

COMPANY ANNOUNCEMENT 23 AUGUST 2023 AT 9.00 EET

Digital Workforce Services Plc

**Half Year Financial report,
January 1 - June 30, 2023**
(unaudited)

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



PROFITABILITY IMPROVED BY 14 PERCENTAGE POINTS AND NET INCOME TURNED POSITIVE, REVENUE INCREASED

Digital Workforce Service's revenue for the first half of the year from 1 January to 30 June 2023 was EUR 12.6 (12.0) million. Revenue increased by EUR 0.6 million or 5.2% compared to last year. EBITDA was EUR 0.1 (-1.6) million and adjusted EBITDA was EUR 0.3 (-1.3) million.

At the end of the reporting period, cash and bank receivables and other liquid assets were at EUR 14.3 (15.9) million.

The number of employees at the end of the reporting period was 179 (196) and the average number of employees was 189 (188).

January-June 2023:

- The revenue was EUR 12.6 (12.0) million, which was an increase of 5.2%.
- EBITDA was EUR 0.1 (-1.6) million and adjusted EBITDA was EUR 0.3 (-1.3) million.
- Operating profit was EUR 0.0 (-1.7) million.
- Revenue from Continuous Services was EUR 7.6 (7.1) million, which was an increase of 6.6%. The proportion of total revenue rose to 60.5% (59.7%).
- Revenue from Professional Services was EUR 5.0 (4.8) million, which was an increase of 3.2%. The proportion of total revenue was 39.5% (40.3%).
- Earnings per share (EPS) amounted to EUR 0.02 (-0.17).

- 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 2, 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 client 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.

Outlook for 2023

The company keeps the guidance unchanged. Digital Workforce's full-year 2023 revenue is expected to be higher than in 2022 and profitability is expected to be positive on an adjusted EBITDA basis.

Key figures

1 000 euros	1-6/2023	1-6/2022	Change %	1-12/2022
Net sales	12 590	11 967	5.20%	25 470
Professional Services net sales	4 976	4 821	3.21%	10 478
Continuous Services net sales	7 615	7 147	6.55%	14 992
Continuous Services' share of net sales	60.5 %	59.7 %		58.9 %
Gross profit	4 312	4 223	2.09%	9 294
% of net sales	34.2 %	35.3 %		36.5 %
EBITDA	140	-1 606	-108.72%	-1 785
% of net sales	1.1 %	-13.4 %		-7.0 %
EBITDA adj. *	308	-1 342	-122.95%	-874
% of net sales	2.4 %	-11.2 %		-3.4 %
EBIT	37	-1 722	-102.13%	-2 608
% of net sales	0.3 %	-14.4 %		-10.2 %
Net income	188	-1 883	-110.00%	-3 009
EPS, eur	0.02	-0.17		-0.27
Capital expenditure	-529	-4		-1 166
Operating cash flow	-2 595	-3 527		-2 043
Net debt	-13 308	-14 600		-15 624
Net debt ratio, %	-85.3 %	-88.7 %		-101.2 %
Equity ratio, % **	74.8 %	71.5 %		64.1 %
Personnel at the end of the period	179	196		190
Average number of personnel	189	188		193

* The EBITDA adjustment for 1-6/2023 is formed by costs related to restructuring. For 2022 the adjustments were formed by IT system projects, restructuring and write-offs.

** Advances received that were previously reported under accruals and deferred income have been reclassified to correct category of accounts, with the comparative equity ratio figures for 2022 corrected accordingly. As a result, the Equity ratio % has improved compared to previously reported.



CEO Jussi Vasama:

"I am pleased with the progress the company has made in implementing its strategy for profitable growth. The efficiency measures initiated last year and continued during the first half of the year combined with revenue growth in Continuous Services resulted in a significant improvement in EBITDA compared to the comparison period. Our adjusted EBITDA was EUR 0.3 million in the reporting period, compared to a negative EBITDA of EUR -1.3 million in the comparative period. Adjusted EBITDA improved by 14 percentage points. Our revenue grew by 5% in the first half of the year. We were very successful in growing our business in our growth markets in the US and the UK, which are at the heart of our strategy, and in the healthcare segment. In the Finnish market, we saw a slowdown in demand for public sector operators after a very buoyant end to 2022. In the Swedish market, demand slowed down, and realisations were also weighed down by the marked depreciation of the Swedish krona.

Customer demand for our healthcare services strengthened especially in the U.S. and the UK, where significant new

contracts were signed. Supported by these, both our Continuous Services and Professional Services grew compared to the comparative period.

As a company, we have made good progress in our transformation journey towards becoming a holistic automation house that delivers real, measurable business benefits to customers. In 2022, we launched Outsmart PASS, a solution offering developed by the company for managing and implementing end-to-end automation for our customers. Through Outsmart projects that leverage a range of expert services and technologies, customers have achieved the significant benefits identified in projects, including significant increases in overall process automation rates and cost savings through automation of dozens of person-years. For example, the transformation of our customers' end-customer service chains has resulted in 80% faster access to care in healthcare clinical processes. We have delivered unique, leading automation technology solutions for which we see great potential internationally in the years ahead.

The company changed its organisational structure at the beginning of June. The aim was to create a structure and refine governance models to support strategic objectives. At the same time, the company chose financial services as a new strategic focus area, alongside healthcare. Digital Workforce has a strong foothold in the Nordic banking and insurance customer base in software robotics and other automation technologies. The Outsmart offering brings a service layer on top of a customer's existing information systems, through which a holistic core business processes across different systems and functions can be orchestrated, monitored and developed. Our solution also offers this industry new opportunities to leverage both existing and new automation technologies and to flexibly integrate human tasks into fully automated workflows.

We have been using Artificial Intelligence (AI) for years, not only as part of our customer implementations, but also to develop and improve the efficiency of our own services. Generative AI brings new possibilities to both, and we are actively exploring with our clients the opportunities it creates in demanding customer environments, considering their operational requirements. We work with large global enterprises in industries such as healthcare, financial services, and manufacturing, where data security, operational transparency and regulatory compliance are of paramount importance. In March 2023, we were awarded ISO 27001 certification, demonstrating our long-term commitment to information security at all levels of

the company. The importance of information security will become even more prominent as digitalisation progresses. ISO 27001 certification demonstrates our ability to deliver innovative cloud-based business process automation solutions while meeting our customers' highest security and compliance requirements.

Digital Workforce continues to be a lucrative employer. The company will continue to execute targeted, growth-oriented recruitment and will continue to focus on retaining existing staff. The company's founders and all personnel have created a cohesive and open culture on which the next phase of our company can be built readily.

I see the company well positioned to seize the opportunities that will be opened in the market as well as to meet the general economic uncertainty that may persist in certain markets. Our services can deliver tangible business benefits to customers quickly and efficiently in a context where they are looking for greater efficiency and scalability. The recurring revenue from the ongoing services we provide to our clients represents more than 60% of our revenue, providing business continuity in the face of short-term fluctuations in demand. Our cash position remains strong and this, combined with our profitable growth strategy, they will allow us to make additional investments, as the case may be, to accelerate the execution of the company strategy through possible acquisitions."

Financial review

Development of revenue and profitability

Digital Workforce's revenue for the first half of the year 2023 was EUR 12.6 (12.0) million, an increase of EUR 0.6 million, or 5.2% from last year. The increase in revenue is the result of growth in both of our business areas, especially in the UK and US markets.

The group's sales margin was EUR 4.3 (4.2) million and the relative sales margin of 34.2% (35.3%) decreased slightly compared to the previous year. The decrease was mainly due to the migration of one formerly significant customer to a software license only business. The group's adjusted EBITDA was EUR 0.3 (-1.3) million and operating profit was EUR 0.0 (-1.7) million. EBITDA adjustments amounted to EUR 0.2 (0.3) million and were non-recurring items of a non-operational nature.

The profit for the period amounted to EUR 0.2 (-1.9) million. Financial expenses amounted to EUR -0.2 (-0.2) million. Earnings per share was EUR 0.02 (-0.17).

Group balance sheet, financing and cashflow

The balance sheet total at the end of the review period was EUR 24.3 (26.6) million. The equity ratio was 74.8% (71.5%) and net debt was EUR -13.3 (-14.6) million. Advances received that were previously reported under accruals and deferred income have been reclassified to correct category of accounts, with the comparative equity ratio figures for 2022 corrected accordingly. As a result, the equity ratio % has improved compared to previously reported.

The group's operating cash flow was EUR -2.6 (-3.5) million and the Group's cash flow from investing activities was EUR -0.5 (-0.0) million. The change was mainly due to the improved EBITDA.

At the end of the reporting period, cash and bank receivables and other liquid assets were at EUR 14.3 (15.9) million.

Outlook for 2023

The company keeps the guidance unchanged. Digital Workforce's full-year 2023 revenue is expected to be higher than in 2022 and profitability is expected to be positive on an adjusted EBITDA basis.

Organizational structure

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

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 189 (188) people during the reporting period. The group has offices in Finland, Sweden, Norway, Denmark, the United States, the UK, Germany, Poland and Ireland.

At the end of the reporting period, the Group's 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. Markus Lindström, 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 1 June 2023, the new members of the management team are 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 new focus 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, will continue to work for the company, but left the management team.

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

At the end of the review period, the company's total number of shares was 11 218 968 (11 137 518).

The decision to issue special rights was made on 5 May 2017. The number of shares to be issued with the rights

is a maximum of 246,400. The decision to issue special rights was amended on 14 October 2021 and 1 December 2021. The decision to issue special rights was made on 22 October 2018. The maximum number of shares to be issued by means of rights is 222 600. The decision to issue special rights was amended on 14 October 2021 and 1 December 2021. The decision to issue special rights was taken on 15 September 2020. The number of shares to be issued with rights is up to 140 000. The decision to issue special rights was amended on 14 October 2021 and 01 December 2021. The decision to issue special rights was taken on 26 April 2022. The number of shares to be issued with rights is up to 70 652.

After the end of the reporting period, shares were subscribed for with stock options from 2018 and 2020. A total of 14,130 Digital Workforce Services Plc's new shares has been subscribed for with the Company's stock options on 30 June 2023. A total of 5,580 Company's new shares has been subscribed for with the company's stock options 2018 and a total of 8,550 Company's new shares has been subscribed for with the company's stock options 2020.

For subscriptions made with the stock options 2018 and 2020 the entire subscription price of EUR 9,420.00 has been entered in the reserve for invested unrestricted equity.

After the trade registration the total amount of shares is 11,233,098.

The shares subscribed for under the stock options 2018 and 2020 have been registered in the Trade Register on 24 July 2023, as of which date the new shares will establish shareholder rights.

The shares will be traded on the NASDAQ Helsinki together with the old shares as of 25 July 2023.

Option program IV 2022

Based on the authorization given by the Annual General Meeting on October 14, 2021, the Board of Directors of Digital Workforce Services Plc has decided on a new stock option program, Stock Option Program IV 2022. The stock options are part of the agreed remuneration of the Chairman of the Board. A maximum of 70,652 stock options will be issued, entitling the holder to subscribe for a maximum of 70,652 new shares in the company. The stock options are issued free of charge.

The subscription price per share for the shares to be subscribed for with the stock options is EUR 4.60. The Subscription Price of the shares is recorded in full in the Company's invested unrestricted equity fund. The subscription period for the shares to be subscribed for with the stock options is July 1, 2022 - December 31, 2030.

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 vesting criterion for the 2022-2024 performance period is based on total shareholder return (TSR). The target group for the performance period at the balance sheet date is estimated to comprise approximately 20 individuals, including members of company's management team. The maximum award amount for the target group is approximately 138,000 shares in total. The total current value of the 2022-2024 vesting period is up to approximately EUR 0.7 million, estimated at the average exchange rate at the last trading day of the reporting period, assuming that the participants meet the investment condition in full.

Trading on Nasdaq First North Growth Market Finland

During the period 1 January 2023 - 30 June 2023, a total of 506,709 shares, or 4.5 per cent of the total number of shares, were traded in Digital Workforce Services Plc. The value of the exchange was EUR 2.4 million.

The closing share price on the last trading day of the reporting period was EUR 4.86 per share. The lowest trading price for the period was EUR 3.8 per share, the highest was EUR 5.48 per share and the average price for the period was EUR 4.59 per share.

Short-term risks and uncertainties

General economic uncertainty, especially in the Nordic countries, may continue in the second half of the year, creating delays in the acquisition of new customers and the timing of investments in existing customer relationships.

The company is undergoing both a strategic and a geographical change of focus as it continues to internationalise strongly. Successful implementation of both changes will be key to the company's success. The financial services sector, which has been added as a new strategic focus area for the company, is highly competitive internationally and clients are advanced practitioners of software robotics. However, end-to-end business process automation opens new competitive advantages and opportunities for success for Digital Workforce in this market. The healthcare market in the Nordic countries and the UK is heavily reliant on public finances and any changes in budgets and investment guidance could affect decision-making timetables.

In the horizon, there are uncertainties about the macroeconomic outlook in a context of high interest rates and smaller economic support packages. These are reflected, among other things, in companies' willingness to invest in new digital services. On the other hand, investment in automation is driven by companies' willingness to improve the efficiency of their business processes. Inflation will continue to create pressure to pass rising wage and other costs on to customer prices. The tightened geopolitical situation in the world may continue to have a direct or indirect impact on the company's business.

Although the company's customer portfolio is diversified, a potential loss of a single large customer would pose a risk to revenue growth in the short term.

Post-Report period events

No significant events after the reporting period.

Table section

Accounting policies

The Half Year financial report was prepared in accordance with good accounting practices and the Finnish legislation. The information has been presented to the extent necessitated by the Nasdaq First North Growth Market rules. The figures in the Half Year financial report have not been audited.

Group profit and loss statement (FAS)

1 000 euros	1-6/2023	1-6/2022	1-12/2022
Revenue	12 590	11 967	25 470
Production to own use	256	0	74
Other operating income	360	1	492
Raw materials and services			
Purchases during the financial year	-15	-31	-44
External services	-3 973	-3 538	-7 635
Personnel expenses			
Wages and salaries	-5 926	-6 163	-12 394
Social security expenses			
Pension expenses	-643	-667	-1 348
Other social security expenses	-456	-444	-915
Depreciation, amortisation and write-offs			
Depreciation and amortisation according to plan	-8	-115	-222
Group goodwill amortisation	-95	0	-64
Reductions of capitalised long-term expenses		0	-537
Other operating expenses	-2 052	-2 731	-5 485
EBIT	37	-1 722	-2 608
Financial income and expenses			
Interest and other financial income	263	38	97
Reduction in value, other securities	60	-108	-60
Interest and other financial expenses	-157	-96	-420
Profit (loss) after financial income and expenses	203	-1 888	-2 990
Income taxes	-14	5	-19
Net income	188	-1 883	-3 009

Gross profit and EBITDA adj

1 000 euros	1-6/2023	1-6/2022	1-12/2022
Gross profit			
Net sales	12 590	11 967	25 470
Materials and services	-3 988	-3 569	-7 679
Direct personnel costs	-4 290	-4 175	-8 497
Gross profit	4 312	4 223	9 294
EBITDA adj			
EBIT	37	-1 722	-2 608
Depreciation and amortization	-103	-115	-823
EBITDA	140	-1 606	-1 785
Non-recurring items that differ from business operations	-168	-264	-911
EBITDA adj	308	-1 342	-874

Group balance sheet (FAS)

1 000 euros	30.6.2023	30.6.2022	31.12.2022
ASSETS			
Non-current assets			
Intangible assets			
Development expenditure	242	622	57
Group goodwill	1 581	0	1 475
Other intangible assets	18	0	0
Tangible assets			
Machinery and equipment	34	49	37
Other tangible assets	0	8	5
Non-current assets total	1 876	679	1 573
Current assets			
Long-term debtors			
Other debtors	23	11	25
Short-term debtors			
Trade debtors	4 023	6 680	4 428
Other debtors	161	51	48
Subscribed capital unpaid	0	0	16
Prepayments and accrued income	3 930	3 266	3 689
Debtors total	8 136	10 009	8 206

Securities			
Other securities	7 689	11 583	8 622
Cash in hand and at banks	6 575	4 331	9 517
Current assets total	22 400	25 923	26 345
ASSETS TOTAL	24 276	26 602	27 918
1 000 euros	30.6.2023	30.6.2022	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Share capital	80	80	80
Invested unrestricted equity reserve	28 011	27 980	28 011
Retained earnings (loss)	-12 768	-9 759	-9 759
Translation difference	90	38	116
Net income for the financial period	188	-1 883	-3 009
Equity total	15 601	16 456	15 439
Liabilities			
Non-current liabilities			
Loans from credit institutions	956	1 314	2 271
Non-current liabilities total	956	1 314	2 271
Current liabilities			
Loans from credit institutions	0	0	243
Advances received	3 413	3 571	3 826
Trade creditors	971	1 220	1 914
Other creditors	1 442	1 518	1 941
Accruals and deferred income	1 893	2 523	2 283
Current liabilities total	7 719	8 832	10 207
Liabilities total	8 675	10 147	12 479
EQUITY AND LIABILITIES TOTAL	24 276	26 602	27 918

* Advances received that were previously reported under accruals and deferred income have been reclassified to correct category of accounts, with the comparative equity ratio figures for 2022 corrected accordingly.

Group cash flow statement (FAS)

1 000 euros	1-6/2023	1-6/2022	1-12/2022
Cash flow from operations:			
EBIT	37	-1 722	-2 608
Depreciations	8	115	222
Other items	166	-113	111
Cash flow from operations before change in net working capital	210	-1 719	-2 274
Change in net working capital:			
Change in sales receivables and other receivables	54	-4 008	-1 930
Change in trade debtors and other interest-free debtors	-2 259	2 092	2 838
Change in net working capital total	-2 206	-1 916	908
Paid interest and payments of other operational financial expenses	-49	-65	-142
Received interest from operations	15	3	6
Paid immediate taxes	-14	5	-19
Cash flow from operations (A)	-2 044	-3 693	-1 522
Cash flow from investments:			
Investments in tangible and intangible assets	-204	-4	-61
Purchased subsidiary shares	-325	0	-1 105
Cash flow from investments (B)	-529	-4	-1 166
Cash flow from financing:			
Paid share increase	16	15	30
Change in short term loans	-343	-156	-156
Change in long term loans	-975	0	1 200
Cash flow from financing (C)	-1 302	-141	1 074
Change in cash	-3 875	-3 839	-1 614
(A+B+C) increase (+) / decrease (-)			
Cash at the beginning of the period	18 139	19 753	19 753
Cash at the end of the period	14 264	15 914	18 139

Group change in equity

1 000 euros	1-6/2023	1-6/2022	1-12/2022
Restricted equity			
Share capital at the beginning of the period	80	80	80
Share capital at the end of the period	80	80	80
Restricted equity total	80	80	80
Unrestricted equity			
Invested unrestricted equity reserve at the beginning of the period	28 011	27 965	27 965
Additions	0	15	46
Invested unrestricted equity reserve at the end of the period	28 011	27 980	28 011
Retained earnings (loss) at the beginning of the period	-12 768	-9 759	-9 759
Retained earnings (loss) at the end of the period	-12 768	-9 759	-9 759
Translation difference at the beginning of the period	116	28	28
Change in translation difference	-26	9	88
Translation difference at the end of the period	90	38	116
Net income for the financial period	188	-1 883	-3 009
Unrestricted equity total	15 521	16 376	15 359
Equity total	15 601	16 456	15 439

Group commitments and contingent liabilities

1 000 euros	30.6.2023	30.6.2022	31.12.2022
Rental commitments			
Due in the next financial period	323	262	474
Due later	127	141	403
Rental commitments total	451	403	877
Lease agreement liabilities			
Due in the next financial period	81	75	70
Due later	49	82	57
Lease agreement liabilities total	131	158	127
Other commitments			
Loans on which a business mortgage has been given	0	0	1200
Company mortgage (as collateral for the credit account)	1 400	1 200	1 400
Other commitments total	1 400	1 200	1 400

* Rental liabilities for premises 31.12.2022 updated.

Formulas

Professional Services net sales	Professional Services net sales (including Other revenue)
Continuous Services net sales	Continuous Services net sales
Share of recurring revenue	Continuous Services sales as percentage of Group sales
Gross profit	Net sales - materials and services, and direct personnel costs
Gross margin %	Gross profit as percentage of net sales
EBITDA	Operating profit before depreciation and amortization
EBITDA margin	EBITDA as percentage of net sales
EBITDA adj.	Operating profit - non-recurring items that differ from business operations
EBITDA adj. margin	EBITDA adj as percentage of net sales
EBIT	Profit before income taxes, finance income and finance costs (operating profit)
EBIT margin	EBIT as percentage of sales
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

For further information, please contact:

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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 suite allow organizations to save costs, accelerate digitalization, increase revenue, improve customer experience and gain competitive advantage. Globally, over 200 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, the UK, Ireland, Poland, Germany, Finland, Sweden, Norway, and Denmark. Digital Workforce is publicly listed in Nasdaq First North Growth Market Finland.

<https://digitalworkforce.com>