



White Pearl Technology Group withdraws offer to acquire Ayima assets and releases forecast for 2024

White Pearl Technologies Group (WPTG) today announced the decision not to pursue the acquisition of the bankrupt estate of Ayima Group AB (Ayima Group) whilst also issuing a forecast for 2024 which shows a continued trend of robust growth across the Group. The Group is expected to produce revenues of around SEK 300M in 2024 with profits in the order of SEK 35M. This represents growth of over 35% from 2023, showing the significant health of operations and scale that the business is reaching. These forecasts exclude Ayima.

The company ended the negotiations with the bankruptcy administrator of Ayima this week after careful consideration and due diligence with aims to protect the interests of WPTG and its shareholders.

Salient points related to Ayima:

1. WPTG could not secure full control of Ayima's assets, a critical condition for the re-acquisition.
2. The current board members of Ayima's UK holding company refused to provide their resignations by the agreed deadline, making it impossible for WPTG to implement the necessary changes and controls.

The implications of WPTG terminating its interest in Ayima are as follows:

1. With the acquisition of shares in Ayima in March 2024, the company issued the purchase consideration in WPTG shares amounting to approximately 18MSEK on the day of issue. With the termination of the investment in Ayima a non-cash charge of 18MSEK will be effected to the profit of WPTG for the full year 2024.
2. The Ayima write down whilst substantial will still result in profits of over 15MSEK for the full year 2024.
3. The bankruptcy of Ayima does not affect WPTG's cash flow or its current ongoing operations.
4. WPTG has enlisted the services of legal counsel to investigate the institution of damages against the board and directors of Ayima related to the nature of representation made during and after the purchase of shares in Ayima by WPTG.
5. There are no further guarantees or other commitments to Ayima.

Marco Marangoni, CEO of White Pearl Technology Group, stated, "While we believed in the potential of Ayima's business, we cannot proceed with an acquisition that doesn't provide us with the necessary control to protect our shareholders' interests. We remain committed to our digital innovation strategy and have the financial capacity to pursue other opportunities that align with our growth plans."

Commenting on the forecast and impact of Ayima on WPTG, CFO Chetan Ottam said, "The forecast and current trends across the group show significant topline and profit growth for the year. Whilst the Ayima charge to the bottom line is significant, Management made the decision to deal with its effects in 2024 to ensure we provide the business, our people, our shareholders and the market of certainty, stability and commitment to executing our business plan. The business continues to grow from strength to strength as

can be seen in the numbers and also how we are dealing with Ayima.”

WPTG reaffirms its commitment to transparent communication with its shareholders and will provide updates on its business strategy and performance in the H1 2024 report.

This information is such 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 contact person set out below on 2024-07-31 10.00 CEST.

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About White Pearl Technology Group

White Pearl Technology Group, based in Stockholm and listed on the Nasdaq First North Growth Market as WPTG, comprises 30 companies operating in the information technology space. These are diversified IT companies selling their own solutions and products, as well as the services and products of third-party vendors. The group has a presence in more than thirty countries worldwide. The current focus of the group's business is on emerging markets in Africa, Asia, the Middle East, and, to a lesser extent, Latin America. They also operate in more mature markets in Europe and the USA. www.whitepearltech.com