | 1.94                     | 7,652.91        |
| Increases                          |                 | 21.74                    | 17.25                        | 555.05                     | 99.89                    | 693.93          |
| Decreases                          |                 |                          |                              |                            |                          |                 |
| Impairment                         |                 |                          |                              | -155.32                    |                          | -155.32         |
| Changes in exchange rates          | -487.57         | -32.46                   | -4.01                        | -89.21                     |                          | -613.25         |
| Depreciation for the review period |                 | -736.83                  | -47.02                       | -704.20                    |                          | -1,488.04       |
| <b>Carrying value 31 Dec 2022</b>  | <b>4,677.98</b> | <b>109.82</b>            | <b>65.54</b>                 | <b>1,135.06</b>            | <b>101.83</b>            | <b>6,090.22</b> |

|                                    | <b>Goodwill</b> | <b>Intangible assets</b> | <b>Tangible fixed assets</b> | <b>Right-of-use assets</b> | <b>Other investments</b> | <b>Total</b>    |
|------------------------------------|-----------------|--------------------------|------------------------------|----------------------------|--------------------------|-----------------|
| Carrying value 1 Jan 2023          | 4,677.98        | 109.82                   | 65.54                        | 1,135.06                   | 101.83                   | 6,090.22        |
| Increases                          | 1,148.21        | 462.69                   | 26.56                        | 416.91                     | 4.70                     | 2,059.07        |
| Decreases                          | -425.55         |                          | -4.60                        | -38.89                     | -99.89                   | -568.93         |
| Impairment                         |                 |                          |                              |                            |                          | 0.00            |
| Changes in exchange rates          | 43.80           | 6.30                     | -0.40                        | -5.85                      |                          | 43.85           |
| Depreciation for the review period |                 | -156.59                  | -37.70                       | -640.18                    |                          | -834.47         |
| <b>Carrying value 31 Dec 2023</b>  | <b>5,444.44</b> | <b>422.23</b>            | <b>49.40</b>                 | <b>867.05</b>              | <b>6.64</b>              | <b>6,789.76</b> |

**KEY INDICATORS**

|   | <b>1 Jan - 31 Dec 2023</b> | <b>1 Jan - 31 Dec 2022</b> |
|---|----------------------------|----------------------------|
| Earnings per share (EUR) diluted                  | 0.00                       | -0.01                      |
| Earnings per share (EUR)                          | 0.00                       | -0.01                      |
| Shareholders' equity per share (EUR)              | -0.05                      | -0.05                      |
| Cash flow from operations per share (EUR) diluted | 0.00                       | 0.00                       |
| Cash flow from operations per share (EUR)         | 0.00                       | 0.00                       |
| Return on capital employed (%)                    | -27.8                      | -75.6                      |
| Return on equity (%)                              | neg.                       | neg.                       |
| Operating profit/turnover (%)                     | -10.2                      | -23.9                      |

|  |         |           |
|--|---------|-----------|
| Gearing as a proportion of shareholders' equity (%)      | -106.5  | -111.8    |
| Equity ratio as a proportion of shareholders' equity (%) | -285.9  | -252.0    |
| EBITDA (EUR thousand)                                    | -861.30 | -2,785.62 |

**MATURITY OF FINANCIAL LIABILITIES AND INTEREST ON LOANS**

| <b>31 December 2022</b>           | <b>Balance sheet value</b> | <b>Cash flow</b> | <b>Under 1 year</b> | <b>1-5 years</b> | <b>Over 5 years</b> |
|-----------------------------------|----------------------------|------------------|---------------------|------------------|---------------------|
| Loans from financial institutions | 3,501.00                   | 3,643.00         | 1,226.00            | 2,417.00         |                     |
| Credit limits                     | 7,462.00                   | 7,462.00         | 7,462.00            |                  |                     |
| Convertible bonds                 | 5,768.00                   | 6,850.00         |                     | 6,850.00         |                     |
| Capital loans                     | 16,787.00                  | 19,202.00        |                     | 19,202.00        |                     |
| Other related-party loans         | 500.00                     | 533.00           | 533.00              |                  |                     |
| Lease liabilities IFRS 16         | 1,283.00                   | 1,354.00         | 609.00              | 745.00           |                     |
| Accounts payable                  | 1,373.00                   | 1,373.00         | 1,373.00            |                  |                     |

| <b>31 December 2023</b>           | <b>Balance sheet value</b> | <b>Cash flow</b> | <b>Under 1 year</b> | <b>1-5 years</b> | <b>Over 5 years</b> |
|-----------------------------------|----------------------------|------------------|---------------------|------------------|---------------------|
| Loans from financial institutions | 2,865.85                   | 3,067.25         | 340.83              | 2,726.43         |                     |
| Credit limits                     | 8,525.07                   | 8,525.07         | 8,525.07            |                  |                     |
| Convertible bonds                 | 5,767.94                   | 6,849.62         | 6,849.62            |                  |                     |
| Capital loans                     | 16,865.42                  | 19,265.00        | 19,265.00           | 0.00             |                     |
| Other related-party loans         | 750.00                     | 876.00           |                     | 876.00           |                     |
| Lease liabilities IFRS 16         | 973.00                     | 961.00           | 701.00              | 260.00           |                     |
| Accounts payable                  | 864.66                     | 864.66           | 864.66              | 0.00             |                     |

The Company has agreed with the main financier of financial institution loans that the installment of EUR 2 million loan is due on 30.4.2025. Credit limits are valid until further notice.

#### OTHER INFORMATION

|   | 1 Jan - 31 Dec 2023 | 1 Jan - 31 Dec 2022 |
|---|---------------------|---------------------|
| NUMBER OF EMPLOYEES, average                | 137                 | 159                 |
| Personnel at the end of the period          | 124                 | 150                 |
|   |                     |                     |
| LIABILITIES, EUR THOUSAND                   |                     |                     |
| Pledges made for own obligations            |                     |                     |
| Corporate mortgages                         | 13,300              | 13,300              |
|   |                     |                     |
| Total interest-bearing liabilities          |                     |                     |
| Long-term loans from financial institutions | 2,659               | 2,337               |
| Other long-term liabilities                 | 1 008               | 23,257              |
| Short-term interest-bearing liabilities     | 32 080              | 9,707               |
| <b>Total</b>                                | <b>35,747</b>       | <b>35,302</b>       |

#### CALCULATION OF KEY FINANCIAL FIGURES

EBITDA = earnings before interest, tax, depreciation and amortisation

Diluted earnings per share = Profit for the financial period / Average number of shares, adjusted for share issues and for the effect of dilution

Earnings per share = Profit for the financial period / Average number of shares adjusted for share issues

Shareholders' equity per share = Shareholders' equity / Number of undiluted shares on the balance sheet date

Cash flow from operations per share (EUR) diluted = Net cash flow from operations / Average number of shares, adjusted for share issues and for the effect of dilution

Return on investment (ROI) =  
 (Profit before taxes + Interest expenses + Other financial expenses) /  
 (Balance sheet total - non-interest-bearing liabilities (average)) x 100

Return on equity (ROE) = Net income / Total shareholders' equity (average) x 100

Gearing = interest-bearing liabilities - liquid assets / total shareholders' equity x 100