

PRESS RELEASE - Stockholm 24<sup>th</sup> of July 2023

## Trade Update: White Pearl Technology Group's diversified business model withstands the impact of inflation – delivers exceptionally strong growth, exceeding thirty percent

White Pearl Technology Group (WPTG), with its global delivery approach of IT services, effectively manages inflationary pressures and achieves a robust operational and financial performance in its first half-year (January – June 2023) as a listed company on Nasdaq First North Growth Market. Anticipated organic revenue growth of 30-35 percent compared to the corresponding period in 2022 showcases WPTG's resilience amidst market challenges.

The inflationary pressures, coupled with the rapid advancements in the IT sector, have led to the mixed signals in the market. The paradox lies in inflation's impact on costs, prompting IT companies to reduce their workforce to cope with the rising wages, while simultaneously witnessing an increase in demand for IT services and products.

"WPTG's global delivery approach allows us to effectively manage inflationary pressures on talent costs in key regions like India, as well as the currency pressures on some of our emerging market businesses in South Africa and Egypt. Not only have we addressed the inflationary and currency challenges, but our overall profits have also significantly improved. We have maintained strong growth across our diversified revenue segments, including hardware, software, subscriptions, services, and annuity streams. This exemplifies the resilience of our model despite market turbulence over the past six months. WPTG's results validate our diversified business strategy in buffering global shocks and delivering value for our shareholders," says Marco Marangoni, CEO of White Pearl Technology Group.

"With a solid order book and pipeline, we are confident in delivering continued strong performance in the second half of the financial year. Moreover, WPTG's proven diversified business model serves as the bedrock of our growth strategy to secure more business in mature markets. The listing at First North Growth Market marked the initial step in this ambitious journey," states Marco Marangoni, CEO of White Pearl Technology Group.

The full half-year report of 2023 will be published on the 31st of August.

**Growth by Segment:** Analysis of the growth by segment (approximate percentages) as follows (for H1 2023 compared to H1 2022):

- Hardware sales grew by over 60%, driven by strong infrastructure demand as enterprises accelerated digital adoption.
- Software license revenue was up by over 30% as customers scaled the implementation of our proprietary platforms.
- Subscription revenue sharply rose by over 75% with SaaS adoption seeing steep growth across sectors.
- Services implementation steadily grew by 35% albeit from a large base as digital transformation engagements scaled.
- Support and maintenance annuity revenue was up over 50% providing stable recurring income.

**Management Commentary:** WPTG is positioned for future growth, with a diversified business and global delivery underpinning resilient performance despite market upheaval. Our order pipeline remains solid across all segments and regions, powered by strong demand as enterprises continue to prioritise strategic digital initiatives. We have a high degree of visibility entering the second half of 2023 based on our current order book. Therefore, we believe WPTG is strategically positioned to navigate ongoing uncertainty and to capitalise on the potential of digital transformation.



*This information is such information that White Pearl Technology Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 24<sup>th</sup> of July 2023 at 8.00 CET.*

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The Company's Certified Adviser is Swedish North Point Securities AB.

**About White Pearl Technology Group**

*White Pearl Technology Group comprises 28 companies, operating in the information technology space. They are diversified IT companies selling their own solutions and products, as well as services and products of third-party vendors. The group has a presence in thirty countries throughout the world. The current focus of the group's business is emerging markets and specifically Africa, Asia, the Middle East, and to a lesser extent, Latin America. [www.whitepearltech.com](http://www.whitepearltech.com)*