

The logo for digia, featuring the word "digia" in a bold, red, sans-serif font. The letter "d" is lowercase, while "igia" is in uppercase.

Digia Plc

FINANCIAL STATEMENT BULLETIN 2024

A record-breaking year: fourth-quarter organic net sales growth was 3 per cent and operating profit (EBITA) was up 15 per cent

October–December 2024

- Net sales: EUR 54.5 (53.2) million, up 2.6 per cent
- Operating profit (EBITA): EUR 5.8 (5.1) million, up 15.2 per cent;
EBITA margin: 10.7 (9.6) per cent of net sales
- Operating profit (EBIT): EUR 5.2 (4.3) million, up 20.1 per cent;
EBIT margin: 9.5 (8.1) per cent of net sales
- Earnings per share: EUR 0.15 (0.12)

January–December 2024

- Net sales: EUR 205.7 (192.1) million, up 7.1 per cent
- Operating profit (EBITA): EUR 21.2 (16.7) million, up 26.5 per cent;
EBITA margin: 10.3 (8.7) per cent of net sales
- Operating profit (EBIT): EUR 18.2 (13.8) million, up 31.6 per cent;
operating margin: 8.9 (7.2) per cent of net sales
- Earnings per share: EUR 0.50 (0.37)
- Cash flow from operations EUR 25.0 (17.0) million, up 47.6 per cent
- Return on investment: 16.6 (12.9) per cent
- Equity ratio: 52.9 (46.7) per cent. Interest-bearing net liabilities EUR 11.6 million, down 53.0 per cent
- The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.18 (EUR 0.17 for 2023) be paid for 2024.

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

Group key figures

EUR 1,000	10-12/ 2024	10-12/ 2023	Change, %	1-12/ 2024	1-12/ 2023	Change, %
Net sales	54,524	53,160	2.6%	205,672	192,087	7.1%
Operating profit (EBITA)	5,850	5,077	15.2%	21,161	16,727	26.5%
- as a % of net sales	10.7%	9.6%	12.3%	10.3%	8.7%	
Operating profit (EBIT)	5,186	4,318	20.1%	18,208	13,835	31.6%
- as a % of net sales	9.5%	8.1%	17.1%	8.9%	7.2%	
Result for the period	3,995	3,136	27.4%	13,291	9,872	34.6%

EUR 1,000	10-12/ 2024	10-12/ 2023	Change, %	1-12/ 2024	1-12/ 2023	Change, %
- as a % of net sales	7.3%	5.9%	24.2%	6.5%	5.1%	
Return on equity, %				16.7%	13.5%	
Return on investment, %				16.6%	12.9%	
Cash flow from operations				25,049	16,973	47.6%
Interest-bearing net liabilities				11,642	24,771	-53.0%
Net gearing, %				13.9%	32.8%	
Equity ratio, %				52.9%	46.7%	
Number of personnel at period-end				1,576	1,527	3.2%
Average number of personnel	1,572	1,528	2.9%	1,553	1,465	6.0%
Shareholders' equity				83,718	75,420	11.0%
Balance sheet total				163,486	168,157	-2.8%
Earnings per share, EUR	0.15	0.12	27.4%	0.50	0.37	34.8%
Earnings per share (diluted), EUR	0.15	0.12	28.0%	0.50	0.37	35.3%

CEO's Review:

"2024 was Digia's ninth consecutive year of profitable growth. We achieved year-on-year growth in both our net sales and operating profit (EBITA) in each quarter of the year. Net sales and operating profit (EBITA) hit an all-time high in the fourth quarter.

Considering the market situation, I'm very satisfied with our performance in the last quarter. Our net sales saw organic growth of 2.6 per cent, and our operating profit (EBITA) was up by 15.2 per cent. In the fourth quarter, the market for the IT services business was on a cautious, wait-and-see footing, which was reflected in demand volume. Furthermore, customers reviewed new investment decisions carefully, and in some cases put these on hold until a later date. On the other hand, customers centralised their procurements in the hands of providers with a broad offering, which again supported Digia's strong performance during the quarter. Digia's continuing service and maintenance business accounted for 48.4 per cent of net sales in the fourth quarter. Extensive continuing services provide stability to the business and

support the strategy of sustainable growth. Outperforming the general market trends, Digia achieved organic growth and improved its profitability.

Our full-year net sales grew by 7.1 per cent to EUR 205.7 (192.1) million. Of this, full-year organic growth was at 3.1 per cent. In the last quarter, our net sales amounted to EUR 54.5 (53.2) million and all of the growth was organic.

Our full-year operating profit (EBITA) was EUR 21.2 (16.7) million, including EUR 1.6 (0.6) million in expenses with no cash flow impact related to changes in the fair value of acquisitions. EBITA margin was 10.3 (8.7) per cent. Fourth-quarter operating profit (EBITA) was EUR 5.8 (5.1) million with an EBITA margin of 10.7 (9.6) per cent.

With respect to the growth figures for the fourth quarter, I'm especially pleased that Digital Experience, our business focusing on modern software development, continued to see growth of 18 per cent. The Digital Experience business comprehensively integrates customer experience, design, and technology into Digia's business solutions. The high calibre of our expertise was evident in our new partnerships and deeper customer relationships, such as with the Finnish Ice Hockey Association, the State Treasury and the Finnish Tax Administration.

In addition, the trust that our customers have in us was broadly visible in our business operations. In October-December, we made new partnership agreements with companies such as ARE, DigiFinland, Skandinaviska Enskilda Banken (SEB) and Broman Group. We also took an important step forward in expanding our partnership with a major financial operator.

In 2024, our customers' interest in harnessing AI increased significantly. This is the beginning of a transformational change. Digia's approach to AI is to integrate it into the customer's business processes. We utilize AI automation and generative artificial intelligence as well as new agent solutions, for example, as part of Microsoft business solutions. The business benefits of AI are realised in production solutions, and not just in trials and POCs. For example, the Digia Dolphin platform meets this need. In the last quarter of the year, Digia Dolphin already saw significant monthly recurring volumes from a business perspective.

We continuously invest in the development and growth of our personnel. Our number of employees grew by 18 during the last quarter and was up 49 in the full year in relation to the comparison period. We also launched a major recruitment campaign in December with the aim of hiring 75 new IT professionals.

We are releasing information on our sustainability in 2024 in the Group's Sustainability Statement as part of the Board of Directors' Report. We see the green transition as a business opportunity. For example, we are on board as a partner in the implementation of the Animal Welfare Verification System project which is being carried out jointly by Natural Resources Institute Finland (Luke) and food industry actors as part of the nationwide Food 2.0 Veturi project led by Valio.

2024 was the second year in our three-year strategy period. Our "Unlock Your Intelligence" strategy aims for sustainable profitable growth. We achieve this by providing our customers with intelligent solutions as a genuine business partner. One of our objectives is to increase the share of Digia's total net sales accounted for by international operations to 15 per cent by the end of 2025. International operations represented 11.8 per cent of net sales in 2024. We also made progress in our sustainability objectives. Compared to 2022, Digia's customer net

promoter score (NPS) rose by 18 per cent and its employee net promoter score (eNPS) by 60 per cent. By the end of 2024, our carbon footprint had reduced by 40 per cent compared to the 2019 baseline.

Although delays in decision-making and IT project launches may be felt as a slower start to the year, our aim for 2025 is to achieve profitable growth for the tenth consecutive year in line with our strategy. We make growth investments in sales and service productization as well as international business. Regarding our own operations, we invest in and deepen the "symbiosis between people and software" within the organization, bringing the benefits of artificial intelligence to enhance everyday operations. As a company, Digia is in a strong position heading into 2025.

I would like to thank all of Digia's personnel, customers, shareholders and partners for 2024, a year of sustainable growth!"

Profit guidance for 2025

Digia's profit guidance for 2025: Digia's net sales will grow (EUR 205.7 million in 2024) and its operating profit (EBITA) will either increase or remain on a par with 2024 (EUR 21.2 million in 2024).

Events after the review period

There have been no major events since the review period.

Briefing invitation

A briefing for analysts will be held at 4:30 pm on Tuesday 25 February 2025 as a Teams meeting. Attendance instructions have been emailed to participants.

CEO Timo Levoranta will give a webcast on the results starting at 6:00 pm at <https://digia.events.inderes.com/q4-2024/>.

The material and presentation for the event will be available from 4:30 pm on 25 February 2025 on the company's website: digia.com/en/investors/reports-and-presentations.

Financial reporting

In 2025, Digia will publish its Financial Statement Bulletin, two business reviews, and half-year interim report as follows:

- Business Review 1-3/2025: Friday 25 April 2025 at 8:00 am
- Half-year Report 1-6/2025: Thursday 7 August 2025 at 3:00 pm
- Business Review 1-9/2025: Thursday 23 October 2025 at 3:00 pm

The Annual Report will be published on the company's website on Thursday, 6 March 2025.

Digia Plc's Annual General Meeting will be held on Thursday, 27 March 2025.

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Digia is a software and service company that combines technological possibilities and human capabilities to build intelligent business, society and a sustainable future. Our mission is to ensure that our customers at the forefront of digital evolution. There are more than 1,500 of us working at Digia and we operate globally with our international customers. Digia's net sales totalled EUR 205.7 million in 2024. The company is listed on Nasdaq Helsinki (DIGIA).

DIGIA PLC'S FINANCIAL STATEMENT BULLETIN 2024

Digia is a growing software and service company that combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. Digia is your partner for comprehensive digitalisation. We provide all the layers of digitalisation from business systems to integrations, digital services and 24/7 monitoring and service management.

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

Markets, business environment and Digia's market position

Digia's main market is Finland, and we also provide solutions internationally. In addition to Finland, Digia operates in Sweden and the Netherlands.

Digia believes that the market for IT services will grow in the long term, even though demand in the short term has been cautious. The long-term trend in the demand for digital solutions is strong in spite of this, and data utilisation harnessing smart technology both efficiently and securely is an increasingly important success factor for all organisations. AI is being integrated into all processes and services.

Expanding existing systems and utilising the data they generate will play a central role alongside new digital solutions. This means that both integration and data expertise will become increasingly important. In addition, interest in automation and harnessing artificial intelligence is growing strongly. Our customers' short-term goal is to streamline their existing operations, and thereby enable investments in continuous digitalisation and harnessing AI to develop their business.

Digia's extensive offering – from individual service areas to broader customer solutions – brings stability and balances out the effects of any market fluctuations in our business.

We see the following trends:

- User-centred and secure solutions are gaining further ground. A good user experience for applications is of paramount importance.
- The level of automation and smart functionalities is growing. Digital evolution is trending towards automated and AI-assisted or controlled processes and services. These are based on reliable data, its secure availability, and the organisation's ability to refine and utilise data and technology.
- Instead of isolated solutions, the renewal of entire businesses as a whole is being considered. Application and IT system packages are become larger and more complex. Operational continuity, which is critical for organisations and business, emphasises the interoperability, reliability and security of system entities. When an overview and roadmap of the big picture have been drafted, system modernisation can be carried out in phases.

- Business operations are becoming networked both internally and externally. Secure and reliable integrations and interfaces are at the heart of digital evolution. They enable the functionality of application packages and data availability.
- Sustainable development and the green transition are megatrends. The utilisation of digital technologies and data is key to solving sustainability challenges.

Digia combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. In line with our strategy, we develop and maintain high-quality business solutions for our customers, which we fine-tune with automation and smart technology. Our mission is to ensure that our customers are at the forefront of digital evolution, with an operational model and rhythm that are right for them.

Net sales

October–December 2024

Digia's net sales for the review period totalled EUR 54.5 (53.2) million, up 2.6 per cent on the corresponding period of the previous year. All net sales growth was organic.

Net sales were boosted particularly by state-of-the-art software development, Microsoft Business Central and Microsoft Customer Apps & Power Platform solutions and Digia Hub, which saw year-on-year growth of 30 per cent. This was also a strong quarter for the Managed Services and Associations businesses.

The service and maintenance business accounted for 48.4 (51.6) per cent and the project business for 51.6 (48.4) per cent of the company's net sales during the review period. The net sales of both the project and the service and maintenance businesses include product business activities, which accounted for 11.1 (12.1) per cent of the Group's total net sales. The product business comprises Digia's own licences, the licence sales of its partners, as well as licence maintenance.

January–December 2024

Digia's net sales for the January–December period totalled EUR 205.7 (192.1) million, representing a year-on-year increase of 7.1 per cent. Organic growth in net sales was 3.1 per cent. Finland accounted for EUR 181.5 (175.4) million of net sales and other countries for EUR 24.2 (16.7) million. No single customer accounted for more than 10 per cent of consolidated net sales.

The net sales of the service and maintenance business totalled EUR 102.5 (107.5) million, or 49.9 (56.0) per cent of total net sales. The net sales of the project business totalled EUR 103.1 (84.6) million and accounted for 50.1 (44.0) per cent of total net sales. Net sales from the product business amounted to EUR 23.8 (23.2) million, representing 11.6 (12.1) per cent of total net sales. The product business comprises Digia's own licences, the licence sales of its partners, as well as licence maintenance.

Of net sales, EUR 7.7 (7.0) million were recognised in one instalment and EUR 198.0 (185.1) million over time.

Net sales were boosted particularly by the Digia Dolphin AI service, state-of-the-art software development, Microsoft Business Central, Microsoft Customer Apps & Power Platform solutions, Digia Hub and Managed Services.

Profit and profitability

October–December 2024

Operating profit (EBITA) for the review period amounted to EUR 5.8 (5.1) million with an EBITA margin (EBITA %) of 10.7 (9.6) per cent. During the review period, EUR 0.1 (0.1) million in expenses related to changes in the fair value of additional purchase prices were recognised in other operating expenses.

Earnings before taxes were EUR 4.9 (3.8) million, with earnings after taxes totalling EUR 4.0 (3.1) million. Earnings per share were EUR 0.15 (0.12). Net financial expenses amounted to EUR -0.3 (-0.6) million.

January–December 2024

Digia's operating profit (EBITA) for January–December was EUR 21.2 (16.7) million with an EBITA margin (EBITA %) of 10.3 (8.7) per cent. During the fiscal year, EUR 1.6 (0.6) million in expenses related to changes in the fair value of additional purchase prices were recognised in other operating expenses.

Earnings before taxes were EUR 16.9 (12.4) million, with earnings after taxes totalling EUR 13.3 (9.9) million. Earnings per share were EUR 0.50 (0.37). Net financial expenses amounted to EUR -1.3 (-1.4) million.

Research and development

Digia constantly invests in enhancing the Group's long-term competitiveness. In January–December, research and development expenses on Digia's own products totalled EUR 3.8 (4.8) million, which represents 1.9 (2.5) per cent of net sales. R&D mainly focused on the development of the Digia Envision ERP solution as well as financial and logistics ERP systems. A major new focus area is our Digia Dolphin AI service, and we continued to develop it together with our customers.

Financing, cash flow and expenditure

At the end of December 2024, Digia's balance sheet total stood at EUR 163.5 (168.2) million.

Equity ratio was 52.9 (46.7) per cent and net gearing was 13.9 (32.8) per cent. At the end of December 2024, Digia had EUR 29.9 (37.2) million in interest-bearing liabilities. Unused bank credit facilities amounted to EUR 4.5 million at the end of December. These consisted of EUR 14.0 million in long-term and EUR 12.6 million in short-term loans from financial institutions, and EUR 3.3 million in lease liabilities.

Cash flow from operating activities in January–December 2024 totalled EUR 25.0 (17.0) million. Cash flow from investments came to EUR -5.4 (-16.4) million. Cash flow from financing was EUR -13.6 (-2.5) million.

Human resources and management

Learning, goal-orientedness, wellbeing and a sense of community are the focuses of Digia's HR strategy for 2023–2025. We seek to ensure an excellent employee experience that bolsters the conditions for success in the everyday work of Digia staff. Our day-to-day operations are also guided by Digia's cultural principles – courage, sharing, learning and professional pride. During the fiscal period, we continued to take action to bolster the focus areas of our HR strategy as planned.

An effective feedback culture was a key theme in 2024. It is an impactful means of supporting lifelong learning and renewal in the work community, as well as goal-oriented activity. In 2024, to improve clarity, we introduced a new feedback template for employees for the assessment of objectives. We also continued to utilise our peer feedback model. It is part of everyday operations in a learning community where our employees receive and give comprehensive feedback and development ideas about their work, and learn from each other. We also revised our tool for measuring personnel satisfaction. Another key theme in the fiscal year was the development of Digia management. New management principles were drafted for Digia in close collaboration with all employees. These management principles, coupled with our cultural principles, provide a framework for our day-to-day operations and management. The next step is to mobilise these principles into daily work through management promises.

Efficient premises and hybrid practices are an important part of building sustainable growth and a great employee experience at Digia. As part of the continuous improvement of Digia's operations, we decided to decrease the size of our premises in Helsinki by 30 per cent. The aim is to facilitate Digia's chosen flexible approach to hybrid work, strengthen our sense of community, reduce Digia's carbon footprint and achieve cost savings.

The well-being of our employees is an important aspect of our social responsibility. Digia's personnel support measures include an early intervention model, internal coaching, the Auntie support service for handling daily situations and a variety of support services provided in cooperation with occupational health. Digia also took numerous steps to strengthen equality and diversity. We updated our equality and non-discrimination plan and signed the Women's Empowerment Principles established by UN Women and UN Global Compact. We were also one of the official partners of Helsinki Pride.

Digia continued recruitment as planned. At the beginning of the year, we carried out our popular Career Compass recruiting programme, which is targeted at professionals who are starting out in their careers. The number of applicants for this programme saw substantial year-on-year growth. In addition, Digia climbed into the ranks of the Top 25 most attractive employers in Finland in Universum's survey of IT students. Digia's total number of personnel grew organically and amounted to 1,576 (1,527) at the end of the period, with turnover of 7.7 per cent. Turnover is moderate, which is partly influenced by the general market situation in the IT sector.

At the end of the reporting period, we again measured our personnel satisfaction. Our main metric, eNPS, saw excellent improvement of 60 per cent since the baseline figure for 2022 and surpassed the target for the strategy period.

Responsibility

Digia reports on its sustainability as from the 2024 financial statements in accordance with the EU Sustainability Reporting Directive (CSRD) in the Group Sustainability Report that is part of the Board's report. Digia's strategy is based on a responsible way of working, and sustainability targets are included in the objectives for the 2023–2025 strategy period and in incentive schemes. Our goal is to reduce our carbon footprint, and to be a good and attractive employer and a trusted partner to our customers. With respect to our targets for the strategy period, our carbon footprint decreased by 40 per cent from the comparable figure for 2019 (target -60%). Our customer net promoter score (NPS) improved by 18 per cent from the baseline figure for the strategy period (target +25%) and the employee net promoter score (eNPS) by 60 per cent (target +35%).

Digia joined the Science Based Targets initiative in 2024 and will define its science-based climate targets during 2025. The baseline figures for the updated climate targets will be derived from the 2023 carbon footprint calculations, which cover all Digia locations at Group level and significant procurements. A more detailed transition plan for climate change adaptation will also be drawn up during 2025 in conjunction with the setting of science-based targets, and this will be reported on in the Group's 2025 Sustainability Report.

In recognition of our good sustainability efforts, we achieved a silver rating in our annual EcoVadis sustainability assessment for the fourth year running.

Changes in Group structure

In order to clarify its group structure, Digia started the process of merging its subsidiaries Top of Minds Accelerate AB, Top of Minds Drive AB, Top of Minds Go AB, Top of Minds Steam AB and Top of Minds Top AB into Top of Minds AB on 1 March 2024. The merger came into effect on 31 May 2024.

On 31 December 2024, the Digia Group included the parent company Digia Plc and the following subsidiaries:

- Digia Finland Oy and its subsidiary Most Digital Sweden AB
- Productivity Leap Oy
- Digia Sweden AB
- Climber International AB and its subsidiaries Climber Finland Oy, Climber Benelux B.V., Climber Danmark ApS, Climber Holding AB, and its subsidiary Climber AB
- Top of Minds AB.

Share capital and shares

On 31 December 2024, the number of Digia Plc shares totalled 26,823,723. The company had a total of 7,856 shareholders.

Digia Plc held a total of 129,604 treasury shares on 31 December 2024. The accounting counter value of these treasury shares is EUR 0.10 per share.

At the end of the period, a total of 216,789 company shares, previously funded by Digia for use in the incentive system for key personnel and under the management of EAM Digia Holding Ltd, remained undistributed. The company and EAM Digia Holding Ltd held about 1.3 per cent of the capital stock.

Up-to-date information about the company's major shareholders and the distribution of their shareholdings can be found on Digia's website: www.digia.com/en/investors/shareholders.

Trading on the Helsinki Exchanges

Digia Plc's share is listed on Nasdaq Helsinki Ltd in the Technology sector. The company's short name is DIGIA. The lowest reported share quotation in January–December 2024 was EUR 5.04 and the highest EUR 6.96. The share officially closed at EUR 6.66 on 31 December 2024. The share's trade weighted average price was EUR 5.91. The company's market capitalisation on 31 December 2024 was EUR 178,645,995.

Flagging notifications

There were no flagging notifications during the review period.

Decisions of the Annual General Meeting and the organisation of the Board of Directors

Digia Plc's Annual General Meeting (AGM), held on 20 March 2024, adopted the company's annual accounts, including the consolidated annual accounts for 1 January–31 December 2023, and discharged the members of the Board and the President and CEO from liability.

Dividends

In accordance with the proposal of the Board of Directors, the Annual General Meeting decided that a dividend of EUR 0.17 per share be paid according to the confirmed balance sheet for the financial year ending 31 December 2023. Shareholders listed in the shareholders' register maintained by Euroclear Finland Oy on the dividend reconciliation date, 22 March 2024, will be eligible for the payment of dividend. Dividends will be paid on 2 April 2024.

Remuneration Report for Governing Bodies

The Annual General Meeting decided to adopt the Remuneration Report for Governing Bodies as presented.

Remuneration Policy for Governing Bodies

The Annual General Meeting decided to adopt the Remuneration Policy for Governing Bodies as presented.

Composition of the Board of Directors

The AGM decided to elect six members to the Board. Martti Ala-Härkönen, Santtu Elsinen, Robert Ingman, Sari Leppänen, Henry Nieminen and Outi Taivainen were re-elected as Board members. At its organisational meeting after the AGM, the Board of Directors elected Robert Ingman as Chair and Martti Ala-Härkönen as Vice Chair of the Board.

At the meeting, the Board of Directors decided as follows on the composition of the Board committees:

- Audit Committee: Martti Ala-Härkönen (Chair), Santtu Elsinen and Henry Nieminen
- Compensation Committee: Outi Taivainen (Chair), Robert Ingman and Sari Leppänen
- Nomination Committee: Santtu Elsinen (Chair), Robert Ingman and Martti Ala-Härkönen

Board members' emoluments

The Annual General Meeting decided on the payment of monthly remunerations of EUR 3,500 to Board members, EUR 4,500 to the Vice Chair and EUR 6,000 to the Chair for their work on the Board for the duration of the term expiring at the end of the 2025 Annual General Meeting. In addition, fees of EUR 1,000 to the Chair and EUR 500 to other members are paid per each Board and Board Committee meeting. In addition to the aforementioned remuneration, it was decided that Board members should be reimbursed for ordinary and reasonable expenses resulting from Board work against an invoice.

Auditor's fees

The AGM decided that the company's auditor will be paid according to the auditor's reasonable invoice approved by the company.

Authorising the Board of Directors to decide on buying back own shares and/or accepting them as collateral

The Annual General Meeting authorised the Board to decide on the acquisition and/or pledging of treasury shares with the following terms and conditions:

- A maximum total of 2,000,000 shares may be bought back and/or pledged in one or more instalments. The proposed number is under 10 per cent of the company's total number of shares.
- Only unrestricted equity may be used to buy back treasury shares.
- The Board will decide on how these shares are to be acquired. Treasury shares may be bought back in disproportion to shareholders' holdings (directed acquisition). This authorisation also includes the acquisition of shares through public trading on Nasdaq

OMX Helsinki in accordance with the rules and instructions of Nasdaq OMX Helsinki and Euroclear Finland Ltd, or through offers made to shareholders.

- Shares may be acquired in order to improve the company's capital structure, to fund or complete acquisitions or other business transactions, to offer share-based incentive schemes, to sell on, or to be annulled.
- The shares must be acquired at the market price in public trading. The minimum price of the shares to be acquired shall be the lowest quotation in public trading while the authorisation is in force and, correspondingly, the maximum price shall be the highest quotation in public trading while the authorisation is in force.
- The Board of Directors is otherwise authorised to decide on all terms relating to share buyback.

This authorisation will supersede the authorisation granted by the AGM of 23 March 2023 and is valid for 18 months, that is, until 20 September 2025.

Authorising the Board of Directors to decide on a share issue and granting of special rights

The AGM authorised the Board to decide on an ordinary or bonus issue of shares and the granting of special rights (as defined in Section 1, Chapter 10 of the Limited Liability Companies Act) in one or more instalments, with the following conditions:

- This issue may total a maximum of 2,500,000 shares. The proposed number is under 10 per cent of the company's total number of shares. The authorisation applies to both new shares and treasury shares held by the company.
- The authorisation may be used to fund or complete acquisitions or other business transactions, for offering share-based incentive schemes, to develop the company's capital structure, or for other purposes decided by the Board.
- It is proposed that this authorisation should include the right for the Board to decide on all terms related to the share issue or special rights, including the subscription price, payment of the subscription price in cash or (partly or wholly) in capital contributed in kind or its being written off against the subscriber's receivables, and its recognition in the company's balance sheet.

This authorisation will supersede the authorisation granted by the AGM of 23 March 2023 and is valid for 18 months, that is, until 20 September 2025.

More information about the AGM's decisions is available at
dicia.com/en/investors/governance/annual-general-meeting/agm-2024

Events after the review period

There have been no major events since the end of the reporting period.

Risks and uncertainties

Digia's risks are classified as strategic, financial, operational and sustainability risks. The Audit Committee of the Board of Directors is responsible for supervising the implementation of risk management and assessing its effectiveness. Monitoring focuses on risks of material significance to the company that are classified as high risk. Digia's Group Management Team is responsible for the appropriateness of risk management and overseeing operational activities. The owner of risk management is responsible for reporting on risks and their correct assessment. Digia's risk management process is supported by centralised risk management software.

Changes in the risk status are reported to the Audit Committee twice a year, and the Group Management Team monitors the risk status at its regular meetings. Reports cover the risk status, the impacts of significant risks and measures used to manage them, and the monitoring of objectives, including the specified indicators.

The company's strategic and financial risks relate to potential significant changes in the company's operating environment and service areas and increasing competition, for example, in relation to pricing and contract terms. Geopolitics, general economic trends, higher interest rates and changes in customers' operating environment and financial position may have an unfavourable impact on the company's business, financial position and result through slower decision-making and the postponement or cancellation of IT investments.

Implementing the growth strategy places demands on both the organisation and its management. The company's ability to recruit, maintain and develop the correct competence – and also to correctly time the offering to meet demand – will play a vital role. In line with its strategy, Digia is also seeking growth through acquisitions. However, Digia cannot be certain of locating suitable companies for acquisition or of successfully integrating them.

Operational and cyclical risks largely involve short-term demand. If demand sees a sharp fall, price levels might also decline. The pricing models used in the service business balance out cyclical business. When costs increase, it is not certain how quickly and to what extent the rise in costs will be passed on to market prices.

Major customer projects – and fixed-price projects in particular – involve both business opportunities and risks. As customer projects increase in size, the risks associated with profitability management also grow, and there is a greater need to manage extensive contract and delivery packages. Large customer projects typically involve delivery-related sanctions. At the same time, the risks associated with accounts receivable are also rising.

Data security and protection risks comprise a significant risk area in the company's business operations. Organisations have more and more information that is critical to their operations. Threats to data security and protection have risen significantly in recent years. Data security and protection risks mainly concern technology and people. Significant risk factors also include risks posed by high-security projects and subcontracting chains. Due to the nature of its operations, the company is also the target of hostile influence. The company identifies, manages and prevents both internal and external threats. The company implements a regular ISO 27001-certified risk management process based on best practices in handling data security and protection risks. Risks are identified and their impact and significance are

analysed. The risk level is reduced with appropriate measures where possible. Operational response and the handling of potential threats have been planned, rehearsed and tested in practice. The company's employees are continuously trained, and data security and protection issues are actively communicated within the company and, if necessary, also to partners and customers. The company works in close cooperation with a variety of data security and protection authorities and networks. Physical security and personnel safety issues are managed using mechanisms similar to those employed in data security and data protection.

Sustainability risks consist of environmental, social and governance risks. Environmental risks in office work are quite small. Global supply chains for IT services and equipment may be disrupted as a consequence of geopolitical and climate threats. The potential risks related to social responsibility that are monitored include experiences of overwork, occupational wellbeing, discrimination and unequal treatment. Potential human rights risks in the subcontracting chain have been analysed and their probability is actively monitored. Human rights risks are also taken into account when selecting new subcontracting partners. Administrative risks primarily concern the company's legal and regulatory compliance, ethical operations as well as data security and protection.

Increasing regulation may also adversely impact the development of Digia's net sales and cost level.

Outlook for 2025

Digia's profit guidance for 2025: Digia's net sales will grow (EUR 205.7 million in 2024) and its operating profit (EBITA) will either increase or remain on a par with 2024 (EUR 21.2 million in 2024).

Helsinki, 25 February 2025

Digia Plc

Board of Directors

TABLES SECTION

Accounting policies
Condensed consolidated income statement
Condensed consolidated balance sheet
Consolidated cash flow statement
Statement of changes in shareholders' equity
Notes to the accounts

Accounting policies

This Financial Statement Bulletin was prepared in compliance with IFRS and the IAS 34 Interim Financial Reporting standard. No significant changes have been made to the accounting policies in 2024. The Financial Statement Bulletin has not been audited.

Condensed consolidated income statement

EUR 1,000	10-12/ 2024	10-12/ 2023	Change, %	1-12/ 2024	1-12/ 2023	Change, %
NET SALES	54,524	53,160	2.6%	205,672	192,087	7.1%
Other operating income	83	75	10.7%	117	145	-19.8%
Materials and services	-9,027	-9,192	-1.8%	-34,332	-33,270	3.2%
Depreciation, amortisation and impairment	-1,726	-1,793	-3.7%	-7,200	-7,256	-0.8%
Personnel expenses	-33,309	-31,852	4.6%	-123,670	-115,603	7.0%
Other operating expenses	-5,359	-6,080	-11.9%	-22,379	-22,267	0.5%
Operating profit (EBIT)	5,186	4,318	20.1%	18,208	13,835	31.6%
Financial expenses (net)	-261	-565	-53.8%	-1,270	-1,405	-9.6%

EUR 1,000	10-12/ 2024	10-12/ 2023	Change, %	1-12/ 2024	1-12/ 2023	Change, %
Profit before taxes	4,925	3,753	31.2%	16,938	12,430	36.3%
Income taxes	-930	-617	50.8%	-3,647	-2,558	42.6%
RESULT FOR THE PERIOD	3,995	3,136	27.4%	13,291	9,872	34.6%
Other comprehensive income						
Items that may later be reclassified as profit or loss:						
Exchange differences on translation of foreign operations	-441	1,292	-134.1%	-1,009	728	-238.6%
TOTAL COMPREHENSIVE INCOME	3,554	4,428	-19.7%	12,282	10,600	15.9%
Distribution of net profit for the period						
Parent-company shareholders	3,995	3,136	27.4%	13,291	9,868	34.7%
Non-controlling interests	-	-	-	-	4	-100%
Distribution of total comprehensive income						
Parent-company shareholders	3,554	4,428	-19.7%	12,282	10,596	15.8%
Non-controlling interests	-	-	-	-	4	-100.0%
Earnings per share, EUR (undiluted EPS)	0.15	0.12	27.4%	0.50	0.37	34.8%
Earnings per share, EUR (diluted EPS)	0.15	0.12	26.8%	0.50	0.37	34.0%

Condensed consolidated balance sheet

EUR 1,000	31 Dec 2024	31 Dec 2023
Assets		
Non-current assets		
Goodwill	92,779	93,295
Other intangible assets	9,647	13,338
Tangible assets	466	481
Right-of-use assets	3,124	4,634
Investments	482	482
Non-current receivables	453	593
Deferred tax assets	297	290
Total non-current assets	107,249	113,113
Current assets		
Current receivables	38,006	42,639
Cash and cash equivalents	18,232	12,404
Total current assets	56,238	55,044
Total assets	163,486	168,157
Shareholders' equity and liabilities		
Share capital	2,088	2,088
Other reserves	5,204	5,204
Unrestricted shareholders' equity reserve	42,081	42,081
Translation difference	-2,542	-1,533
Retained earnings	23,597	17,713

EUR 1,000	31 Dec 2024	31 Dec 2023
Result for the period	13,291	9,868
Equity attributable to parent-company shareholders	83,718	75,420
Total shareholders' equity	83,718	75,420
Liabilities		
Non-current interest-bearing liabilities	15,036	22,486
Non-current advances received	-	17
Other non-current liabilities	-	3,478
Deferred tax liabilities	1,993	2,534
Total non-current liabilities	17,029	28,515
Current interest-bearing liabilities	14,838	14,690
Other current liabilities	47,901	49,532
Total current liabilities	62,739	64,222
Total liabilities	79,768	92,736
Shareholders' equity and liabilities	163,486	168,157

Consolidated cash flow statement

EUR 1,000	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Cash flow from operations:		
Profit for the period	13,291	9,868
Adjustments to net profit	12,702	11,744
Change in working capital	853	-3,379
Change in other receivables and liabilities	1,911	1,467
Interest paid	-1,754	-1,070
Interest income	402	263
Taxes paid	-2,355	-1,920
Cash flow from operations	25,049	16,973
Cash flow from investments:		
Purchases of tangible and intangible assets	-289	-56
Acquisition of subsidiaries, net of cash and cash equivalents at the time of acquisition	-	-7,251
Additional purchase prices of subsidiaries	-5,116	-9,059
Cash flow from investments	-5,405	-16,366
Cash flow from financing:		
Repayment of lease liabilities	-3,570	-3,478
Repayment of current loans	-11,572	-8,319
Withdrawals of non-current loans	6,000	15,000
Acquisition of treasury shares	-	-1,237
Dividends paid	-4,501	-4,515
Cash flow from financing	-13,643	-2,549
Change in cash and cash equivalents	6,001	-1,942

EUR 1,000	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Cash and cash equivalents at beginning of period	12,404	14,338
Effect of changes in foreign exchange rates	-174	9
Change in cash and cash equivalents	6,001	-1,942
Cash and cash equivalents at end of period	18,232	12,404

Statement of changes in shareholders' equity

EUR 1,000	a	b	c	d	e	f	g
Shareholders' equity, 1 Jan 2023	2,088	42,081	5,204	-2,261	23,923	53	71,087
Net profit					9,868	4	9,872
Other comprehensive income				728			728
Transactions with shareholders							
Dividends					-4,515		-4,515
Acquisition of non-controlling interests					-242	-56	-298
Share-based payments recognised against equity					-217		-217
Acquisition of treasury shares					-1,237		-1,237
Shareholders' equity, 31 Dec 2023	2,088	42,081	5,204	-1,533	27,581	0	75,420
Shareholders' equity, 1 Jan 2024	2,088	42,081	5,204	-1,533	27,581	0	75,420
Net profit					13,291		13,291
Other comprehensive income items				-1,009			-1,009

Transactions with shareholders							
Dividends					-4,501		-4,501
Share-based payments recognised against equity					-585		-585
Other items					-68		-68
Shareholders' equity, 31 Dec 2024	2,088	42,081	5,204	-2,547	36,888	0	83,718

a = share capital

b = unrestricted invested shareholders' equity reserve

c = other reserves

d = currency translation differences

e = retained earnings

f = non-controlling interests

g = total shareholders' equity

Financial assets and liabilities

EUR 1,000	31 Dec 2024 Fair values	31 Dec 2023 Fair values	31 Dec 2024 Balance sheet values	31 Dec 2023 Balance sheet values
Financial assets				
Measured at fair value through profit or loss				
Shares and interests	482	482	482	482
Financial liabilities				
Non-current, measured at amortised cost				
Bank loans	14,000	20,572	14,000	20,572
Liabilities measured at fair value through profit or loss:				
Additional purchase prices (Level 3)	4,135	7,564	4,135	7,564
Current, measured at amortised cost				

EUR 1,000	31 Dec 2024 Fair values	31 Dec 2023 Fair values	31 Dec 2024 Balance sheet values	31 Dec 2023 Balance sheet values
Bank loans	12,572	11,572	12,572	11,572

Condensed income statement by quarter

EUR 1,000	10-12/2024	7-9/2024	4-6/2024	1-3/2024	10-12/2023
Net sales	54,254	45,438	52,062	53,648	53,160
Other operating income	83	10	11	12	75
Materials and services	-9,027	-7,559	-8,713	-9,033	-9,192
Personnel expenses	-33,309	-25,936	-32,251	-32,174	-31,852
Depreciation, amortisation and impairment	-1,726	-1,813	-1,833	-1,828	-1,793
Other operating expenses	-5,359	-5,323	-5,822	-5,874	-6,080
Operating result	5,186	4,816	3,455	4,751	4,318
Financial expenses (net)	-261	-393	-301	-315	-565
Profit before taxes	4,925	4,423	3,154	4,436	3,753
Income taxes	-930	-975	-722	-1,021	-617
Result for the period	3,995	3,421	2,460	3,415	3,136
Distribution of net profit for the period					
Parent-company shareholders	3,995	3,421	2,460	3,415	3,136
Non-controlling interests	-	-	-	-	-

EUR 1,000	10-12/2024	7-9/2024	4-6/2024	1-3/2024	10-12/2023
Earnings per share, EUR, undiluted	0.15	0.13	0.09	0.13	0.12
Earnings per share, EUR, diluted	0.15	0.13	0.09	0.13	0.12

Group key figures

EUR 1,000	1-12/2024	1-12/2023
Extent of business		
Net sales	205,672	192,087
Average capital invested	113,094	107,814
Number of personnel	1,576	1,527
Average number of personnel	1,562	1,465
Profitability		
Operating profit (EBITA)	21,161	16,727
- as a % of net sales	10.3%	8.7%
Operating profit (EBIT)	18,208	13,835
- as a % of net sales	8.9%	7.2%
Profit before taxes	16,938	12,430
- as a % of net sales	8.2%	6.5%
Result for the period	13,291	9,872
- as a % of net sales	6.5%	5.1%
Return on equity, %	16.7%	13.5%
Return on investment, %	16.6%	12.9%

EUR 1,000	1-12/2024	1-12/2023
Financing and financial standing		
Interest-bearing net liabilities	11,642	24,771
Net gearing	13.9%	32.8%
Equity ratio	52.9%	46.7%
Cash flow from operations	25,049	16,973
Earnings per share, EUR, undiluted	0.50	0.37
Earnings per share, EUR, diluted	0.50	0.37
Equity/share, EUR	3.12	2.81
Lowest share trading price, EUR	5.04	4.74
Highest share trading price, EUR	6.96	6.66
Average share price, EUR	5.91	5.96
Market capitalisation, EUR 1,000	178,646	144,848

Change in contingent liabilities

The company has recognised contingent liabilities from its acquisitions. EUR 5.1 million of the payments for 2024 are presented in cash flow from investments.

EUR 1,000	2024	2023
Contingent liabilities 1 Jan	7,564	13,804
New acquisitions	-	2,336
Additional purchase price payments	-5,116	-9,059
Increase in value	1,688	1,231
Decrease in value	-	-748
Contingent liabilities 31 Dec	4,135	7,564

Sensitivity analysis of contingent additional purchase prices of acquired companies

Contingent purchase price liability	Valuation method	Value under consideration	Weighted average	Fair value sensitivity
Procurement 1	Discounted cash flows	EBIT	3,671.7	<p>A 10% decrease in the value under consideration would not affect the fair value.</p> <p>A 10% rise in the value under consideration would not affect the fair value.</p>
		Discount rate	17.7%	<p>A five-percentage point fall in the value under consideration would increase the fair value by EUR 60 thousand.</p> <p>A five-percentage point rise in the value under consideration would decrease the fair value by EUR 125 thousand.</p>
Procurement 2	Discounted cash flows	EBIT	4,637.3	<p>A 5% fall in the remaining value under consideration would decrease the fair value by EUR 152 thousand.</p> <p>A 10% rise in the remaining value under consideration would not significantly affect the fair value.</p>
		Discount rate	5.0%	<p>A three-percentage point fall in the value under consideration would not significantly affect the fair value.</p> <p>A five-percentage point rise in the value under consideration would decrease the fair value by EUR 33 thousand.</p>

Formulas

Operating profit (EBITA):

Operating profit + purchase price allocation amortisation and costs

EBITA margin, %:

Operating profit + purchase price allocation amortisation and costs x 100
Net sales

Return on investment (ROI), %:

(Profit or loss before taxes + interest and other financial expenses) x 100
Balance sheet total - non-interest-bearing liabilities (average)

Return on equity (ROE), %:

(Profit or loss before taxes - taxes) x 100
Shareholders' equity

Equity ratio, %:

(Shareholders' equity + minority interest) x 100
Balance sheet total - advances received

Earnings per share:

(Profit before taxes - taxes +/- minority interest)
Average number of shares during the period, adjusted for share issues

Earnings per share (diluted):

(Profit before taxes - taxes +/- minority interest)
The average number of shares during the period, adjusted for share issues, including shares and options issued through share-based incentives schemes.

Dividend per share:

Total dividend
Number of shares at the end of the period, adjusted for share issues

Net gearing, %:

(Interest-bearing liabilities - cash and cash equivalents) x 100
Shareholders' equity

Largest shareholders 31 Dec 2024

Shareholders	Shares and votes	%
1. Ingman Development Oy Ab	7,900,000	29.5%
2. Etola Oy	3,430,495	12.8%
3. Ilmarinen Mutual Pension Insurance Company	2,658,306	9.9%
4. Varma Mutual Pension Insurance Company	1,247,142	4.6%
5. Savolainen Matti Ilmari (estate)	883,959	3.3%
6. Nordea Bank ABP	263,500	1.0%
7. Varelius Juha Pekka	218,424	0.8%
8. EAM Digia Holding Oy *)	216,789	0.8%
9. Kohonen Jorma Tapani	215,658	0.8%
10. Mandatum Life Insurance Company	189,086	0.7%
Total	17,223,359	64.2%

*) EAM Digia Holding Oy's shares are included in Digia's treasury shares.