



Digitalist Group acquires the parent company of Wunderkraut Sweden AB and sets up a web technology competence center in Stockholm

Digitalist Group Plc (“Digitalist Group”) has signed an agreement by which the Swedish company NodeOne Group AB, a parent company of Wunderkraut Sweden AB (“Wunderkraut Sweden”) becomes part of the Digitalist Group subject to certain closing conditions of the acquisition to be fulfilled. With the closing of the acquisition, Digitalist Group expands its operations to Sweden and strengthens its web design and development offering significantly. As a result of the acquisition, Digitalist Group will also bring the full power of its “Discover – Design – Delivery” offering portfolio to the Swedish market for clients to enjoy one-stop shop for all digitalization needs. Wunderkraut Sweden enjoys a strong reputation as leading digital and web development company in Sweden and enjoys extraordinary client satisfaction with a world-class team delivering continuous engagements and projects.

NodeOne Group AB’s consolidated group revenue per 31 December 2016 was SEK 37.3 million, EBITDA SEK 2.77 million and profit SEK 2.74 million.

Wunderkraut Sweden is a Swedish digital and web development company with a pioneering track record in helping brands adopting new web technologies without compromising the user experience and easy-to-use services. Wunderkraut Sweden has a solid client base, strong references and serves a great variety of clients across industries in Sweden. With the merger, 45 people will form the basis of Digitalist Sweden. Wunderkraut was also selected as one of Sweden’s best places to work by Great Place to Work(R) in 2016.

“We are absolutely thrilled to have Wunderkraut Sweden to join Digitalist Group. Our companies share a very similar mindset and vision about the future and we have been very impressed with the way they operate as a one team and exceed their clients’ expectations continuously. Web and digital development is moving into the new era and Wunderkraut Sweden is a recognized pioneer of modern web services using open source solutions. We are now better prepared than ever to serve and co-create end-to-end solutions not only with new clients in the region but also with our existing Scandinavian clients such as Spotify, Viking Line, Nordea, Telia and Color Line”, states Sami Paihonen, CEO at Digitalist Group.

“We are happy to share a long-term confidence and dedication in a strong digitalization offering with the Digitalist Network. Wunderkraut Sweden has a long history of working together with international partners and clients and we look forward to being part of Digitalist’s impressive global outlook”, states Magnus Leijonborg, CEO at Wunderkraut Sweden.

Information about the transaction

In the closing of the transaction, all the shares of NodeOne Group AB will transfer to Digitalist Group. As a result of the transaction, the subsidiaries Wunderkraut Sweden AB, Wunderlive AB and imBridge AB owned by NodeOne Group AB would become part of the Digitalist Group. As compensation, the Digitalist Group would issue in a directed share issue (“Share Issue”) a maximum total of 37,500,000 new Digitalist Group shares (“Consideration Shares”) to be subscribed for by the current owners of NodeOne Group AB in a share exchange.

The purchase price of the shares of NodeOne Group AB is approximately SEK 44 million, which purchase price will be adjusted under the terms set out in the purchase agreement by the closing of the transaction on 31 August 2017 on the basis of the target company’s profit and loss account and balance sheet per 31 July 2017. NodeOne Group AB is owned by seven Swedish companies (“Sellers”). After the arrangement, the key persons of Wunderkraut Sweden would continue to work for the company.

The Share Issue would take place by the decision of the Board of Directors of Digitalist Group in deviation from the shareholders’ pre-emptive subscription right on the basis of the authorisation given by the Annual General Meeting of Digitalist Group on 29 March 2017 in connection with the closing of the corporate transaction. The Consideration Shares issued in the Share Issue would be issued in order to develop the group’s business and finance the corporate transaction, so there is a weighty financial reason for the Share Issue and the deviation from the pre-emptive right of the shareholders within the meaning of the Finnish Limited Liability Companies Act. The share issue is conditional upon the closing of the corporate transaction and the approval of the share subscriptions. The subscription price of the Consideration Shares and the final amount of shares issued for subscription in the Share Issue will be determined on the basis of the terms of the transaction at closing.

The subscription of Consideration Shares and the transfer of NodeOne Group AB's shares into the ownership of Digitalist Group would take place in connection with the closing of the transaction.

The Consideration Shares will represent a total maximum of approximately 9.2 per cent of Digitalist Group's shares and votes after the Share Issue if the Share Issue is carried out in full. The Consideration Shares would entitle to full dividends possibly distributed by Digitalist Group and to other distribution of assets as well as carry other shareholder rights in the company starting from when the Consideration Shares have been entered in the Trade Register and the shareholders' register of the company. 60 per cent of the Consideration Shares are subject to a lock-up period of twelve (12) months – three (3) years as of their issuance as separately agreed.

The transaction is conditional, among other things, that Digitalist Group's largest shareholder Tremoko Oy Ab will give at closing a conditional commitment limited to a period of ten trading days from the listing of the Consideration Shares to buy a maximum of altogether 11,250,000 Consideration Shares, to be agreed separately at closing, from three designated Sellers after the transaction is carried out and the Consideration Shares are listed and if certain conditions are met.

DIGITALIST GROUP PLC

Board of Directors

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