DIGITALIST GROUP'S HALF-YEAR REVIEW, 1 JANUARY–30 JUNE 2025 (Not audited)

SUMMARY

April–June 2025 (comparable figures for 2024 in parentheses):

- Turnover: EUR 4.6 million (EUR 4.0 million), increase: 14.0%.
- EBITDA: EUR -0.2 million (EUR -0.7 million), -5.3% of turnover (-18.2%).
- EBIT: EUR -0.4 million (EUR -0.7 million), -8.3% of turnover (-18.1%).
- Net income: EUR -1.0 million (EUR -1.5 million), -21.8% of turnover (-37.6%).
- Earnings per share (diluted and undiluted): EUR -0.00 (EUR -0.00)*.

January–June 2025 (comparable figures for 2024 in parentheses):

- Turnover: EUR 9.0 million (EUR 7.9 million), increase: 14.8%.
- EBITDA: EUR -0.4 million (EUR -1.1 million), -4.2% of turnover (-14.4%).
- EBIT: EUR -0.6 million (EUR -1.3 million), -7.1% of turnover (-17.0%).
- Net income: EUR -2.0 million (EUR -2.6 million), -22.4% of turnover (-32.4%).
- Earnings per share (diluted and undiluted): EUR -0.00 (EUR -0.00).*
- Cash flow from operations: EUR -1.3 million (EUR -1.3 million).
- Number of employees at the end of the review period: 123 (127), decrease of 3.1%.

*The information is presented as of 30 June, 2025, before the share consolidation on 15 August, 2025.

Future prospects

In 2025, it is expected that turnover and EBITDA will improve in comparison with 2024.

CEO's review

The first half of 2025 shows improvement compared to the same period last year. Revenue and earnings have developed in the right direction, but the pace of improvement is slower than we anticipated, and we are still some way from profitability.

We have been able to generate growth despite the challenging market climate. This has been made possible by maintaining long-standing client relationships while also winning new assignments. Sweden remains our strongest market, and in Finland we achieved growth even as increased price sensitivity has put pressure on margins across the industry.

Operational efficiency and cost discipline remain key priorities. We achieved operating expense savings of approximately EUR 0.3 million in the first half compared to the same period last year. While these measures are beginning to show results, continued focus is needed to reach profitability.

During the period we also advanced our work within applied AI. The Digitalist Private AI Hub has now been launched under the brand name Stacken.ai, and we have initiated our first AI transformation assignments, for example with Utbildningsradion and Linköping Municipality in Sweden. These are early but important steps in building a service area that we believe will rapidly grow in importance for our clients.

I am grateful to all our employees for their dedication and resilience, and to our clients for the trust they continue to place in us. The road ahead will not be without challenges, but with steady progress and a clear focus we are building the foundations for a stronger, profitable, and more sustainable Digitalist Group.

/ CEO, Magnus Leijonborg

SEGMENT REPORTING

Digitalist Group reports its business in a single segment.

TURNOVER

In the second quarter, the Group's turnover was EUR 4.6 million (EUR 4.0 million), which is 14.0% more than in the previous year.

The Group's turnover for the review period was EUR 9.0 million (EUR 7.9 million), an increase of 14.8% compared to the previous year as a result of growth in the Finnish and Swedish operations. The appreciation of the SEK contributed approximately +2 percentage points to revenue growth. After challenging years, revenue in the Finnish operations has also begun to grow, and the development has been similar in both countries during the first half of the year. However, the uncertain economic situation continues to affect client decisions and slows down the initiation of new projects.

The turnover outside Finland was 69% (70%).

RESULT

In the second quarter, EBITDA was EUR -0.2 million (EUR -0.7 million), EBIT was EUR -0.4 million (EUR -0.7 million), and profit before taxes was EUR -1.0 million (EUR -1.5 million). Sales growth and EUR 0.2 million in savings in operating expenses compared to the second quarter of last year improved EBITDA. Net income for the second quarter amounted to EUR -1.0 million (EUR -1.5 million), earnings per share* was EUR -0.00 (EUR -0.00).

In the review period, EBITDA came to EUR -0.4 million (EUR -1.1 million), EBIT was EUR -0.6 million (EUR -1.3 million), and profit before taxes was EUR -2.0 million (EUR -2.5 million). Sales growth and EUR 0.3 million savings in operating expenses improved the EBITDA. Conversely, personnel expenses increased EUR 0.2 million and subcontracting expenses and purchases increased EUR 0.4 million compared to the comparison period. The net financial income and expenses were EUR -1.4 million (EUR -1.2 million). Financial items were negatively impacted by exchange gains booked on the balance sheet. Net income for the financial period amounted to EUR -2.0 million (EUR -2.6 million), earnings per share* was EUR 0.00 (EUR -0.00) and cash flow from operating activities per share* was EUR -0.00 (EUR -0.00).

*The information is presented as of June 30, 2025, before the share consolidation on August 15, 2025.

RETURN ON EQUITY

The Group's shareholders' equity amounted to EUR -39.4 million (EUR -35.6 million). The Group's equity considering the capital loans was EUR -11.9 million (EUR -16.5 million). More information on capital loans is in the section of the balance sheet and financing. Return on equity (ROE) was negative. Return on investment (ROI) was -24.1 (-89.7) per cent.

INVESTMENTS

There were no significant investments (EUR 0.0 million).

BALANCE SHEET AND FINANCING

The balance sheet total was EUR 10.2 million (EUR 10.3 million). The equity ratio was -392.2% (-345.1%).

At the end of the review period, the Group's liquid assets totalled EUR 0.1 million (EUR 0.3 million).

At the end of the review period the Group's interest-bearing liabilities amounted to EUR 42.8 million (EUR 36.6 million). The Group's balance sheet recognised EUR 11.2 million (EUR 11.4 million) in loans from financial institutions, including the overdrafts in use. IFRS 16 leasing debts were EUR 0.8 million (EUR 0.7 million).

The loans from related parties amount to EUR 30.8 million (EUR 24.5 million). EUR 27.5 million (EUR 19.1 million) related party loans were capital loans, EUR 0.0 million (EUR 3.9 million) were convertible bonds. Other loans to related parties were EUR 3.3 million (EUR 1.5 million). The change is due to the conversion of convertible bonds and interest into capital loans under Chapter 12 of the Companies Act, along with the loan drawn from Turret. More information on the arrangements is in the section of related-party transactions.

CASH FLOW

The Group's cash flow from operating activities during the review period was EUR -1.3 million (EUR -1.3 million). Operating cash flow development was positively affected by improved profitability, but was weakened by the change in working capital. In order to fasten the rate of turnover of trade receivables, the Group sells some of its trade receivables from Finnish customers. Some of the Swedish trade receivables are financed through factoring.

The Group's cash flow from financing activities during the review period was EUR 0.4 million (EUR 0.7 million), mainly consisting of related party loan withdrawals. Total change in cash during the review period was EUR -0.9 million (EUR -0.6 million).

GOODWILL

On 30 June 2025, the consolidated balance sheet recognised EUR 5.4 million (EUR 5.3 million) in goodwill. The company conducted an IAS 36 impairment test on its goodwill to reflect the status on 30 June 2025, and stated that there is no need to an impairment charge.

PERSONNEL

The average number of employees during the review period was 123 (125), and 123 (127) at the end of the period. At the end of the review period, 47 (55) of the Group’s personnel were employed by the Finnish companies, and 76 (72) were employed in the Group’s foreign companies.

SHARES AND SHARE CAPITAL*

Share turnover and price

During the review period, the company’s share price hit a high of EUR 0.07 (EUR 0.02) and a low of EUR 0.01 (EUR 0.01), and the closing price on 30 June 2025 was EUR 0.03 (EUR 0.01). The average price during the review period was EUR 0.02 (EUR 0.01). During the review period, 84 188 413 (50 197 674) shares were traded, corresponding to 12.1 (7.2) per cent of the number of shares in circulation at the end of the review period. The Group’s market capitalisation at the closing share price on 30 June 2025 was EUR 22 051 088 (5 270 072).

Share capital

At the beginning of the period under review, the company’s registered share capital was EUR 585 394.16, and there were 693 430 455 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, 1.1% of all shares.

Option programmes 2021

The option rights belonging to the company's option program 2021 are marked with the codes 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. Series 2021A1 subscription period ended 31 December 2024. 29,900,000 of the distributed options have expired, so based on the terms of the option program, it is possible to subscribe for a maximum of 8,550,000 new shares of the Company.

The theoretical value of the options allocated by the end of review 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 2025 is EUR 0.0 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://investor.digitalistgroup.com

*The information is presented as of 30 June, 2025, before the share consolidation on 15 August, 2025.

Shareholders

The number of shareholders on 30 June 2025 was 6 535 (5 616). Private individuals owned 12.4 (11.4) per cent of the shares, and institutions held 87.6 (88.6) per cent. Nominee-registered shares accounted for 12.4 (12.7) per cent of the total.

CHANGES IN THE GROUP STRUCTURE

Digitalist Open Tech AB internally sold 85% of its ownership in Digitalist Open Tech Oy to Digitalist Group Plc, the parent company of Digitalist Group, on 28 January 2025.

RELATED-PARTY TRANSACTIONS

Digitalist Group Plc restructures its financing 30 June 2025

Digitalist Group Plc agreed with Turret Oy Ab on a loan of EUR 800,000 to strengthen the Company's working capital. The Company has the right to draw down the Loan in instalments by 31 December 2025. The loan has been agreed on market terms and it is due for repayment on 31 December 2026.

Directed convertible capital bonds to Turret Oy Ab and Holdix Oy Ab in order to strengthen Digitalist Group's equity 30 June 2025

Convertible Bond 2025/1 to Turret Oy Ab
In accordance with the Terms and Conditions of the Convertible Bond 2025/1, Turret has paid the subscription price of the bond to the Company on 30 June 2025 by setting off the accrued interest from the Company's Convertible Bonds 2021/1, 2021/3 and 2022/1, total 2 617 363,41 euros.

Convertible Bond 2025/2 to Holdix Oy Ab
Holdix has paid the subscription price of the Convertible Bond 2025/2 to the Company on 30 June 2025 by setting off the accrued interest from the Company's Convertible Bonds 2021/2 and 2021/4, total 1 038 352,60 euros.

The stock exchange releases regarding the arrangements are on the company's website at https://investor.digitalistgroup.com

OTHER EVENTS DURING THE SECOND QUARTER

Annual General Meeting 29 April 2025

The company held its Annual General Meeting on 29 April 2025. The minutes of the Annual General Meeting and the decisions made are on the company's website at https://investor.digitalistgroup.com

The Annual General Meeting resolved that the loss EUR 5,520,249.94 indicated by the financial statements for 2024 be recorded in the Company's profit and loss account, and that no dividend be paid to shareholders for the financial period 2024.

The Annual General Meeting re-elected Paul Ehrnrooth, Andreas Rosenlew, Esa Matikainen, Peter Eriksson, Johan Almquist and Magnus Wetter as ordinary members of the Board of Directors. 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. The Board resolved to elect Esa Matikainen as chairman of the Audit Committee and Peter Eriksson and Magnus Wetter as members of the Audit Committee.

The Board of Directors has evaluated the independence of the Committee members in compliance with the recommendations of the Finnish Corporate Governance Code 2025 as follows. Esa Matikainen and Magnus Wetter are independent of the Company and independent of a significant shareholder. Peter Eriksson is independent of the Company and dependent on a significant shareholder.

Audit firm KPMG Oy Ab was appointed as the company's auditor, with KHT auditor Miika Karkulahti as the principal auditor.

Authorisation of the Board of Directors to decide on share issues and on granting special rights entitling to shares

The Annual General Meeting authorised the Board to decide on a paid share issue and on granting option rights and other special rights entitling to shares that are set out in Chapter 10 Section 1 of the Finnish Limited Liability Companies Act, or on the combination of all or some of the aforementioned instruments in one or more tranches on the following terms and conditions:

The total number of the Company's treasury shares and new shares to be issued under the authorisation may not exceed 346,715,227, which corresponds to approximately 50 per cent of all the Company's shares at the time of convening the Annual General Meeting.

Within the limits of the aforementioned authorisation, the Board of Directors may decide on all terms and conditions applied to the share issue and to the special rights entitling to shares, such as that the payment of the subscription price may take place not only by cash but also by setting off receivables that the subscriber has from the Company.

The Board of Directors shall be 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 in deviation from the pre-emptive rights of shareholders if there is a weighty financial reason for the Company to do so, as set out in the Limited Liability Companies Act. In such a case, the authorisation may be used to finance corporate acquisitions or other investments related to the operations of the Company as well as to maintain and improve the solvency of the Group and to carry out an incentive scheme.

The authorisation is proposed to be effective until the Annual General Meeting held in 2026, yet no further than until 30 June 2026.

Authorising the Board of Directors to decide on the acquisition and/or on the acceptance as pledge of the Company's treasury shares

The Annual General Meeting authorised the Board to decide on acquiring or accepting as pledge, using the Company’s distributable funds, a maximum of 69,343,000 treasury shares, which corresponds to approximately 10 per cent of the Company’s total shares at the time of convening the Annual General Meeting. The acquisition may take place in one or more tranches. The acquisition price shall not exceed the highest market price of the share in public trading at the time of the acquisition.

In executing the acquisition of treasury shares, the Company may enter into derivative, share lending or other contracts customary in the capital market, within the limits set out in laws and regulations. The authorisation entitles the Board to decide on an acquisition in a manner other than in a proportion to the shares held by the shareholders (directed acquisition).

The Company may acquire the shares to execute corporate acquisitions or other business arrangements related to the Company’s operations, to improve its capital structure, or to otherwise further transfer the shares or cancel them.

The authorisation is proposed to include the right for the Board of Directors to decide on all other matters related to the acquisition of shares. The authorisation is proposed to be effective until the Annual General Meeting held in 2026, yet no further than until 30 June 2026.

Resolution on possible measures for improving the Company’s financial situation

The financial statements presented to the Annual General Meeting for the fiscal year from January 1, 2024, to December 31, 2024, show that the Company's equity is less than half of the Company's share capital if the capital loans were not taken into account when assessing the matter.

It was noted that the Company has carried out the conversion, as announced on 30 December 2024, of the principal amounts and interests of the convertible bonds 2021/1, 2021/2, 2021/3, and 2021/4 entirely into capital loans in accordance with Chapter 12 of the Finnish Companies Act.

It was noted that these actions have supported and will support the Company's balance sheet and solvency.

It was resolved to accept the proposition of the Board of Directors of the Company not to implement immediate additional measures to rectify the Company's financial position, but the Company will actively evaluate other possibilities and means to support the Company's financial standing.

The stock exchange releases are on the company's website at https://investor.digitalistgroup.com

EVENTS SINCE THE REVIEW PERIOD

The Extraordinary General Meeting of Digitalist Group Plc

The Extraordinary General Meeting of Digitalist Group Plc was held on 13 August 2025 in Helsinki. The Extraordinary General Meeting resolved on the consolidation of the Company's shares, meaning a reduction in the number of shares, and on the related directed free share issue and redemption of shares without consideration, so that after the measures, each current 250 shares of the Company will correspond to one (1) share in the Company.

Authorisation of the Board of Directors to decide on share issues and on granting special rights entitling to shares

The Extraordinary General Meeting resolved to authorise the Board of Directors to decide on a share issue, which may be either against payment or without payment, as well as on granting option rights and other special rights entitling to shares that are set out in Chapter 10 Section 1 of the Finnish Limited Liability Companies Act, or on the combination of all or some of the aforementioned instruments in one or more tranches on the following terms and conditions:

The total number of the Company's treasury shares and new shares to be issued under the authorisation may not exceed 1,386,000 shares, which corresponds to approximately 50 percent of all the Company's shares following the share consolidation.

Within the limits of the aforementioned authorisation, the Board of Directors may decide on all terms and conditions applied to the share issue and to the special rights entitling to shares, such as that the payment of the subscription price may take place not only by cash but also by setting off receivables that the subscriber has from the Company.

The Board of Directors shall be 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 in deviation from the pre-emptive rights of shareholders if there is a weighty financial reason for the Company to do so, as set out in the Limited Liability Companies Act. In such a case, the authorisation may be used to finance corporate acquisitions or other investments related to the operations of the Company, to maintain and improve the solvency of the Group, and to carry out an incentive scheme.

The authorisation is valid until the Annual General Meeting to be held in 2026, however no later than 30 June 2026, and it cancels the corresponding authorisation granted by the Annual General Meeting on 29 April 2025.

Authorising the Board of Directors to decide on the acquisition and/or on the acceptance as pledge of the Company's treasury shares

The Extraordinary General Meeting resolved to authorise the Board of Directors to decide on acquiring or accepting as pledge, using the Company's distributable funds, a maximum of 270,000 treasury shares, which corresponds to approximately 10 percent of the Company's total shares following the share consolidation. The acquisition may take place in one or more tranches. The acquisition price shall not exceed the highest market price of the share in public trading at the time of the acquisition.

In executing the acquisition of treasury shares, the Company may enter into derivative, share lending or other contracts customary in the capital market, within the limits set out in laws and regulations. The authorisation entitles the Board to decide on an acquisition in a manner other than in proportion to the shares held by the shareholders (directed acquisition).

The Company may acquire the shares to execute corporate acquisitions or other business arrangements related to the Company's operations, to improve its capital structure, or to otherwise further transfer the shares or cancel them.

The authorisation includes the right for the Board of Directors to decide on all other matters related to the acquisition of shares. The authorisation is valid until the Annual General Meeting to be held in 2026, however no later than 30 June 2026, and it cancels the corresponding authorisation granted by the Annual General Meeting on 29 April 2025.

Combination of Digitalist Group's Shares

On 15 August 2025, Digitalist Group Plc implemented, according to the Extraordinary General Meeting, the combination of the Company's shares, i.e. the reduction of the number of shares, as well as the related directed share issue without consideration, redemption of shares and cancellation of shares. Following the combination of shares, the Company's new total number of shares is 2,773,721. The convertible bonds and the 2021 Option Program were also adjusted accordingly to the share consolidation

The stock exchange releases are on the company's website at https://investor.digitalistgroup.com

RISK MANAGEMENT AND SHORT-TERM UNCERTAINTIES

The objectives of Digitalist Group Plc's risk management are to ensure the undisrupted 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://investor.digitalistgroup.com

The company has been making a loss despite the efficiency measures it has taken. The company's loss-making performance directly affects its working capital and the sufficiency of its financing. This risk is managed by maintaining the capacity to use different financing solutions. The company aims to continuously assess and monitor the amount of necessary business financing to ensure that it has sufficient liquid assets to finance its operations and repay maturing loans. Any disruptions in the 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 in the long term that Digitalist Group will be able to obtain additional debt or refinance its current debt on acceptable terms, if at all.

The convertible bonds and interest were converted into capital loans in two tranches in accordance with Chapter 12 of the Limited Liability Companies Act in 2024, strengthening the company's balance sheet. The balance sheet strengthening continued on 30 June 2025 by further converting interest into capital loans in accordance with Chapter 12 of the Companies Act. More information is in the section of related-party transactions.

Any changes to key client accounts could have a substantial impact on Digitalist Group's operations, earning potential and financial position. If one of Digitalist Group's largest clients decided to switch to a competing company or drastically altered its operating model, the chances of finding client volumes to replace the shortfall in the near term would be limited.

The Group's business consists mainly of individual client agreements, which are often relatively short-term. Forecasting the start dates and scopes of new products is occasionally challenging, while the cost structure is largely fixed. The aforementioned aspects can lead to unpredictable fluctuations in turnover and, thereby, in profitability. Some of the Group's business consists of fixed-price deliveries. Fixed-price client deliveries carry risks related to timing and content. The company endeavours to manage these risks through contractual and project management measures. Caution in customer demand and the competitive situation have partly led to an increased emphasis on price, which has a negative impact on margins both in the industry generally and for Digitalist Group specifically.

Irrespective of the market situation, there is a shortage of certain experts in the Group's business sector. Although the aggressive recruitment policies that occasionally arise in the Group's business sector have decreased, there is still a risk of personnel moving to competitors. A more significant risk, however, is related to the potential impact of cost-saving programs on employee engagement and retention. There are no guarantees that the company will be able to retain its current personnel and recruit new employees to sustain growth. If Digitalist Group loses a significant number 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.

The cost inflation has decreased but can still exert pressure to raise salaries, so the importance of cost monitoring is emphasised further. Variation in interest rates do not have a significant direct impact on financing costs because most of the company's debts have fixed interest rates. If the interest rates on the company's loans from financial institutions rose by 1 per cent, the company's annual interest costs would rise by approximately EUR 0.1 million.

Part of the Group's turnover is invoiced in currencies other than the euro – mainly in the Swedish krona. The risk associated with changes in exchange rates can be managed in various ways, including net positioning and currency hedging contracts. In 2024 and 2025, the Group had no hedging contracts.

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.

General economic uncertainty and low growth forecasts in the company's key markets affected the Group's business during the financial period, but the future impact is difficult to estimate. Geopolitical uncertainty may affect the business activities of some of the Group's clients, thereby indirectly affecting the Group's business. The Group has no business activities 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 a variety of sectors. These sectors include, among others, the technology industry, energy industry, transport and logistics, as well as consumer services in both 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.

NEXT REVIEW

The next interim report, for January–September 2025, will be published on 31 October 2025.

DIGITALIST GROUP PLC
Board of Directors

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DIGITALIST GROUP

SUMMARY OF THE HALF-YEAR REPORT AND NOTES, 1 JANUARY – 30 JUNE 2025

*The information is presented as of June 30, 2025, before the share consolidation on August 15, 2025.

CONSOLIDATED INCOME STATEMENT, EUR THOUSAND

	1 Apr - 30 Jun 25	1 Apr - 30 Jun 24	Change (%)	1 Jan - 30 Jun 25	1 Jan - 30 Jun 24	Change (%)
Turnover	4,585	4,022	14%	9,045	7,880	15%
Other operating income	1	9	-94%	1	89	-99%
Operating expenses	-4,964	-4,759	-4%	-9,689	-9,307	-4%
EBIT	-378	-728	48%	-643	-1,338	52%
Financial income and expenses	-633	-783	19%	-1 382	-1 173	-18%
Profit before taxes	-1,012	-1,511	33%	-2,025	-2,511	19%
Income taxes	10	-1	947%	-4	-45	90%
PROFIT/LOSS FOR FINANCIAL PERIOD	-1,001	-1,512	34%	-2,029	-2,556	21%
Distribution:						
Parent company shareholders	-993	-1,411	30%	-2,021	-2,392	16%
Non-controlling interests	-9	-101	91%	-8	-164	95%
Earnings per share:*						
Undiluted (EUR)*	-0.00	-0.00	0%	-0.00	-0.00	0%
Diluted (EUR)*	-0.00	-0.00	0%	-0.00	-0.00	0%

COMPREHENSIVE INCOME STATEMENT, EUR THOUSAND

	1 Apr - 30 Jun 25	1 Apr - 30 Jun 24	Change (%)	1 Jan - 30 Jun 25	1 Jan - 30 Jun 24	Change (%)
Profit/loss for the financial period	-1,001	-1,512	34%	-2,029	-2,556	21%
Translation difference	-213	9	-2384%	221	-486	146 %
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-1,215	-1,503	19%	-1,808	-3,042	41%
Parent company shareholders	-1,185	-1,399	15%	-1,867	-2,866	35%
Non-controlling interests	-30	-103	71%	59	-175	134 %

CONSOLIDATED BALANCE SHEET, EUR THOUSAND

ASSETS	**30 June 2025**	**30 June 2024**	**31 December 2024**
NON-CURRENT ASSETS			
Intangible assets	**269**	**367**	**314**
Goodwill	**5 415**	**5 298**	**5 245**
Tangible assets	**859**	**783**	**569**
Buildings and structures, rights-of-use	806	738	529
Machinery and equipment	40	32	28
Other tangible assets	13	14	13
Investments	**2**	**2**	**6**
Other non-current financial assets	**105**	**130**	**88**

NON-CURRENT ASSETS	**6 650**	**6 580**	**6 222**
CURRENT ASSETS			
Trade and other receivables	3 133	3 157	2 612
Income tax asset	327	274	321
Cash and cash equivalents	54	308	944
CURRENT ASSETS	**3 513**	**3 739**	**3 877**
ASSETS	**10 164**	**10 319**	**10 099**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Parent company shareholders			
Share capital	585	585	585
Share premium account	219	219	219
Invested non-restricted equity fund	73 917	73 917	73 917
Retained earnings	-111 897	-107 182	-107 369
Profit/loss for the financial period	-2 021	-2 392	-4 707
Non-controlling interests	-252	-188	-311
Parent company shareholders	-39 197	-35 427	-37 355
SHAREHOLDERS' EQUITY	**-39 449**	**-35 615**	**-37 667**
NON-CURRENT LIABILITIES	31 732	24 826	25 438
CURRENT LIABILITIES	17 881	21 109	22 328

SHAREHOLDERS’ EQUITY AND LIABILITIES	**10 164**	**10 319**	**10 099**

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: Total shareholders’ equity

	A	B	C	D	E	F	G	H
Shareholders’ equity 1 Jan 2024	585	219	73 917	-1 192	-106 192	-32 665	-53	-32 718
Profit/loss for the financial period					-2 392	-2 392	-164	-2 556
Translation difference				-474		-474	-11	-486
Total comprehensive income for the financial period				-474	-2 392	-2 866	-175	-3 042
Transactions with owners								
Share-based remuneration					27	27		27
Convertible loan					-14	-14		-14
Transactions with non-controlling interests								
Structural changes					92	92	40	132
Shareholders’ equity 30 June 2024	585	219	73 917	-1 667	-108 480	-35 427	-188	-35 615

	A	B	C	D	E	F	G	H
Shareholders’ equity 1 Jan 2024	585	219	73 917	-1 192	-106 193	-32 664	-53	-32 717
Comprehensive income								

Profit/loss for the financial period					-4 707	-4 707	-310	-5 017
Other items of comprehensive income				-51	0	-51	-17	-68
Total comprehensive income for the financial period				-51	-4 707	-4 759	-327	-5 085
Transactions with owners								
Share-based remuneration					54	54		54
Convertible loan					-14	-14		-14
Sale of subsidiary					14	14		14
Transactions with non-controlling interests								
Structural changes					14	14	69	83
Shareholders' equity 31 December 2024	**585**	**219**	**73 917**	**-1 244**	**-110 832**	**-37 355**	**-311**	**-37 667**

	A	B	C	D	E	F	G	H
Shareholders' equity 1 Jan 2025	585	219	73 917	-1 244	-110 832	-37 355	-311	-37 667
Profit/loss for the financial period					-2 021	-2 021	-8	-2 029
Translation difference				154		154	68	221
Total comprehensive income for the financial period				**154**	**-2 021**	**-1 867**	**59**	**-1 808**
Transactions with owners								
Share-based remuneration					23	23		23
Sale of subsidiary					1	1		1
Transactions with non-controlling interests								
Structural changes					0	0	0	0
Shareholders' equity 30 June 2025	**585**	**219**	**73 917**	**-1 090**	**-112 828**	**-39 197**	**-252**	**-39 449**

CONSOLIDATED CASH FLOW STATEMENT, EUR THOUSAND

	1 Jan - 30 Jun 2025	**1 Jan - 30 Jun 2024**	**1 Jan - 31 Dec 2024**
Cash flow from operations			
Earnings before taxes in the period	-2 042	-2 511	-4 930
Adjustments to cash flow from operations:			
Other income and expenses with no payment transactions	23	26	-236
Depreciation, impairment	265	204	470
Unrealised foreign exchange gains and losses	-57	-210	-85
Financial income and expenses	1 439	1 402	3 058
Other adjustments	-25	2	5
Cash flow financing before changes in working capital	**-397**	**-1 088**	**-1 719**
Change in working capital	-460	354	1 290
Interest received	10	37	47
Interest paid	-404	-488	-884
Taxes paid	-71	-93	-133
Net cash flow from operations	**-1 322**	**-1 278**	**-1 398**
Cash flow from investments			
Proceeds from acquisition of businesses			
Proceeds from disposal of shares in group companies			
Investments in tangible and intangible assets	-21	-9	-15
Repayment of loan receivables	6		
Interest received from investments			
Taxes paid			
Cash flow from investments	**-15**	-9	-15
Net cash flow before financial items	**-1 336**	**-1 287**	**-1 414**

Cash flow from financing activities			
Transactions with non-controlling interests	0	26	20
Drawdown of long-term loans	475	750	2 025
Repayment of long-term loans			
Drawdown of short-term loans	0	213	0
Repayment of short-term loans	169	-24	-129
Interest and other charges	0	0	0
Repayment of lease liabilities	-216	-245	-429
Net cash flow from financing	**428**	**719**	**1 486**
Change in cash and cash equivalents	-908	-567	72
Liquid assets, beginning of period	944	893	893
Impact of changes in exchange rates	18	-18	-22
Liquid assets, end of period	54	308	944

Accounting principles

This interim report release has been prepared in accordance with IAS 34 – Interim Financial Reporting. The interim report release complies with the same accounting principles and calculation methods as the annual financial statements. The updates to the IFRS standards that entered into force on 1 January 2025 do not have a significant impact on the figures presented.

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

The Group's profitability has remained negative, and the financial situation has been challenging at times but the Half-Year review has been prepared in accordance with the principle of the business as a going concern. The assumption of continuity is based on management assumptions on several factors, including the following:

- Revenue for the review period increased by 14.8% compared to the previous year, despite the challenging market situation. Revenue from the Finnish operations has also returned to growth after difficult years
- The cost-saving programs have improved the Group's profitability.
- 30 June 2025 additional financing was arranged and the equity was strengthened.

When the review is published, the company expects its working capital to be sufficient to cover its requirements over the next 12 months based on the financing support provided by the main owner if needed.

Goodwill impairment testing

Digitalist Group tested its goodwill for impairment on 30 June 2025. The goodwill is allocated to one cash-generating unit. No need to write down goodwill was identified.

The value in use of the tested property exceeded the tested amount by EUR 2.1 million. The tested amount of goodwill in the balance sheet at the end of the review period is EUR 5.7 million.

The company tests its goodwill based on the utility value of the assets. In the testing conducted on 30 June 2024, the cash flow forecasting period was from 2025 to 2029. During the 2025-2029 forecasting period, average growth in revenue of 15.5% is expected to be achieved which is supported by the market growth of the group's industries and the increasingly extensive impact of digitalization in business life. In addition, the rapid development of artificial intelligence (AI) and its integration into service offerings will accelerate growth by offering more efficient and innovative solutions to customers. The efficiency measures and strategic recruitment carried out provide a solid basis for growth. EBITDA is projected to rise to 8% in 2027 and to 12% by the end of the forecasting period.

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% (11.4%). The growth factor used to calculate the cash flows after the forecast period is 2.35% (2.35%). The average EBITDA 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 sensitivity analysis indicates that an impairment charge may be necessary if the average growth in turnover is below 14% in the forecasting period and the fixed cost structure does not change. If the EBITDA falls below 6% in the forecasting period or the WACC surpasses 15%, all else equal, impairment charges may become necessary.

KEY INDICATORS

	1 Jan - 30 Jun 2025	1 Jan - 30 Jun 2024	1 Jan - 31 Dec 2024
Earnings per share (EUR) diluted	-0,00	-0,00	-0,01
Earnings per share (EUR)	-0,00	-0,00	-0,01
Shareholders' equity per share (EUR)	-0,06	-0,05	-0,05
Cash flow from operations per share (EUR) diluted	-0,00	-0,00	-0,00
Cash flow from operations per share (EUR)	-0,00	-0,00	-0,00
Return on capital employed (%)	-24,1	-89,7	-161,9
Return on equity (%)	neg.	neg.	neg.
Operating profit/turnover (%)	-7,1	-17,0	-12,3
Gearing as a proportion of shareholders' equity (%)	-108,4	-101,9	-99,0
Equity ratio as a proportion of shareholders' equity (%)	-392,2	-345,1	-379,1
EBITDA (EUR thousand)	-378	-1,134	-1,513

MATURITY OF FINANCIAL LIABILITIES AND INTEREST ON LOANS

2024-06-30	Balance sheet value	Cash flow	Under 1 year	1-5 years	Over 5 years
Loans from financial institutions	3 028	3 141	2 500	640	0
Credit limits	8 331	8 331	8 331	0	0
Convertible bonds	3 861	4 726	0	4 726	0
Related-party capital loans	19 146	24 098	0	24 098	0
Other related-party loans	1 500	1 728	0	1 728	0
Lease liabilities IFRS 16	741	748	356	392	0
Accounts payable	1 030	1 030	1 030	0	0

2025-06-30	Balance sheet value	Cash flow	Under 1 year	1-5 years	Over 5 years
Loans from financial institutions	2 892	3 130	585	2 544	0
Credit limits	8 317	8 317	8 317	0	0
Convertible bonds	-	-	-	-	-
Related-party capital loans	27 524	29 534	0	29 534	0
Other related-party loans	3 250	3 729	2 284	1 445	0
Lease liabilities IFRS 16	828	841	390	451	0
Accounts payable	1 147	1 147	1 147	0	0

The credit limits are valid for an indefinite period.

OTHER INFORMATION

	1 Jan - 30 Jun 2025	1 Jan - 30 Jun 2024	1 Jan - 31 Dec 2024
NUMBER OF EMPLOYEES, average	123	125	124
Personnel at the end of the period	123	127	123
LIABILITIES, EUR THOUSAND			
Pledges made for own obligations			
Corporate mortgages	13 300	13 300	13 300
Total interest-bearing liabilities			
Long-term loans from financial institutions	2 454	631	459
Other long-term liabilities	29 215	24 893	24 902
Short-term interest-bearing liabilities	11 142	11 083	12 879
Total	42 811	36 606	38 240

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 profit / Total shareholders’ equity (average) x 100

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