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# Digital Workforce Services Plc

Financial Statements Bulletin, January 1 – December 31, 2024 (unaudited)

Unless otherwise stated, the comparison figures provided in parentheses refer to the corresponding period of the previous year.



# Strong growth in Healthcare sector and Continuous services led to a nearly 10% increase in revenue and a significant improvement in profitability

Continuous Service revenue from strategically important Outsmart hyperautomation services grew by 18.9% in the last quarter, 17.6% in the second half and 13.5% in the financial year. Both EBITDA and EBIT were positive in the financial year, reflecting the successful implementation of the company's profitable growth strategy.

## October-December 2024:

- Revenue was EUR 7.0 (6.4) million and increased by 10.5%.
- EBITDA was EUR -0.1 (-0.7) million and adjusted EBITDA EUR 0.3 (-0.2) million.
- Operating profit was EUR -0.1 (-0.8) million.
- Revenue from Continuous Services was EUR 4.6 (3.9) million and increased by 18.9%. The percentage of revenue increased to 65.1% (60.5%).
- Revenue from Professional Services was EUR 2.5 (2.5) million and decreased by -2.4%. The percentage of revenue was 34.9% (39.5%).

## July-December 2024:

- Revenue was EUR 13.6 (12.3) million and increased by 10.2%.
- EBITDA was EUR 0.1 (-0.8) million and adjusted EBITDA EUR 0.5 (-0.2) million.
- Operating profit was EUR 0.0 (-0.9) million.
- Revenue from Continuous Services was EUR 9.0 (7.6) million and increased by 17.6%. The percentage of revenue increased to 65.9% (61.7%).
- Revenue from Professional Services was EUR 4.6 (4.7) million and decreased by -1.7%. The percentage of revenue was 34.1% (38.3%).

## January-December 2024:

- Revenue was EUR 27.3 (24.9) million and increased by 9.4%.
- EBITDA was EUR 0.6 (-0.6) million and adjusted EBITDA EUR 1.0 (0.2) million.
- Operating profit was EUR 0.3 (-0.8) million.
- Revenue from Continuous Services was EUR 17.3 (15.2) million and increased by 13.5%. The percentage of revenue increased to 63.4% (61.1%).
- Revenue from Professional Services was EUR 10.0 (9.7) million and increased by 3.0%. The percentage of revenue was 36.6% (38.9%).
- Earnings per share (EPS) amounted to EUR 0.05 (-0.06).
- The Board of Directors' proposal to the Annual General Meeting is a dividend of EUR 0.03 per share and an additional dividend of EUR 0.06 per share.
- At the end of the reporting period, cash and bank receivables and other liquid assets were at EUR 13.0 (13.2) million.
- The number of employees at the end of the reporting period was 175 (177) and the average number of employees was 178 (186).

# 9,4%

Increase in revenue

# 13,5%

Growth in Continuous Services

# Dividend

The Board of Directors' proposal to the Annual General Meeting is a dividend of EUR 0.03 per share and an additional dividend of EUR 0.06 per share

## Other events during the period

- On January 8, 2024, the company announced that Leon Stafford will leave his role as Head of Sales UK & Ireland on January 12, 2024 to pursue a career outside Digital Workforce.
- On January 15, 2024, the company signed a 3-year contract with a well-known global engineering company. The contract is estimated to be worth a minimum of EUR 0.8-1.2 million over the contract period.
- On February 8, 2024 the company appointed Karli Kalpala as Head of Region UK & Ireland and Head of Strategy Transformation.
- On February 9, 2024 Digital Workforce was selected to implement two major data migration projects for the Central Uusimaa Wellbeing Services County (Keusote). The projects have a combined value of EUR 0.6 million and an estimated duration of 12 months.
- The company completed the acquisition of the company's own shares on March 20, 2024. Digital Workforce acquired 75 358 own shares with a total value of EUR 249 980.15 and an average price of EUR 3.3172.
- On April 3, 2024, the company announced the appointment of Juha Nieminen (Master of Science – MS, Industrial Engineering and Management) as Head of Sales Finland & Group Sales Operations and a member of the Management Team starting 8 April 2024.
- On April 23, 2024, the company announced receiving a significant order from an existing client for professional services in the United States worth approximately EUR 2.7 million for the next 12 months.
- On May 7, 2024, the company announced that based on the authorization given by the Annual General Meeting on 11 April 2024, the Board of Directors of Digital Workforce Services Plc has decided to start the acquisition of the company's own shares. The maximum number of shares to be acquired is 110 000 which corresponds to approximately 1 per cent of the company's shares. However, the amount used for acquiring shares will be at most EUR 200 000.
- On May 13, 2024, the company announced that Juha Järvi (MSc (Econ)) will leave his position as Global Head of Healthcare and his seat as a member of the Management Team as of 2 August 2024 to pursue his career outside Digital Workforce Services.
- On June 28, 2024, the company received a contract worth EUR 1.4 million from the Pirkanmaa Wellbeing Services County for the transfer of active social care customer data.
- The company shared on July 2, 2024 about a strategic partnership with Sema4.ai to Deliver AI Agents on its Outsmart Platform.

- The company completed the acquisition of the company's own shares on August 27, 2024. Digital Workforce acquired 48 083 own shares with a total value of EUR 199 856.30 and an average price of EUR 4.156486. After the acquisitions, Digital Workforce holds a total of 123 441 own shares, corresponding to approximately 1.10% of the total number of shares.
- On December 3, 2024 company announced that it refines its strategy and raises its profitability targets by 2026

## Outlook for 2025

Digital Workforce's full-year 2025 revenue is expected to be higher than in 2024 and adjusted EBITDA is projected to improve compared to 2024.

## Financial targets for the strategy period

- 1. Growth:** The company aims for an annual revenue of EUR 50 million in 2026. Revenue of approximately EUR 40 million is expected through organic growth and approximately EUR 10 million through inorganic growth. The share of strategically important continuous services is aimed to increase to over 70% of revenue during the strategy period.
- 2. Profitability:** The company aims to reach an adjusted EBITDA level of over 15% by the end of 2026.

# Key figures

1 000 euros	10-12/2024	10-12/2023	Change %	7-12/2024	7-12/2023	Change %	1-12/2024	1-12/2023	Change %
Net sales	7 043	6 374	10.5%	13 593	12 329	10.2%	27 256	24 919	9.4%
Professional Services net sales	2 461	2 520	-2.4%	4 638	4 718	-1.7%	9 981	9 693	3.0%
Continuous Services net sales	4 582	3 854	18.9%	8 955	7 612	17.6%	17 275	15 226	13.5%
Continuous Services' share of net sales	65.1%	60.5%		65.9%	61.7%		63.4%	61.1%	
Gross profit	2 318	1 912	21.2%	4 469	3 914	14.2%	9 525	8 226	15.8%
% of net sales	32.9%	30.0%		32.9%	31.7%		34.9%	33.0%	
EBITDA	-54	-716	-92.4%	122	-789	-115.5%	614	-649	-194.6%
% of net sales	-0.8%	-11.2%		0.9%	-6.4%		2.3%	-2.6%	
EBITDA adj. *	282	-244	-215.6%	495	-153	-424.7%	988	155	535.5%
% of net sales	4.0%	-3.8%		3.6%	-1.2%		3.6%	0.6%	
EBIT	-146	-761	-80.9%	-37	-881	-95.8%	268	-844	-131.7%
% of net sales	-2.1%	-11.9%		-0.3%	-7.1%		1.0%	-3.4%	
Net income	62	-842	-107.4%	267	-885	-130.2%	590	-697	-184.7%
EPS, eur	0.01	-0.07		0.02	-0.08		0.05	-0.06	
Dividend (proposal) **							0.09	0.00	
Capital expenditure				-437	-280		-609	-809	
Operating cash flow				1 387	-1 054		195	-3 649	
Net debt	-12 199	-12 247		-12 199	-12 247		-12 199	-12 247	
Net debt ratio, %	-82.2%	-83.1%		-82.2%	-83.1%		-82.2%	-83.1%	
Equity ratio, %	72.9%	70.8%		72.9%	70.8%		72.9%	70.8%	
Personnel at the end of the period	175	177		175	177		175	177	
Average number of personnel	178	182		179	183		178	186	

\* The EBITDA adjustment consists of restructuring- and write-off costs in 2024. In 2023 the EBITDA adjustment consists of restructuring costs.

\*\* The Board of Directors proposes a dividend of EUR 0.03 per share and an additional dividend of EUR 0.06 per share to be paid for 2024.



## CEO Jussi Vasama:

"I am very pleased and proud of our company's achievements in 2024. We improved our performance in all key performance indicators compared to the reference period. The execution of our profitable growth strategy was very successful in a generally difficult market environment for IT services companies, and we achieved growth of nearly 10% and an adjusted EBITDA of EUR 1 million. EBIT was also clearly positive for the full year and cash flow was clearly positive in the second half of the year.

I am particularly pleased with the growth in the Continuous Services business, which accelerated towards the end of the year to 18.9% in the fourth quarter and 13.5% for the full year. In line with our target, Continuous Services revenue accounted for almost 2/3 of total revenue in the fourth quarter.

The major Healthcare customer projects in new customer accounts progressed well and we grew our Healthcare business, and our team of industry experts as planned. Healthcare is the company's key growth area, and we successfully grew our social and healthcare business in all our markets.

On 3 December 2024, we announced the strategy execution focus areas set by the Board of Directors with the aim of accelerating profitable growth towards the end of the strategy period 2024-2026.

The first of the strategy execution cornerstones is to revolutionize the way large organizations do knowledge work: we

are expanding our continuous services business and Outsmart automation platform with Enterprise AI Agents by creating unique, measurable customer value to knowledge work automatization. This work was already progressing rapidly during the autumn, particularly in the insurance sector. We are in the process of developing autonomous AI agents to independently handle certain sets of work tasks.

The second strategy execution cornerstone relates to the transformation of our Outsmart automation services' core business where we maximize customer benefits from our productized service offering. Simultaneously we use AI in everything we do to improve the productivity of our own work.

As a third cornerstone, we aim to be the market leader in care pathway solutions for social and healthcare services: We focus on productized automation solutions for care and customer pathways. The productization of service solutions for long care pathways is progressing well. We see significant opportunities in this area, both to radically increase the productivity of healthcare professionals and to improve patient safety and patient experience.

We also announced that the fourth cornerstone of our strategy is to accelerate growth through acquisitions: we are actively seeking opportunities for acquisitions that support our profitable growth strategy. This work is also progressing as planned.

The company clearly raised its financial targets to achieve its profitable growth strategy by the end of 2026. This will be made possible by a very good performance in 2024. I would like to thank our staff, our partners and our customers for their cooperation and trust in our company and our services. I strongly believe that we offer the market a truly unique, revolutionary approach to how knowledge work will be done and automated in large organizations in the future. This gives us a good chance of success also in 2025."

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I am particularly pleased with the growth in the Continuous Services business, which accelerated towards the end of the year to **18.9%** in the fourth quarter and **13.5%** for the full year.

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## Financial review

### Development of revenue and profitability

Digital Workforce's revenue for financial year 2024 was EUR 27.3 (24.9) million. The company's revenue increased by EUR 2.3 million, or 9.4%. In the second half of the year revenue was EUR 13.6 (12.3) million, an increase of 10.2% from the comparison period. In the last quarter of the year, revenue was EUR 7.0 (6.4) million, an increase of EUR 1.4 million, or 10.5%. The revenue growth was based on successes in strategically important customer relationships and new customer acquisition.

The Group's sales margin for the financial year 2024 was EUR 9.5 (8.2) million and the relative sales margin 34.9% (33.0%) increased compared to the comparative period. The Group's adjusted EBITDA was EUR 1.0 (0.2) million and operating profit was EUR 0.3 (-0.8) million. EBITDA adjustments during financial year 2024 amounted to EUR 0.4 million consisting of non-recurring items of a non-operative nature.

In the second half of the year, the Group's sales margin was EUR 4.5 (3.9) million and the relative sales margin was 32.9% (31.7%), with an improvement compared to the comparative period. The Group's adjusted EBITDA was EUR 0.5 (-0.2) million and operating profit EUR 0.0 (-0.9) million. EBITDA adjustments during the second half of 2024 amounted to EUR 0.4 million consisting of non-recurring items of a non-operative nature.

The Group's sales margin in the last quarter of 2024 was EUR 2.3 (1.9) million and the relative sales margin was 32.9% (30.0%), improving compared to the comparison period. The Group's adjusted EBITDA was EUR 0.3 (-0.2) million and operating profit was EUR -0.1 (-0.8) million. EBITDA adjustments in the last quarter were EUR 0.3 million, consisting of non-recurring items not related to operational business.

The profit for the financial year 2024 was EUR 0.6 (-0.7) million. Financial expenses amounted to EUR -0.0 (-0.2) million. Earnings per share were EUR 0.05 (-0.06).

### Group balance sheet, financing and cash flow

The balance sheet total at the end of the reporting period was EUR 24.3 (23.4) million. The equity ratio was 72.9% (70.8%) and net debt was EUR -12.2 (-12.2) million.

The Group's operating cash flow was EUR 0.2 (-3.6) million and the Group's cash flow from investing activities was EUR -0.6 (-0.8) million. At the end of the reporting period the Group had EUR 0.6 (0.8) million in loans from credit institutions.

### Research and development

During the financial year 2024 Digital Workforce continued its research and development work on the Outsmart service offering, focusing on AI-based solutions. The aim is to create a unique set of services and technologies to automate customers' business processes. The capitalized balance of development expenditure at the end of the financial year 2024 is EUR 0.8 million. In 2023, the company received a grant from Business Finland totaling EUR 0.8 million, of which EUR 0.4 million has been recognized in other operating income and EUR 0.4 million has been recognized as a reduction of development costs. The capitalized balance of development expenditure at the end of the financial year 2023 was EUR 0.4 million.

### Organizational structure

The group's parent company is Digital Workforce Services Plc, with subsidiaries in Sweden, Norway, Denmark, the UK, Ireland, Germany, Poland and the United States.

At the end of the reporting period, the Digital Workforce Group comprised, in addition to the parent company Digital Workforce Services Plc, its 100% owned subsidiaries Digital Workforce Svenska AB, Digital Workforce AS, Digital Workforce A/S, Digital Workforce Services Inc, Digital Workforce Services Ltd, DWF Digital Workforce Services GmbH, Digital Workforce Sp.z.o.o, Digital Workforce Ireland Limited and The Eclair Group (Ireland) Limited.

### Personnel and locations

The Group employed an average of 178 (186) people during the financial year. The offices are in Finland, Sweden, Norway, Denmark, the UK, Ireland, Germany, Poland and the United States.

At the end of the financial year, the Group Management Team consisted of Mr. Jussi Vasama, CEO, Ms. Heini Kautonen, CFO, Mr. Karli Kalpala, Head of Region UK & Ireland and Head of Strategy Transformation, Mr. Tuomo Sievilä, Head of Customer Operations, Mr. Karri Lehtonen, Head of Sales, North America, Mr. Stefan Meller, Head of Sales, Scandinavia, Mr. Juha Nieminen, Head of Sales Finland & Group Sales Operations, Ms. Kristiina Åberg, Head of Marketing, Ms. Eila Oniselkä, Head of People & Culture.

During the reporting period the company announced that Leon Stafford will leave his role as Head of Sales UK & Ireland on January 12, 2024 to pursue a career outside Digital Workforce. On February 8, 2024 Karli Kalpala was appointed as Head of Region UK & Ireland and Head of Strategy Transformation. Juha Nieminen (Master of Science - MS, Industrial Engineering and Management) was appointed as Head of Sales Finland & Group Sales Operations and a member of the Management Team starting 8 April 2024. In addition, the company announced that Juha Järvi (MSc (Econ)) will leave his position as Global Head of Healthcare and his seat as a mem-

ber of the Management Team as of 2 August 2024 to pursue his career outside Digital Workforce Services.

### Board of Directors

Mr. Heikki Länsisyrjä was elected Chairman of the Board on April 11, 2024. At the end of 2024, the Board of Directors of Digital Workforce Services Plc consisted of Mr. Timo Ahopelto, Ms. Marika Auramo, Mr. Heikki Länsisyrjä, Mr. Juha Mikko-la, Ms. Leena Niemistö and Mr. Jukka Virkkunen.

## Annual General Meeting

The Annual General Meeting of Digital Workforce Services Plc was held on April 11, 2024 in Helsinki. The Meeting confirmed the financial statements for the financial year 2023, and it was decided that the results of the fiscal year will be transferred to retained earnings, no dividend shall be paid and that the members of the Board and CEO were discharged from liability for 2023.

The Annual General Meeting authorized the Board of Directors to decide on the acquisition of the Company's own shares in one or more tranches as follows:

The total number of own shares to be acquired may be a maximum of 1 126 433 shares. The proposed number of shares represents approximately 10 percent of all the shares of the Company on the date of the Notice of the Annual General Meeting. Based on the authorization, the Company's own shares may only be acquired with unrestricted equity. The Board of Directors will decide how the Company's own shares will be acquired. Financial instruments such as derivatives may be used in the acquirement. The Company's own shares may be acquired in other proportion than the shareholders' proportional shareholdings (directed acquisition). Own shares could be purchased at a price formed in public trading on the Nasdaq Helsinki Oy on the date of acquisition.

The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2025.

The Annual General Meeting approved a new stock option plan for key persons of the Company. A maximum of 500 000 (five hundred thousand) stock options (the Options) may be granted, entitling to the subscription for the maximum of 500 000 (five hundred thousand) of the Company's newly issued shares.

Since the Options are intended to form a part of the eq-

uity-based incentive program of the Company, there is a weighty financial reason to issue the Options.

Each Option will entitle the option holder to subscribe for one (1) share. The subscription price for the shares to be subscribed for under the stock options program is EUR 3,09 (three euros and nine cents) per share, which corresponds to the trading volume weighted average price of the Company's share on the Nasdaq First North Growth Market Finland marketplace during Q4/2023.

The subscription price is realized in the company's invested unrestricted equity fund. The stock options will be issued free of charge. As a result of share subscriptions with stock options, the number of shares in the Company may increase by up to 500,000 shares if new shares are issued in the subscription. The shares subscribed for on the basis of the stock options correspond to a maximum total of 4,4 percent (on the date of the Annual General Meeting) of the Company's total shares and votes after potential share subscription if shares are subscribed for under all stock options and new shares are issued in the subscription.

The terms and conditions of the stock options are available on the Company's website.

The Annual General Meeting authorized the Board of Directors to decide on issuance of new shares and the conveyance of the Company's own shares held by the Company (treasury shares) and the issuance of option rights and other special rights entitling to shares as specified in Chapter 10, Section 1 of the Finnish Companies Act. The Board would, pursuant to the authorization, be entitled to decide on the issuance of a maximum of 1 126 433 new shares in one or several instalments. The number of shares represents approximately 10 percent of all the shares of the Company on the date of the Annual General Meeting.

The issuance of shares, the conveyance of treasury shares

and the granting of option rights and other special rights entitling to shares may be done in deviation from the shareholders' pre-emptive right (directed issue).

The Board of Directors will decide on all other factors related to share issues and the assignment of shares and decide on all terms and conditions of the option rights and other special rights entitling to shares.

The Board may use the authorization to implement mergers and acquisitions or other arrangements relating to the Company's operations and capital structure, to implement incentive or commitment schemes for the group personnel or for other purposes decided by the Board.

The authorization is valid until the end of the next Annual General Meeting, but not later than 30 June 2025.

The annual general meeting decided to appoint six (6) members. The appointed members are Ms. Marika Auramo, Mr. Timo Ahopelto, Mr. Heikki Länsisyrjä, Mr. Juha Mikkola, Ms. Leena Niemistö and Mr. Jukka Virkkunen. In its meeting the Board of Director elected Mr. Heikki Länsisyrjä as Chairman of the Board of Directors.

KPMG Oy Ab, authorized public accountants, was chosen as the Company's Auditor and Petri Sammalisto, APA, served as the auditor with principal responsibility.

### Shares and shareholders

The total number of Digital Workforce Plc shares at the end of the financial year was 11,281,818 (11,251,128). The average number of shares during January-December 2024 was 11,266,473 (11,216,958) and during July-December 2024 11,275,331 (11,235,048).

At the end of the financial year, the company had 2,404 (2,704) shareholders.

After the end of the financial year, shares were subscribed for with stock options 2017 and 2020. A total of 13,950 Digital Workforce Services Plc's new shares has been subscribed for with the company's stock options 2017 and 2020 on 31 December 2024. For subscriptions made with the stock options 2017 and 2020 the entire subscription price of EUR 3,900.00 has been entered in the reserve for invested unrestricted equity.

After the trade registration, the total number of shares is 11,295,768.

The shares subscribed for under the stock options 2017 and 2020 have been registered in the Trade Register on 14 February 2025, as of which date the new shares will establish shareholder rights. The shares will be traded on the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Oy together with the old shares as of 17 February 2025.

At the beginning of the financial year, Digital Workforce Services Plc held 13,829 of its own shares and based on the authorization granted to the Board of Directors, 109,612 own shares were acquired during the reporting period. At the end of the reporting period company held 123,441 of its own shares.

Trading on Nasdaq First North Growth Market Finland

Between 1 January 2024 - 31 December 2024, a total of 789,395 shares or 7.0 per cent of the total number of shares were traded in Digital Workforce Services Plc. The value of the turnover was EUR 2.9 million.

The closing price of the share on the last trading day of the reporting period was EUR 4.00 per share. The lowest trading price during the review period was EUR 2.53 per share, the highest EUR 4.78 per share and the average price for the period EUR 3.73 per share.

## Stock option programs

The company has offered its personnel share option programs as part of the incentive and commitment program. The purpose of the option programs is to commit option holders to the company's financial growth and the valuation of the company's share, and to create a long-term relationship between the company and option holders that benefits the company both financially and operationally.

The company has six option programs and on December 31, 2024, there were a total of 544,756 unsubscribed stock options. Each stock option under the 2017, 2018 and 2020 plans entitle the holder to subscribe for fifteen new shares, while the 2022, 2023 and 2024 plans entitle the holder to subscribe for one new share per stock option. During the reporting period, a total of 2 096 options (31 440 shares) were subscribed. In the 2017, 2018 and 2020 plans, the number of shares to be subscribed for on the basis of option rights will expire on 30 April 2027, while the subscription periods for the new 2022 and 2023 plans will expire on 31.12.2030 and 2024 plans will expire on 31 December 2032.

There have been no changes in the terms and conditions of the plans during 2024. Under the stock option program 2024, 420 000 options were distributed to managers on 2 May 2024, entitling them to subscribe for a total of 420 000 shares in the company. Under the stock option program 2023, 45 000 options were distributed to managers on 30 May 2024, entitling them to subscribe for a total of 45 000 shares in the company.

During 2024, a total of 60 000 options were redeemed under the 2024 share option program, which will revert back to the company.

The number of shares subscribed with stock options and the subscription prices are specified in the table below.

Stock option scheme	Total	Unsubscribed	Subscription price, EUR/share	Subscription period
2017*	119 175	12 420	0.0667	Until 30/04/2027
2018	140 130	44 130	0.6667	Until 30/04/2027
2020*	86 085	26 310	0.6667	Until 30/04/2027
2022	70 652	70 652	4.60	Until 31/12/2030
2023	45 000	45 000	4.68	Until 31/12/2030
2024	360 000	360 000	3.09	Until 31/12/2032

The table below shows the ownership and voting rights that can be obtained by virtue of the issued stock options and the effect of the options on the number of shares.

Maximum number of shares to be issued on the basis of stock options that are still unsubscribed and eligible for subscription	<b>558 512</b>
Number of shares 31.12.2024	<b>11 281 818</b>
Number of shares, if all shares available for subscription based on stock options*	<b>11 894 030</b>
Voting rights and ownership from options, if all shares available for subscription based on stock options are subscribed	<b>4.70 %</b>

\*Note that in the 2017 share option program, option subscriptions have been made during the last subscription window in 2024, which will entitle to 9 000 shares. Similarly, in the 2020 stock option program option subscriptions have been made during the same period which will entitle to 4 950 shares. These shares have not been included in the above table.

## Performance-based Matching Share Plan

The company has a long-term performance-based matching share plan, which was introduced at the time of the IPO. The purpose of the incentive plan is to align the objectives of Digital Workforce's shareholders and key employees to increase the value of the company's shares over the long term, to engage key employees in the implementation of the company's strategy and to provide them with a competitive remuneration scheme based on the earning and accumulation of the company's shares.

The incentive plan is based on a participant's investment in the company's shares, which allow the participant to earn additional shares as a reward for continued share ownership and continued employment and for achieving performance-based goals set by the Board of Directors. The plan consists of vesting periods 2022-2024, 2023-2025 and 2024-2026. The Board of Directors of the company separately determines the vesting criteria, the targets to be set for each criterion, the target group of the incentive plan and the vesting opportunity for each vesting period. The potential reward for each performance period will be paid in the form of company shares after the end of the performance period. If the key person's employment ends before the award is paid, the award will not normally be paid.

The Board of Directors has decided not to launch the performance period 2024-2026. The plan's ongoing performance periods 2022-2024 and 2023-2025 will continue unchanged.



## Dividend

The distributable funds of the Group's parent company on December 31, 2024 were EUR 24,825,077.70. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.03 per share and an additional dividend of EUR 0.06 per share be paid for 2024.

## Short-term risks and uncertainties

General economic uncertainty across Europe may continue through 2025, potentially affecting new customer acquisition and the timing of investments in existing customer relationships. In addition, there have been a number of changes in the US political and economic environment that may affect the operations of foreign companies in the US. The Company is in the process of both expanding its Outsmart offering, developing solutions based on AI agent technology, and changing its geographic focus as its operations continue to internationalize strongly. Success in implementing these changes will be key to the company's success.

The banking and insurance sector, one of the company's strategic business areas, is highly competitive internationally, and its customers are advanced adopters of software robotics. However, end-to-end business process automation opens up new competitive advantages and opportunities for success for Digital Workforce.

The healthcare market in the Nordic countries and the UK relies heavily on public finances, and any changes in budgets and investment guidance could affect decision timelines and change investment targets.

The economic environment and interest rates remain uncertain. These affect, among other things, companies' ability to invest in new digital services. On the other hand, companies need to improve the efficiency of their business processes by investing in automation and artificial intelligence.

The uncertain global political situation may have a direct or indirect impact on a company's business. Although the company has a large customer base, the potential loss of a single large customer could pose a risk to revenue growth in the short term.

## Post-Report period events

- Company announced on January 3, 2025 that it appoints Lago Kapital as liquidity provider.
- Company announced on January 7, 2025 the appointment of Antti Karjalainen, M.Sc. (Eng.) and M.Sc. (Econ.), as Chief Technology Officer (CTO) and a member of the Management Team.
- Company announced on January 14, 2025 that Mikko Lampi M.Sc. (Eng.) has been appointed as Chief Operating Officer (COO) and member of the Management Team. Mikko Lampi succeeds Tuomo Sievilä, who has decided to leave his position as Head of Customer Operations and member of the Management Team to continue his career outside Digital Workforce. The changes were effective from 15 January, 2025.
- Company announced on February 5, 2025 a dividend policy to support the company's profitable growth strategy. In the future, the company aims to pay a dividend of at least 30% of the profit for the financial year.

## Financial reporting

In 2025 Digital Workforce Services Plc will publish a business review for January-March 25 April 2025, a Half-Year Report for January-June 18 July 2025, and a Business Review for January-September 23 October 2025. The Financial Statements and the Report of the Board of Directors for 2024 will be published during week 13/2025. Reports will be published in a company release and on the company's website at <https://digitalworkforce.com/investors/reports-and-presentations/>. The Annual General Meeting is planned to be held on 10 April 2025. The Board of Directors will issue a separate notice to the Annual General Meeting at a later date.

## Table section

### Accounting principles for the Financial Statements Bulletin

Financial Statements Bulletin has been prepared in accordance with good accounting practice and Finnish legislation. The information has been presented to the extent required by the Nasdaq First North Growth Market rules. The figures presented have been rounded from the exact figures, which means that the sum of individual figures may deviate from the sum presented. The figures in the Financial Statements Bulletin are unaudited.

### Group profit and loss statement (FAS)

1 000 euros	10-12/2024	10-12/2023	7-12/2024	7-12/2023	1-12/2024	1-12/2023
<b>Revenue</b>	<b>7 043</b>	<b>6 374</b>	<b>13 593</b>	<b>12 329</b>	<b>27 256</b>	<b>24 919</b>
Production to own use	175	0	241	31	316	287
Other operating income	0	15	0	73	14	433
Raw materials and services						
Purchases during the financial year	-26	-13	-29	-17	-70	-32
External services	-2 408	-2 195	-4 754	-4 198	-9 100	-8 171
Personnel expenses						
Wages and salaries	-3 182	-3 332	-5 904	-6 107	-11 639	-12 033
Social security expenses						
Pension expenses	-313	-280	-605	-545	-1 172	-1 188
Other social security expenses	-289	-196	-583	-377	-1 272	-833
Depreciation, amortisation and write-offs						
Depreciation and amortisation according to plan	-51	-2	-102	-5	-202	-13
Group goodwill amortisation	-40	-44	-57	-87	-144	-182
Other operating expenses	-1 054	-1 089	-1 836	-1 979	-3 718	-4 031
<b>EBIT</b>	<b>-146</b>	<b>-761</b>	<b>-37</b>	<b>-881</b>	<b>268</b>	<b>-844</b>
Financial income and expenses						
Interest and other financial income	163	46	306	66	371	329
Reduction in value, other securities	0	0	0	0	0	60
Interest and other financial expenses	44	-127	-2	-96	-42	-253
<b>Profit (loss) after financial income and expenses</b>	<b>62</b>	<b>-842</b>	<b>267</b>	<b>-911</b>	<b>597</b>	<b>-709</b>
Income taxes	0	0	0	27	-7	12
<b>Net income</b>	<b>62</b>	<b>-842</b>	<b>267</b>	<b>-885</b>	<b>590</b>	<b>-697</b>

## Gross profit, EBITDA and EBITDA adj

1 000 euros	10-12/2024	10-12/2023	7-12/2024	7-12/2023	1-12/2024	1-12/2023
<b>Gross profit</b>						
Net sales	7 043	6 374	13 593	12 329	27 256	24 919
Materials and services	-2 434	-2 208	-4 783	-4 214	-9 170	-8 203
Direct personnel costs	-2 291	-2 255	-4 341	-4 201	-8 561	-8 491
<b>Gross profit</b>	<b>2 318</b>	<b>1 912</b>	<b>4 469</b>	<b>3 914</b>	<b>9 525</b>	<b>8 226</b>
<b>EBITDA adj</b>						
EBIT	-146	-761	-37	-881	268	-844
Depreciation and amortization	-92	-46	-159	-92	-346	-195
<b>EBITDA</b>	<b>-54</b>	<b>-716</b>	<b>122</b>	<b>-789</b>	<b>614</b>	<b>-649</b>
Non-recurring items that differ from business operations	-336	-472	-373	-637	-373	-805
<b>EBITDA adj</b>	<b>282</b>	<b>-244</b>	<b>495</b>	<b>-153</b>	<b>988</b>	<b>155</b>

## Group balance sheet (FAS)

1 000 euros	31.12.2024	31.12.2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets		
Development expenditure	794	415
Group goodwill	1 227	1 494
Other intangible assets	243	209
Tangible assets		
Machinery and equipment	17	24
<b>Non-current assets total</b>	<b>2 281</b>	<b>2 142</b>
<b>Current assets</b>		
Long-term debtors		
Other debtors	48	25
Short-term debtors		
Trade debtors	4 789	4 498
Other debtors	67	25
Prepayments and accrued income	4 204	3 541
Debtors total	9 108	8 089
Securities		
Other securities	4 464	7 722
Cash in hand and at banks	8 490	5 481
<b>Current assets total</b>	<b>22 062</b>	<b>21 292</b>
<b>ASSETS TOTAL</b>	<b>24 343</b>	<b>23 435</b>

1 000 euros	31.12.2024	31.12.2023
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	80	80
Invested unrestricted equity reserve	27 608	27 989
Retained earnings (loss)	-13 464	-12 768
Translation difference	36	141
Net income for the financial period	590	-697
<b>Equity total</b>	<b>14 850</b>	<b>14 746</b>
<b>Liabilities</b>		
Non-current liabilities		
Loans from credit institutions	553	754
Non-current liabilities total	553	754
Current liabilities		
Loans from credit institutions	201	201
Advances received	3 970	2 617
Trade creditors	1 840	1 438
Other creditors	1 421	1 675
Accruals and deferred income	1 508	2 003
Current liabilities total	8 941	7 934
<b>Liabilities total</b>	<b>9 494</b>	<b>8 688</b>
<b>EQUITY AND LIABILITIES TOTAL</b>	<b>24 343</b>	<b>23 435</b>

## Group cash flow statement (FAS)

1 000 euros	7-12/2024	7-12/2023	1-12/2024	1-12/2023
<b>Cash flow from operations:</b>				
EBIT	-146	-761	-37	-881
Depreciations	51	2	102	5
Other items	156	-79	488	248
<b>Cash flow from operations before change in net working capital</b>	<b>61</b>	<b>-838</b>	<b>552</b>	<b>-628</b>
<b>Change in net working capital:</b>				
Change in sales receivables and other receivables	1 011	47	-1 019	101
Change in trade debtors and other interest-free debtors	691	-32	1 208	-2 291
Change in net working capital total	1 702	15	189	-2 190
Paid interest and payments of other operational financial expenses	-13	-13	-54	-62
Received interest from operations	255	38	261	54
Paid immediate taxes	0	27	-7	12
<b>Cash flow from operations (A)</b>	<b>2 006</b>	<b>-771</b>	<b>942</b>	<b>-2 814</b>
Cash flow from investments:				
Investments in tangible and intangible assets	-437	-280	-609	-484
Purchased subsidiary shares	0	0	0	-325
<b>Cash flow from investments (B)</b>	<b>-437</b>	<b>-280</b>	<b>-609</b>	<b>-809</b>
Cash flow from financing:				
Paid share increase	9	21	18	37
Changes in equity	-96	-31	-399	-31
Change in short term loans	0	0	-201	-118
Change in long term loans	0	0	0	-1 200
<b>Cash flow from financing (C)</b>	<b>-88</b>	<b>-10</b>	<b>-583</b>	<b>-1 312</b>
<b>Change in cash</b>	<b>1 481</b>	<b>-1 061</b>	<b>-250</b>	<b>-4 936</b>
<b>(A+B+C) increase (+) / decrease (-)</b>				
Cash at the beginning of the period	11 472	14 264	13 203	18 139
Cash at the end of the period	12 954	13 203	12 954	13 203

## Group change in equity

1 000 euros	1-12/2024	1-12/2023
<b>Restricted equity</b>		
Share capital at the beginning of the period	80	80
Share capital at the end of the period	80	80
<b>Restricted equity total</b>	<b>80</b>	<b>80</b>
<b>Unrestricted equity</b>		
Invested unrestricted equity reserve at the beginning of the period	27 989	28 011
Share subscriptions with options and acquisition of own shares	-381	-21
Invested unrestricted equity reserve at the end of the period	27 608	27 989
Retained earnings (loss) at the beginning of the period	-13 464	-12 768
Retained earnings (loss) at the end of the period	-13 464	-12 768
Translation difference at the beginning of the period	141	116
Change in translation difference	-105	25
Translation difference at the end of the period	36	141
Net income for the financial period	590	-697
<b>Unrestricted equity total</b>	<b>14 770</b>	<b>14 666</b>
<b>Equity total</b>	<b>14 850</b>	<b>14 746</b>

## Group commitments and contingent liabilities

1 000 euros	31.12.2024	31.12.2023
<b>Rental commitments</b>		
Due in the next financial period	179	213
Due later	34	91
Rental commitments total	213	305
<b>Lease agreement liabilities</b>		
Due in the next financial period	60	82
Due later	39	84
Lease agreement liabilities total	99	166
<b>Other commitments</b>		
Company mortgage (as collateral for the credit account)	1 400	1 400
Other commitments total	1 400	1 400

## Formulas for calculating key figures

Professional Services revenue	Professional Services revenue (including Other revenue)
Continuous Services revenue	Continuous Services revenue
Share of recurring revenue	Continuous Services revenue as percentage of Group revenue
Sales profit	Revenue - materials and services, and direct personnel costs
Sales profit margin %	Sales profit as percentage of revenue
EBITDA	Operating profit before depreciation and amortization
EBITDA margin	EBITDA as percentage of revenue
EBITDA adj.	Operating profit - non-recurring items that differ from business operations
EBITDA adj. margin	EBITDA adj as percentage of revenue
EBIT	Profit before income taxes, finance income and finance costs (operating profit)
EBIT margin	EBIT as percentage of revenue
EPS	Net income divided by shares outstanding
Capital expenditure	Investments in tangible and intangible assets
Operating cash flow	EBITDA - investments - change in NWC
Net debt	Interest-bearing liabilities (loans from financial institutions) - cash and cash equivalents
Net debt ratio	Net debt divided by equity
Equity ratio	Shareholder's Equity divided by Total Assets
Personnel at the end of the period	-
Average number of personnel	Sum of end-of-month employees divided by number of months during the period

**Helsinki February 18, 2025**

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**About Digital Workforce Services Plc**

Digital Workforce Services Plc is a leader in business automation and technology solutions. Its Outsmart platform and services, including Enterprise AI Agent solutions, empower organizations to transform knowledge work, reduce costs, accelerate digitalization, enhance customer experiences, and strengthen their competitive edge. Over 200 large international organizations rely on the company's services to drive transformation through automation. Digital Workforce has particular expertise in automating healthcare and social care pathways, advancing long-term condition follow-up, improving patient safety, and enhancing the productivity of healthcare professionals. Founded in 2015, Digital Workforce employs over 200 business automation specialists across the US, UK & Ireland, and Northern and Central Europe. The company is listed on the Nasdaq First North Growth Market Finland.

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