

COMPANY ANNOUNCEMENT FEBRUARY 28, 2024 AT 9.00 A.M. EET

Digital Workforce Services Plc

Financial Statements Bulletin
January 1 - December 31, 2023
(unaudited)



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



COMPANY ACHIEVED TARGETED TURNAROUND, FULL-YEAR ADJUSTED EBITDA POSITIVE

The company met its target of becoming profitable and expanding internationally in 2023. Continuous Services' share of revenue increased, and the company achieved planned progress in the healthcare business area.

July-December 2023:

- Revenue was EUR 12.3 (13.5) million and decreased by -8.7%.
- EBITDA was EUR -0.8 (-0.2) million and adjusted EBITDA EUR -0.2 (0.5) million.
- Operating profit was EUR -0.9 (-0.9) million.
- Revenue from Continuous Services was EUR 7.6 (7.8) million and decreased by -3.0%. The percentage of revenue increased to 61.7% (58.1%).
- Revenue from Professional Services was EUR 4.7 (5.7) million and decreased by -16.6%. The percentage of revenue was 38.3% (41.9%).
- Earnings per share (EPS) amounted to EUR -0.08 (-0.10).

January-December 2023:

- Revenue was EUR 24.9 (25.5) million and decreased by -2.2%.
- EBITDA was EUR -0.6 (-1.8) million and adjusted EBITDA EUR 0.2 (-0.9) million.
- Operating profit was EUR -0.8 (-2.6) million.
- Revenue from Continuous Services was EUR 15.2 (15.0) million and increased by 1.6%. The percentage of revenue increased to 61.1% (58.9%).
- Revenue from Professional Services was EUR 9.7 (10.5) million and decreased by -7.5%. The percentage of revenue was 38.9% (41.1%).
- Earnings per share (EPS) amounted to EUR -0.06 (-0.27).
- At the end of the reporting period, cash and bank receivables and other liquid assets were at EUR 13.2 (18.1) million.
- The number of employees at the end of the reporting period was 177 (190) and the average number of employees was 186 (193).
- On February 15, 2023 the company announced delivering professional business process automation services and staff augmentation to one of the most prestigious healthcare systems in the US.
- On March 3, 2023 Digital Workforce Services received an order for Professional Services of approximately EUR 2.2 million for year 2023 from a major utility company in the United States.
- Jussi Vasama joined the company as CEO on March 27, 2023.
- On March 28, 2023 Digital Workforce received the prestigious ISO 27001 certification for its information security management. The certification is awarded to companies that demonstrate a high level of commitment to protecting their information assets and implementing effective security controls.
- On May 25, 2023 the company announced a partnership with one of the leading NHS Foundation Trusts to Improve Patient Experience with End-to-End Process Automation.

Using Digital Workforce's innovative Outsmart PASS solution, the customer can speed up the registration process, inform nurses immediately about high-priority patients, and centrally monitor, orchestrate, and control the registration lifecycle.

- Digital Workforce has won the prestigious 'Improving back-office efficiencies through digital' HSJ Digital Award for their revolutionary Intelligent Automation Transformation Programme in Maternity in England on June 22, 2023. The HSJ Digital Awards recognize outstanding contributions towards healthcare services in England, and winning this national award demonstrates the exceptional drive of the team to innovate, build impactful solutions, and take on an instrumental role in transforming healthcare delivery.
- On November 1, 2023, the company announced that research firm Forrester published a Forrester Wave™: Robotic Process Automation Services, Q4 2023 survey of key service providers in the market. Digital Workforce became the best supplier in the Current Offering category, achieving the best possible result e.g. criteria for Vision, Innovation, Pricing flexibility and Transparency.
- The company issued a profit warning on November 24, 2023 and updated its guidance: Digital Workforce's full-year 2023 revenue is expected to be 24-25 million euros and profitability is expected to be positive on an adjusted EBITDA basis.
- The company announced on December 7, 2023 that the new Certified Adviser is Aktia Alexander Corporate Finance Oy. The agreement with the current advisor Danske Bank A/S, Finland Branch expires on November 31, 2023. Aktia Alexander Corporate Finance Oy takes over the responsibilities of Certified Adviser as of January 1, 2024.
- The company announced on December 12, 2023 that a major Nordic pension insurance company selected Digital Workforce as its provider of end-to-end automation services.
- The company announced on December 12, 2023 that it will 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 250 000. The acquisition of the company's own shares starts on 13 December 2023 at the earliest and ends on 30 June 2024 at the latest.

Outlook for 2024

Digital Workforce's full-year 2024 revenue is expected to be higher than in 2023 and adjusted EBITDA is projected to be positive and improve compared to 2023.

Key figures

1 000 euros	7-12/2023	7-12/2022	Change %	1-12/2023	1-12/2022	Change %
Net sales	12 329	13 503	-8,69%	24 919	25 470	-2,16%
Professional Services net sales	4 718	5 657	-16,60%	9 693	10 478	-7,49%
Continuous Services net sales	7 612	7 846	-2,98%	15 226	14 992	1,56%
Continuous Services' share of net sales	61,7 %	58,1 %		61,1 %	58,9 %	
Gross profit	3 914	5 071	-22,82%	8 226	9 294	-11,50%
% of net sales	31,7 %	37,6 %		33,0 %	36,5 %	
EBITDA	-789	-179	341,95%	-649	-1 785	-63,62%
% of net sales	-6,4 %	-1,3 %		-2,6 %	-7,0 %	
EBITDA adj. *	-153	468	-132,57%	155	-874	-117,79%
% of net sales	-1,2 %	3,5 %		0,6 %	-3,4 %	
EBIT	-881	-886	-0,56%	-844	-2 608	-67,62%
% of net sales	-7,1 %	-6,6 %		-3,4 %	-10,2 %	
Net income	-885	-1 126	-21,43%	-697	-3 009	-76,85%
EPS, eur	-0,08	-0,10		-0,06	-0,27	
Capital expenditure	-280	-1 162		-809	-1 166	
Operating cash flow	-1 054	1 484		-3 649	-2 043	
Net debt	-12 247	-15 624		-12 247	-15 624	
Net debt ratio, %	-83,1 %	-101,2 %		-83,1 %	-101,2 %	
Equity ratio, % **	70,8 %	64,1 %		70,8 %	64,1 %	
Personnel at the end of the period	177	190		177	190	
Average number of personnel	183	200		186	193	

* The EBITDA adjustment consists of restructuring costs in 2023. In 2022, the adjustment consisted of IT system projects, restructuring, M&A and write-off costs.

** In 2022, advances received were reported under accruals and deferred income. For 2023, they have been reclassified to correct category of accounts. The comparative equity ratio figures for 2022 have been adjusted accordingly and the equity ratio % has improved compared to previously reported.

CEO Jussi Vasama:



"The year 2023 was a time of significant turnaround for Digital Workforce. In line with our strategy, we succeeded in acquiring large new customers and driving business growth in North America and in the strategically important healthcare business area. In addition, excellent cooperation in diverse automation projects in Finland intensified with both new and existing customers in the wellbeing services counties during the second half of the year.

We signed long-term contract extensions with our current customers, such as the Finnish Defence Forces, during the second half of the year. Our measured customer satisfaction, which was already at a good level, continued to rise to an even higher mark during 2023, demonstrating our ability to create value for our customers across our service offering. The Outsmart service offering extended to cover end-to-end process automation, including the AI-based intelligent document processing (IDP). The services under Outsmart are easily and effortlessly available to all our existing and new cloud customers and are flexibly priced according to customer value creation.

Our growth was less than targeted in the second half of the year. Despite this the full-year net income improved by EUR 2.3 million from 2022. The share of Continuous Services of our revenue, which is central to the company's strategy, grew in 2023 reaching 61.7% of revenue at the end of the year. The high share of Continuous Services provides the company with predictability and business continuity in the face of short-term fluctuations in demand.

The profitability figures for the second half of 2023 include, as non-recurring expenses, cost saving measures at EUR 0.6 million, implemented to improve operational efficiency. Going forward, we will serve customers in Norway and Denmark from our centralized Scandinavian unit in Sweden and from global operations. This will enable us to direct our investments in 2024 into our growth markets, notably the USA and the UK.

In June, we announced a second strategic business area, Financial Services Industry (FSI). In this business, we are focusing on end-to-end business process automation and Continuous Services enabled by our Outsmart service offering. During the second half of the year, we deepened our cooperation with our strong existing FSI customer base. In addition, a major Nordic pension insurance company chose us as a provider of end-to-end automation services in December.

Digital Workforce is an attractive employer. The availability of employees from the market has been good, and the existing employee retention rate has decreased. We continue to recruit in our strategic business areas and in our growth markets in the US and UK. A thriving and skilled personnel is at the heart of Digital Workforce, and this will also be reflected in the Sustainability Report which will be published as part of the Annual Report.

I see the year 2024 providing us with a solid foundation for implementing our profitable growth strategy. We have great opportunities to leverage business process automation and AI in our current customer base, and we will strengthen our investments in strategic business areas and growth markets. Our cash position is good, and potential acquisitions are still part of our plans. We believe in a successful future and in excellent growth opportunities in the medium term.

We expect the company's revenue to grow and the adjusted EBITDA to be positive and improve compared to 2023. From the beginning of this year, we are moving back to quarterly reporting, believing that this is the best way to keep investors informed of our rapid progress. By the end of 2026, the company aims for revenue of EUR 50 million and an EBITDA of over 10%."

Financial review

Development of revenue and profitability

Digital Workforce's revenue for the financial year 2023 was EUR 24.9 (25.5) million. The company's revenue decreased by EUR -0.6 million, or -2.2%. In the second half of the year revenue was EUR 12.3 (13.5) million, down by -8.7% from the previous financial year. The decrease in revenue was due to changes in customer demand in different markets and delays in delivery schedules for individual process automation projects.

The Group's sales margin was EUR 8.2 (9.3) million and the relative sales margin 33.0% (36.5%) weakened compared to the previous year. The sales margin was decreased by the Group's non-recurring items. The Group's adjusted EBITDA was EUR 0.2 (-0.9) million and operating profit was EUR -0.8 (-2.6) million. EBITDA adjustments amounted to EUR 0.8 (0.9) 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 3.9 (5.1) million and the relative sales margin was 31.7% (37.6%). The Group's adjusted EBITDA was EUR -0.2 (0.5) million and operating profit EUR -0.9 (-0.9) million. EBITDA adjustments amounted to EUR 0.6 (0.6) million consisting of non-recurring items of a non-operative nature.

The loss for the financial period was EUR -0.7 (-3.0) million. Financial expenses amounted to EUR -0.2 (-0.5) million. Earnings per share were EUR -0.1 (-0.3).

Group balance sheet, financing and cash flow

The balance sheet total at the end of the reporting period 2023 was EUR 23.4 (27.9) million. The equity ratio was 70.8% (64.1%) and net debt was EUR -12.2 (-15.6) million. In 2022, advances received were reported under accruals and deferred income. For 2023, they have been reclassified to correct category of accounts. The comparative equity ratio figures for 2022 have been adjusted accordingly and the equity ratio % has improved compared to previously reported.

The Group's operating cash flow was EUR -3.6 (-2.0) million and the Group's cash flow from investing activities was EUR -0.8 (-1.2) million. At the end of the reporting period the Group had EUR 0.8 million in loans from credit institutions.

During the financial year 2023, the company paid off the EUR 1.2 million bank loan in full and repaid EUR 0.3 million of other long-term debts.

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 financial year, 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 186 (193) people during the financial year. Salaries and salaries amounted to EUR 12.0 million in the financial year 2023, EUR 12.4 million in the financial year 2022 and EUR 11.2 million in the financial year 2021. 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. Juha Järvi, Global Head of Healthcare, Mr. Karli Kalpala, Head of Strategic Transformation & Financial Services Industry, Mr. Tuomo Sievilä, Head of Customer Operations, Mr. Karri Lehtonen, Head of Sales, North America, Mr. Leon Stafford, Head of Sales, United Kingdom and Ireland, Mr. Stefan Meller, Head of Sales, Scandinavia, Ms. Kristiina Åberg, Head of Marketing, Ms. Eila Onnisekka, Head of People & Culture.

During the reporting period, Jussi Vasama joined the company as CEO. As of June 1, 2023, the new members of the management team were Karri Lehtonen, who was appointed Head of Sales, North America, Leon Stafford, who was appointed Head of Sales, United Kingdom and Ireland, and Markus Lindström, who was appointed Head of Sales, Scandinavia. Management team member Tuomo Sievilä was appointed to the new role of Head of Customer Operations, where he will be responsible for customer operations globally, including continuous

services and professional services. Management Team member Karli Kalpala was given responsibility for Strategic Transformation and a strategic business area, Financial Services Industry. The founding partners Heikki Länsisyrjä and Jukka Virkkunen stepped down from the company's operational activities and the management team to focus on Digital Workforce's board work and long-term value creation and strategy. Teemu Vieruaho, who led the Professional Services business, continued to work for the company, but left the management team. As of October 23, 2023, Stefan Meller was appointed Head of Sales, Scandinavia and member of the management team. He succeeds Markus Lindström, who resigned from his position as Scandinavian Sales Director and member of the management team to continue his career outside Digital Workforce.

Board of Directors

Mr. J.T. Bergqvist was elected Chairman of the Board on April 13, 2023. At the end of 2023, the Board of Directors of Digital Workforce Services Plc consisted of Mr. J.T. Bergqvist, Mr. Timo Ahopelto, Ms. Marika Auramo, Mr. Heikki Länsisyrjä, Mr. Juha Mikkola, Ms. Leena Niemistö and Mr. Jukka Virkkunen.

Annual General Meeting

The Annual General Meeting of Digital Workforce Services Plc was held on April 13, 2023 in Helsinki. The Meeting confirmed the financial statements for the financial year 2022, 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 2022.

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 1 118 278 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, 2024.

The Annual General Meeting resolved to add to the Articles of Association the possibility to alternatively attend the General Meeting remotely during the meeting (hybrid meeting) or without a physical meeting place (remote meeting).

The annual general meeting decided to appoint seven (7) members. The appointed members are Mr. J.T. Bergqvist, 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. J.T. Bergqvist as Chairman of the Board of Directors.

KPMG Oy Ab, authorized public accountants, was chosen as the Company's Auditor and Toni Aaltonen, 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 11,251,128 (11,182,788). The average number of shares during January-December 2023 was 11,216,958 (11,191,406) and during July-December 2023 11,235,048 (11,160,153).

At the end of the financial year, the company had 2,704 (2,791) shareholders.

A total of 13 200 Digital Workforce Services Plc's new shares has been subscribed for with the company's stock options 2017 and 2020 on 31 December 2023. A total of 4,875 company's new shares has been subscribed for with the company's stock options 2017 and a total of 8,325 company's new shares has been subscribed for with the company's stock options 2020.

For subscriptions made with the stock options 2017 and 2020 the entire subscription price of EUR 5,875.00 will be entered in the reserve for invested unrestricted equity.

The shares subscribed for under the stock options 2017 and 2020 have been registered in the Trade Register after the end of the financial year on 16 February 2024, as of which date the new shares will establish shareholder rights. After the trade registration the total amount of shares is 11,264,328.

The shares will be traded on the NASDAQ Helsinki Ltd together with the old shares as of 19 February 2024.

Based on the authorization given by the Annual General Meeting on 13 April 2023, 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 250 000.

The shares are acquired otherwise than in proportion to the shareholdings of the shareholders by public trading at the market price at the time of acquisition on the Nasdaq First North Growth Market Finland marketplace maintained by Nasdaq Helsinki Oy. The acquisition of the company's own shares starts on 13 December 2023 at the earliest and ends on 30 June 2024 at the latest. The acquisition of the company's own shares is paid for with the company's distributable unrestricted equity.

At the beginning of the financial year, Digital Workforce Services Plc held 0 of its own shares and based on the authorization granted to the Board of Directors, 13 829 own shares were acquired during the financial year.

Trading on Nasdaq First North Growth Market Finland

Between 1 January 2023 - 31 December 2023, a total of 1,103,986 shares or 9.8 per cent of the total number of shares were traded in Digital Workforce Services Plc. The value of the turnover was EUR 4.7 million.

The closing price of the share on the last trading day of the review period was EUR 3.02 per share. The lowest trading price during the review period was EUR 2.80 per share, the highest EUR 5.50 per share and the average price for the period EUR 4.18 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 three option programs and on December 31, 2023 there were a total of 11,194 unsubscribed stock options. Each stock option entitles its holder to subscribe for fifteen new shares. During the financial year, a total of 3,519 options (52,785 shares) were subscribed. The subscription periods for shares subscribed based on the stock options will expire on April 30, 2027.

There have been no changes in the terms and conditions of the plan during the financial year 2023. Under the stock option program 2018, 600 options were distributed to managers on 3 March 2023, entitling them to subscribe for a total of 9,000 shares in 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	44 430	0,0667	Until 30/04/2027
2018	140 130	86 385	0,6667	Until 30/04/2027
2020	86 085	37 095	0,6667	Until 30/04/2027

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	167 910
Number of shares 31.12.2023	11 251 128
Number of shares, if all shares available for subscription based on stock options	11 419 038
Voting rights and ownership from options, if all shares available for subscription based on stock options are subscribed	1,47 %

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, 2023 were EUR 25,286,072.08. The Board of Directors proposes to the Annual General Meeting that the profit for the financial year of EUR 185 274.23 be transferred to the company's profit/loss account and that no dividend be paid.

Research and development

In 2023, Digital Workforce continued its research and development work on the Outsmart service offering. The aim is to create a unique set of services and technologies to automate customers' business processes. In 2023, the company received a grant from Business Finland totaling

EUR 767 780.45, of which EUR 383 891.72 has been recognized in other operating income and EUR 383 888.73 has been recognized as a reduction of development costs. The capitalized balance of development expenditure at the end of the financial year is EUR 415 444.82.

Short-term risks and uncertainties

General economic vagueness, especially in the Nordic countries, may continue throughout 2024, causing possible uncertainty in new customer acquisition and investment schedules for existing customers. The company is undergoing a change in both strategic business area and geographical focus as operations continue to internationalize strongly. Success in implementing both changes is central to the company's success.

The Financial Services Industry, which is one of the company's strategic business areas, is highly competitive internationally, and its customers are advanced in applying RPA. End-to-end business process automation opens new competitive advantages and opportunities for success for Digital Workforce.

The healthcare market in the Nordic countries and the United Kingdom is strongly based on public financing, and possible changes in funding and investment management may affect decision-making schedules.

The economic environment is somewhat vague and interest rates remain high. These facts affect, among other things, the ability of businesses to invest in new digital services. On the other hand, companies need to improve the efficiency of their business processes through business process automation and AI investments.

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

Post-Report period events

The company announced on 8 January 2024 that Leon Stafford left his position as Head of Sales UK & Ireland on 12 January 2024 and continued his career outside Digital Workforce. In addition, the company announced on February 8, 2024, the appointment of Karli Kalpala as Head of Region UK & Ireland and Head of Strategy Transformation.

The company announced on February 8, 2024, that the Board of Directors decided not to commence the Performance Period 2024–2026 of the Plan. The Board of Directors of Digital Workforce Services Plc established a Performance-Based Matching Share Plan in 2021 for the key employees of the company. The key terms of the Performance-Based Matching Share Plan 2022–2026 were published by Initial Public Offering Prospectus on 18 November 2021. The company has announced the commencement of the Performance Period 2023—2025 on 1 February 2023. The ongoing Performance Periods of 2022—2024 and 2023—2025 will continue unamended.

Financial reporting

In 2024, Digital Workforce Services Plc will publish a Business Review for January-March 3 May 2024, a Half-Year Report for January-June 23 August 2024, and a Business Review for January-September 1 November 2024. The Financial Statements and the Report of the Board of Directors for 2023 will be published during week 12/2024 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 11 April 2024. 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

The 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.

Consolidated income statement (FAS)

1 000 euros	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Revenue	12 329	13 503	24 919	25 470
Production to own use	31	74	287	74
Other operating income	73	491	433	492
Raw materials and services				
Purchases during the financial year	-17	-13	-32	-44
External services	-4 198	-4 096	-8 171	-7 635
Personnel expenses				
Wages and salaries	-6 107	-6 231	-12 033	-12 394
Social security expenses				
Pension expenses	-545	-681	-1 188	-1 348
Other social security expenses	-377	-471	-833	-915
Depreciation, amortisation and write-offs				
Depreciation and amortisation according to plan	-5	-107	-13	-222
Group goodwill amortisation	-87	-64	-182	-64
Reductions of capitalised long-term expenses	0	-537	0	-537
Other operating expenses	-1 979	-2 754	-4 031	-5 485
EBIT	-881	-886	-844	-2 608

Financial income and expenses				
Interest and other financial income	66	60	329	97
Reduction in value, other securities	0	48	60	-60
Interest and other financial expenses	-96	-324	-253	-420
Profit (loss) after financial income and expenses	-911	-1 102	-709	-2 990
Income taxes	27	-24	12	-19
Net income	-885	-1 126	-697	-3 009

Gross profit and EBITDA adj

1 000 euros	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Gross profit				
Net sales	12 329	13 503	24 919	25 470
Materials and services	-4 214	-4 109	-8 203	-7 679
Direct personnel costs	-4 201	-4 322	-8 491	-8 497
Gross profit	3 914	5 071	8 226	9 294
EBITDA adj				
EBIT	-881	-886	-844	-2 608
Depreciation and amortization	-92	-707	-195	-823
EBITDA	-789	-179	-649	-1 785
Non-recurring items that differ from business operations	-637	-647	-805	-911
EBITDA adj	-153	468	155	-874

Group balance sheet (FAS)

1 000 euros	31.12.2023	31.12.2022
ASSETS		
Non-current assets		
Intangible assets		
Development expenditure	415	57
Group goodwill	1 494	1 475
Other intangible assets	209	0
Tangible assets		
Machinery and equipment	24	37
Other tangible assets	0	5
Non-current assets total	2 142	1 573
Current assets		
Long-term debtors		
Other debtors	25	25

Short-term debtors		
Trade debtors	4 498	4 428
Other debtors	25	48
Subscribed capital unpaid	0	16
Prepayments and accrued income	3 541	3 689
Debtors total	8 089	8 206
Securities		
Other securities	7 722	8 622
Cash in hand and at banks	5 481	9 517
Current assets total	21 292	26 345
ASSETS TOTAL	23 435	27 918
1 000 euros	31.12.2023	31.12.2022
EQUITY AND LIABILITIES		
Equity		
Share capital	80	80
Invested unrestricted equity reserve	27 989	28 011
Retained earnings (loss)	-12 768	-9 759
Translation difference	141	116
Net income for the financial period	-697	-3 009
Equity total	14 746	15 439
Liabilities		
Non-current liabilities		
Loans from credit institutions	754	2 271
Non-current liabilities total	754	2 271
Current liabilities		
Loans from credit institutions	201	243
Advances received *	2 617	3 826
Trade creditors	1 438	1 914
Other creditors	1 675	1 941
Accruals and deferred income	2 003	2 283
Current liabilities total	7 934	10 207
Liabilities total	8 688	12 479
EQUITY AND LIABILITIES TOTAL	23 435	27 918

* In 2022, advances received were reported under accruals and deferred income. For 2023, they have been reclassified to correct category of accounts. The comparative equity ratio figures for 2022 have been adjusted accordingly and the equity ratio % has improved compared to previously reported.

Group cash flow statement (FAS)

1 000 euros	7-12/2023	7-12/2022	1-12/2023	1-12/2022
Cash flow from operations:				
EBIT	-881	-886	-844	-2 608
Depreciations	5	107	13	222
Other items	38	224	204	111
Cash flow from operations before change in net working capital	-838	-555	-628	-2 274
Change in net working capital:				
Change in sales receivables and other receivables	47	2 079	101	-1 930
Change in trade debtors and other interest-free debtors	-32	746	-2 291	2 838
Change in net working capital total	15	2 824	-2 190	908
Paid interest and payments of other operational financial expenses	-13	-77	-62	-142
Received interest from operations	38	3	54	6
Paid immediate taxes	27	-24	12	-19
Cash flow from operations (A)	-771	2 171	-2 814	-1 522
Cash flow from investments:				
Investments in tangible and intangible assets	-280	-57	-484	-61
Purchased subsidiary shares	0	-1 105	-325	-1 105
Cash flow from investments (B)	-280	-1 162	-809	-1 166
Cash flow from financing:				
Paid share increase	21	15	37	30
Change in short term loans	0	0	-118	-156
Change in long term loans	0	1 200	-1 200	1 200
Cash flow from financing (C)	-10	1 215	-1 312	1 074
Change in cash (A+B+C) increase (+) / decrease (-)	-1 061	2 224	-4 936	-1 614
Cash at the beginning of the period	14 264	15 914	18 139	19 753
Cash at the end of the period	13 203	18 139	13 203	18 139

Group change in equity

1 000 euros	1-12/2023	1-12/2022
Restricted equity		
Share capital at the beginning of the period	80	80
Share capital at the end of the period	80	80
Restricted equity total	80	80
Unrestricted equity		
Invested unrestricted equity reserve at the beginning of the period	28 011	27 965
Additions	-21	46
Invested unrestricted equity reserve at the end of the period	27 989	28 011
Retained earnings (loss) at the beginning of the period	-12 768	-9 759
Retained earnings (loss) at the end of the period	-12 768	-9 759
Translation difference at the beginning of the period	116	28
Change in translation difference	25	88
Translation difference at the end of the period	141	116
Net income for the financial period	-697	-3 009
Unrestricted equity total	14 666	15 359
Equity total	14 746	15 439

Group commitments and contingent liabilities

1 000 euros	31.12.2023	31.12.2022
Rental commitments *		
Due in the next financial period	213	474
Due later	91	403
Rental commitments total	305	877
Lease agreement liabilities		
Due in the next financial period	82	70
Due later	84	57
Lease agreement liabilities total	166	127
Other commitments		
Loans on which a business mortgage has been given	0	1200
Company mortgage (as collateral for the credit account)	1 400	1 400
Other commitments total	1 400	1 400

* Rental commitments at 31.12.2022 updated.

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 27, 2024

Digital Workforce Services Plc
Board of Directors

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About Digital Workforce Services Plc

Digital Workforce Services Plc is a leading business process automation services and technology solution provider globally. Digital Workforce Outsmart services and technology solution suites allow organizations to save costs, accelerate digitalization, increase revenue, improve customer experience, and gain a competitive advantage. Globally, over 250 large customers use Digital Workforce's services and technologies to transform their businesses with automation. Founded in 2015, Digital Workforce currently employs over 200 business automation specialists in the US, UK & Ireland, and Northern and Central Europe. Digital Workforce is publicly listed in Nasdaq First North Growth Market Finland.

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