

Innofactor Plc Half-Yearly Report July 28, 2020, at 9:00 Finnish time

Innofactor Plc's Half-Yearly Report for January 1–June 30, 2020 (IFRS)

Innofactor's net sales grew on Q2 and H1, and the operating margin reached record highs as regards the comparison periods

April–June 2020 in brief:

- The net sales were approximately EUR 16.8 million (2019: 16.7), which shows an increase of 0.6%
- The operating margin was approximately EUR 2.1 million (2019: 1.1), which shows an increase of 83%
- The operating profit was EUR 0.9 million (2019: 0.2), which shows an increase of 479%
- The order backlog at the end of the review period was EUR 56.9 million (2019: 44.2), which shows an increase of 29%
- Innofactor got several significant orders in the first quarter, for example,
 - The framework agreement for The Employment Fund, approximately EUR 3–5 million (not yet in the order backlog at the end of the review period)
 - The Microsoft Office 365 and Microsoft SharePoint application management services for VTT, approximately EUR 2.5 million
 - Digitalizing the quotation process for a large manufacturing industry company, approximately EUR 1.7 million
 - Further development for a Swedish trade union, approximately EUR 1.0 million (not yet in the order backlog at the end of the review period)

January–June 2020 in brief:

- The net sales were approximately EUR 33.9 million (2019: 32.8), which shows an increase of 3.4%
- The operating margin was approximately EUR 4.0 million (2019: 2.0), which shows an increase of 101%
- The operating profit was EUR 1.7 million (2019: EUR 0.1), showing growth of 2,602%.

Key figures of the group, IFRS

	Apr 1–Jun 30, 2020	Apr 1–Jun 30, 2019	Change	Jan 1–Jun 30, 2020	Jan 1–Jun 30, 2019	Change
Net sales, EUR thousand	16,755	16,651	0.6%	33,907	32,799	3.4%
Growth of net sales	0.6%	-2.1%		3.4%	-2.0%	
Operating result before depreciation and amortization (EBITDA), EUR thousand*	2,063	1,127	83.1%	4,020	1,997	101.4%
percentage of net sales*	12.3%	6.8%		11.9%	6.1%	
Operating profit/loss (EBIT), EUR thousand*	884	153	479.1%	1,700	63	2,602.3%
percentage of net sales*	5.3%	0.9%		5.0%	0.2%	
Earnings before taxes, EUR thousand*	1,196	-104	1,247.2%	1,073	-301	456.7%
percentage of net sales*	7.1%	-0.6%		3.2%	-0.9%	
Earnings, EUR thousand*	1,274	2	76,015.7%	1,478	-86	1,817.2%
percentage of net sales*	7.6%	0.0%		4.4%	-0.3%	
Order backlog	56,896	44,170	28.8%	56,896	44,170	28.8%
Net gearing*	69.2%	85.0%		69.2%	85.0%	
Net gearing without IFRS 16	48.7%	63.3%		48.7%	63.3%	
Equity ratio	41.3%	39.7%		41.3%	39.7%	
Equity ratio without IFRS 16	45.2%	43.1%		45.2%	43.1%	
Active personnel on average during the review period****	546	540	1.1%	549	542	1.3%
Active personnel on average at the end of the review period****	548	538	1.9%	548	538	1.9%
Earnings per share (EUR)	0.0341	0.0000	76,015.7%	0.0395	-0.0023	1,817.2%

*) The handling of lease liabilities in accordance with IFRS 16 had a positive effect of EUR 504 (2019: 320) thousand in the operating margin (EBITDA) in April 1–June 30, 2020, and an effect of EUR 1,009 (2019: 620) thousand in the operating margin (EBITDA) in January 1–June 30, 2020.

**) In accordance with IFRS 3, the operating result in April 1–June 30, 2020, includes EUR 473 thousand (2019: 507) and in January 1–June 30, 2020, EUR 947 thousand (2019: 1,015) in depreciations related to acquisitions, consisting of allocations of the purchase price to intangible assets

***) Exchange rate changes related to the Group's internal debts (due to the weakened rate of the Swedish krona and Norwegian krone in relation to euro) results in an exchange rate loss of EUR -297 thousand in accordance with IFRS in January 1–June 30, 2020, but this loss does not affect the cash flow, only the result for the financial period, the Group's balance sheet and the equity ratio. In April 1–June 30, 2020, there occurred an exchange rate profit of EUR 562 thousand as these currencies strengthened against euro.

****) The Innofactor Group monitors the number of active personnel. The number of active personnel does not include employees who are on a leave of over 3 months.

Innofactor's future outlook for 2020

Innofactor's net sales and operating margin (EBITDA) in 2020 are estimated to increase from 2019, during which the net sales were EUR 64.2 million and operating margin was EUR 5.1 million.

CEO Sami Ensio's review: Gaining a strong upper hand on the coronavirus on Q2 – the negative effects of the epidemic on business are still estimated to remain small overall

The net sales in the second quarter of 2020 were EUR 16.8 million, which shows an increase of 0.6 percent compared to the previous year. The operating margin (EBITDA) grew by 83 percent from the previous year and was EUR 2.1 million (12.3 percent of the net sales). In the second quarter, the order backlog grew to a record-breaking amount and was EUR 56.9 million at the end of the quarter, which shows an increase of 28.8 percent compared to the corresponding time in the previous year.

The net sales in the first half of 2020 were EUR 33.9 million, which shows an increase of 3.4 percent compared to the previous year. The net sales grew in Finland, remained approximately on last year's level in Norway and Denmark, and decreased in Sweden. The operating margin (EBITDA) grew by 101.4 percent from the previous year and was EUR 4.0 million (11.9 percent of the net sales).

The negative effects of the coronavirus epidemic remained smaller than estimated in the second quarter. The coronavirus situation did not affect Innofactor's ability to produce services for its customer's. On the contrary, the productivity of the employees partly even improved due to fewer sick leaves. All of the Group's employees worked remotely in March 12–June 25, 2020, after which the remote work recommendation has been extended on the country level in Sweden.

The corona epidemic lowered the net sales of the second half in Sweden, Norway and Denmark. However, in these countries, country level adjustments related to the coronavirus were utilized well to lessen the effects on the operating margin. In the Nordic countries in Q2, Innofactor received a total of approximately EUR 0.3 million in support from the states due to the coronavirus.

The goal of increasing the net sales during the rest of the year is supported by the record high order backlog and the potential of increasing the invoicing rate. However, our estimate is that the coronavirus epidemic will have a small effect on the net sales and profitability of the rest of the year on the Group level. We estimate that it is possible that we may not achieve comparable growth and profitability in the third quarter as we did in the first and second quarters. The growth and profitability in the fourth quarter are largely based on whether there will be a second wave of the coronavirus epidemic in Finland, Norway and Denmark, how the coronavirus epidemic can be managed in Sweden, and what kind of effects the epidemic will have on companies' willingness to invest in IT services near the end of 2020.

In short term, the coronavirus epidemic will affect Innofactor mainly, if our customers scale back their purchases or move their acquisitions to a later date. We estimate that the negative effects of the coronavirus epidemic in Innofactor's business remain small for the following reasons:

- A significant part (over 50 percent) of Innofactor's business consists of recurring services, and the customers' purchase behavior does not affect these much.
- We mainly offer business critical systems for our customers, and customers typically continue their development and maintenance even in unusual conditions.
- Approximately half of our customer base consists of public administration and third sector customers, who are affected more slowly by the coronavirus and who also consider it sensible to proceed with their purchases in order to keep the society going.
- Our business customers are mainly from fields, such as industry, which are not so strongly and quickly affected by the coronavirus as certain other fields.
- Our order backlog is very strong, and if needed, we are able to transfer personnel between projects to some degree and make our deliveries faster, which means that a loss of an individual customer will not necessarily affect our business.
- We have been able to quickly develop new services for the coronavirus epidemic situation for our customers, such as the Remote Work Acceleration Pack (www.innofactor.com/remote-work), which we believe will bring some replacement net sales to compensate for any losses.
- The societies in the countries in which we operate are granting many forms of relief, flexibility and support, which also helps Innofactor's profitability and financing.

In the long term, we believe that the digital step the society is taking due to the coronavirus epidemic will increase Innofactor's possibilities to grow its business operations. The abilities of a modern digital organization will be even more important for our customers in the future – also when preparing for the possible second wave of the coronavirus. It is also possible that some of our customers will transfer some of their operations back to the Nordic countries in order to be closer to their customers. This would have a favorable effect as regards the business model of Innofactor's chosen strategy based on Nordic specialists. We also believe that Microsoft's position has strengthened during the coronavirus epidemic. We believe in our chances of increasing our market share in the Nordic countries.

In May, Innofactor made an agreement with the current owners of Arc Technology Oy concerning an arrangement in which Innofactor will increase its ownership in the HRM system provider Arc Technology Oy to 100 percent by the end of 2020. The agreement is binding on all parties. Currently Innofactor owns 45.13 percent of the company and has control over the company. After the signing of the agreement, the operative functions of Arc Technology have been integrated alongside Innofactor's functions in whole during the review period. This provides us synergy benefits, and we can offer even better quality services to Arc Technology due to our larger resources supported by Innofactor's offering, processes and personnel. Arc Technology will increase Innofactor's annual net sales by approximately EUR 1 million.

Innofactor's vision is to be the leading implementer of digitalization in each of the Nordic countries. We believe even stronger in our chosen Nordic strategy and in reaching our long-term goals in the world after the coronavirus epidemic. Innofactor is still actively looking for new strategic partnerships. The Group's goal is to grow both organically and through acquisitions. The

coronavirus epidemic and the time after it may provide new and even surprising opportunities for this, and those may require fast actions. In view of this, we have drafted a separate plan, started to actively monitor the situation and, at the end of April, acquired EUR 3.0 million in additional funding in the form of a senior loan from a major Finnish pension insurance company to support our possible projects for gaining growth.

Strategy and its realization in the review period

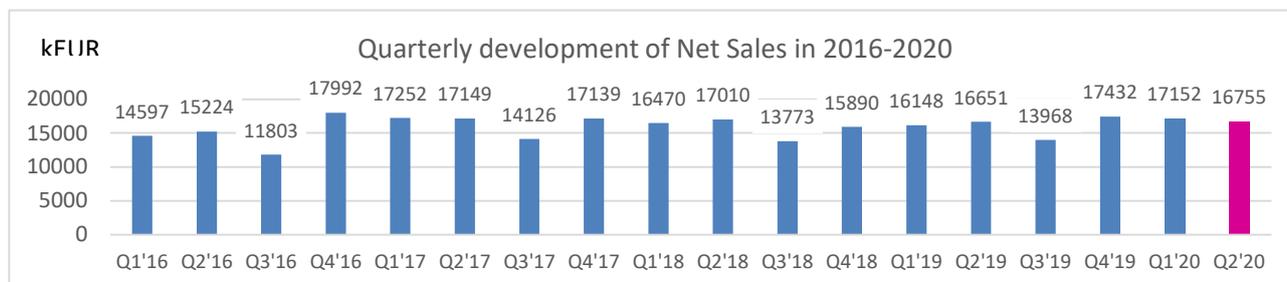
Innofactor's vision is to be the leading provider of organizations' digital transformation in each of the Nordic countries (Finland, Sweden, Denmark and Norway). The long-term financial goal is to grow profitably by achieving an annual growth of approximately 20 percent, of which majority is intended to be achieved by organic growth, by achieving approximately 20 percent operating margin (EBITDA) in relation to the net sales, and by keeping the cash flow positive and by securing solid financial standing in all situations.

Innofactor's net sales in the first half of the year were EUR 33.9 million (2019: 32.8), which shows an increase of 3.4 percent compared to the previous year. The net sales grew in Finland, remained approximately on last year's level in Norway and Denmark, and decreased in Sweden. The growth of the net sales was limited by the coronavirus epidemic, especially outside of Finland. The goal of getting the net sales to grow is also supported by the record-breaking order backlog of EUR 56.9 million (2019: 44.2). Innofactor has plans for actions to achieve the growth of 20 percent in the coming years. The effects of the coronavirus epidemic and Innofactor's strengthened financing position may also provide new possibilities for inorganic growth in the future. For this reason, Innofactor acquired EUR 3.0 million in additional funding in the form of a senior loan from a major Finnish pension insurance company.

In the review period, the operating margin (EBITDA) grew by 101.4 percent from the previous year and was EUR 4.0 million (11.9 percent of the net sales). As regards profitability, Innofactor was able to improve its performance substantially. Innofactor has plans for actions to achieve an operating margin (EBITDA) of 20 percent in the coming years. Possibilities for improving profitability can be found especially outside of Finland, where there have been significant challenges to the profitability especially during the coronavirus epidemic.

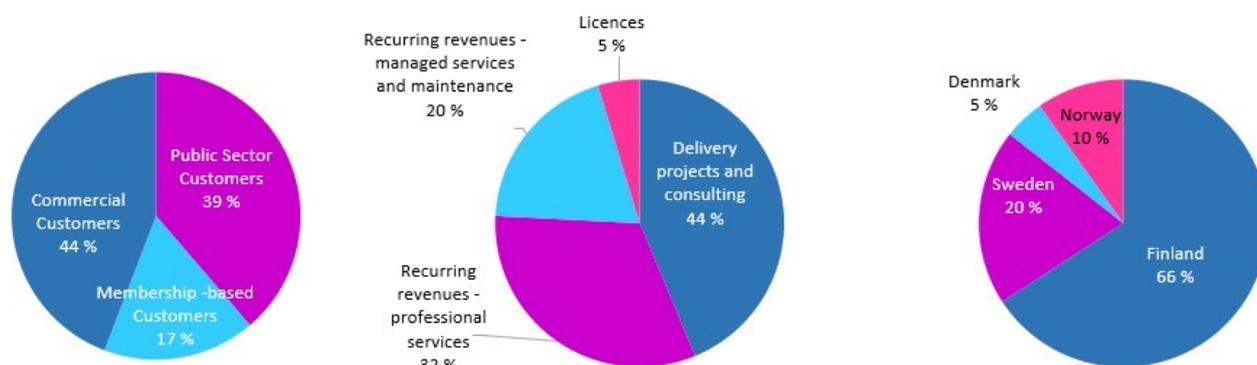
Innofactor's operating cash flow in the review period of January 1–June 30, 2020, was EUR 6.3 million (2019: EUR 2.1 million) and the equity ratio at the end of the review period was 41.3 percent (2019: 39.7 percent). The strong operating cash flow and financial position support Innofactor's strategic goal of profitable growth and securing solid financial standing in all situations.

Innofactor's net sales grew from that of the comparison period due to the strong growth in Finland – public administration and the third sector provide stability during the coronavirus situation



Innofactor’s net sales in April 1–June 30, 2020, were EUR 16,755 thousand (2019: 16,651), which shows an increase of 0.6 percent, although the exchange rate changes of the Swedish krona and Norwegian krone decreased the net sales by a total of approximately EUR 0.2 million. The net sales per active employee were approximately EUR 30.7 thousand (2019: 30,8), which shows a decrease of 0.5 percent. The decrease is especially due to the effects of the coronavirus.

Innofactor’s net sales in January 1–June 30, 2020, were EUR 33,907 thousand (2019: 32,799), which shows an increase of 3.4 percent, although the exchange rate changes of the Swedish krona and Norwegian krone decreased the net sales by a total of approximately EUR 0.4 million. The net sales per active employee were approximately EUR 61.8 thousand (2019: 60.5), which shows an increase of 2.1 percent. We focus on continuing to increase the net sales per active employee.



Innofactor's business operations were focused on Finland, Sweden, Denmark, and Norway. In January 1–June 30, 2020, approximately 66 percent of the net sales came from Finland, approximately 20 percent from Sweden, approximately 10 percent from Norway, and approximately 5 percent from Denmark. The net sales grew in the second quarter in Finland and Norway (in the local currency), in Denmark the net sales remained approximately on the last year's level, and in Sweden it decreased.

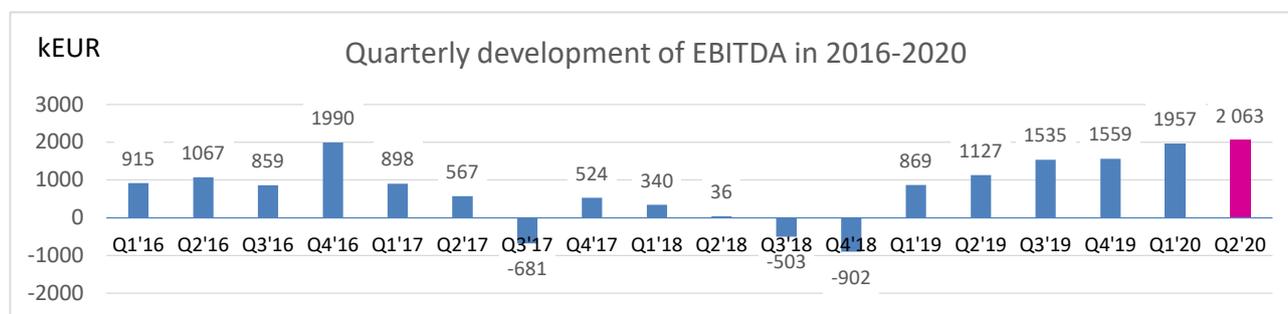
Of the net sales in January 1–June 30, 2020, approximately 44 percent came from commercial clients, approximately 39 percent from public sector clients, and approximately 17 percent from third sector clients. During the coronavirus situation, the significance of the public sector clients has been especially emphasized.

Innofactor's net sales in the review period of January 1–June 30, 2020, came from the following sources:

- approximately 44 percent from IT system delivery projects and consulting
- approximately 32 percent from specialist work based on recurring service contracts, such as smaller customer-specific changes and further development of IT systems
- approximately 20 percent from services based on recurring service contracts, such as SaaS, cloud and hosting services, and from software maintenance
- approximately 5 percent from licenses, of which the share of licensing income to third parties was approximately 4 percent of the net sales

Innofactor's 10 largest clients accounted for approximately 29 percent of the net sales during the review period January 1–June 30, 2020.

Innofactor's operating margin was clearly higher than in the comparison period due to the strong profitability in Finland and the adjustment actions carried out in the other countries



Innofactor's operating margin (EBITDA) in April 1–June 30, 2020, was EUR 2,063 thousand (2019: 1,127), which shows an increase of 83.0 percent. EBITDA accounted for 12.3 percent of the net sales (2019: 6.8%). Innofactor's operating margin was clearly positive in Finland and somewhat negative in the other countries because of the smaller than estimated net sales due to the coronavirus epidemic.

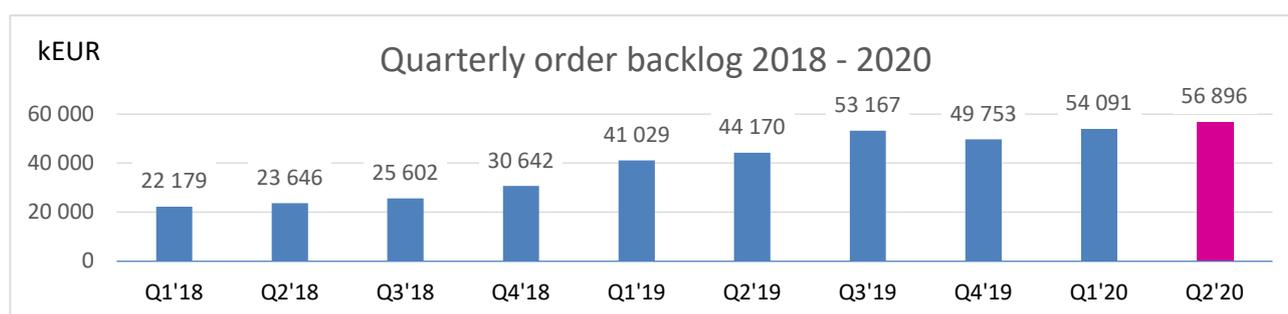
Innofactor's operating margin (EBITDA) in January 1–June 30, 2020, was EUR 4,020 thousand (2019: 1,997), which shows an increase of 101.4 percent. EBITDA accounted for 11.9 percent of the net sales (2019: 6.1%).

Acquisitions have been a central part of Innofactor’s strategy. Depreciations of intangible rights resulting from acquisitions vary greatly depending on how valuable the customer contracts and technology of the acquired company are estimated to be and also in what kind of schedule the resulting intangible rights will be depreciated. For this reason, the company’s view is that instead of the operating profit, the primary measure for profitability should be the operating margin (EBITDA), because it is not affected by the said depreciations.

Innofactor’s operating profit in April 1–June 30, 2020, was EUR 884 thousand (2019: 153), which shows an increase of 479.1 percent. Operating profit accounted for 5.3 percent of the net sales (2019: 0.9%). **) In accordance with IFRS 3, the operating result for April 1–June 30, 2020, includes EUR 473 thousand (2019: 507) in depreciations related to acquisitions, consisting of allocations of the purchase price to intangible assets. Adjusted for the said depreciations, Innofactor’s operative business profit for the review period of April 1–June 30, 2020, would have been EUR 1,358 thousand (2019: 660), which shows an increase of 105.8 percent, and the operating profit's share of the net sales would have been 8.1 percent (2019: 4.0%).

Innofactor’s operating profit in January 1–June 30, 2020, was EUR 1,700 thousand (2019: 63), which shows an increase of 2,602 percent. Operating profit accounted for 5.0 percent of the net sales (2019: 0.2%). In accordance with IFRS 3, in January 1–June 30, 2020, EUR 947 thousand (2019: 1,015) in depreciations related to acquisitions, consisting of allocations of the purchase price to intangible assets. Adjusted for the said depreciations, Innofactor’s operative business profit for the review period of January 1–June 30, 2020, would have been EUR 2,647 thousand (2019: 1,078), which shows an increase of 145.6 percent, and the operating profit's share of the net sales would have been 7.8 percent (2019: 3.3%).

Innofactor’s order backlog grew again, making an all-time record



Innofactor's order backlog at the end of the review period was EUR 56,896 thousand (2019: 44,170), which shows an increase of 28.8 percent. The order backlog grew for example due to the following: the Microsoft Office 365 and Microsoft SharePoint application management services for VTT, approximately EUR 2.5 million; digitalizing the quotation process for a large manufacturing industry company, approximately EUR 1.7 million; the KOSTI project of the Legal Register Centre,

approximately EUR 2.2 million; and the case management solution for KELA, approximately EUR 1.1 million.

The good operating cash flow in the review period plus the new senior loan of EUR 3.0 million give Innofactor a strong financial standing

Innofactor's balance sheet total at the end of the review period was EUR 60,131 thousand (2019: 56,302). The Group's liquid assets totaled EUR 5,332 thousand (2019: 82), consisting totally of cash funds.

The operating cash flow in January 1–June 30, 2020, was EUR 6,319 thousand (2019: 2,081). The investment cash flow was EUR -80 thousand (2019: -81).

The equity ratio at the end of the review period was 41.3 percent (2019: 39.7%) and net gearing was 69.2 percent (2019: 85.0%).

At the end of the review period, the company had EUR 1,423 thousand in current interest bearing liabilities to financial institutions (2019: 9,184) and EUR 10,160 thousand in non-current interest bearing liabilities to financial institutions (2019: 4,585). The total amount of interest bearing liabilities to financial institutions was EUR 11,583 thousand (2019: 13,769). The company had lease liabilities in accordance with the IFRS 16 standard (leases for the duration of fixed-term leases) for EUR 4,877 thousand (2019: 4,686) of which EUR 1,825 thousand was current (2019: 1,584) and EUR 3,053 thousand non-current (2019: 3,102). The total amount of interest bearing liabilities was EUR 16,461 thousand (2019: 18,454).

The return on investment in January 1–June 30, 2020, improved from the previous year and was 3.3 percent (2019: 0.4%). The return on equity in January 1–June 30, 2020, improved from the previous year and was 5.6 percent (2019: -0.8%).

The non-current assets in Innofactor's balance sheet at the end of the review period were EUR 40,589 thousand in total.

Innofactor's gross investments in tangible and intangible assets in the review period of January 1–June 30, 2020, were EUR 315 thousand (2019: 111), consisting of normal additional and replacement investments required by growth.

Innofactor's research and product development investments increased slightly from last year

In the product development during the review period, focus was on renewing existing products and services and continuous further development in order to support the growth of product-based business.

Innofactor's research and development costs recognized in profit or loss for April 1–June 30, 2020, were approximately EUR 1,907 thousand (2019: 1,424), which accounts for 5.6 percent of the net sales (2019: 4.3%).

The number of personnel in Innofactor grew slightly from the comparison period

Primarily, Innofactor monitors the number of active personnel. The number of active personnel does not include employees who are on a leave of over 3 months.

The average number of active personnel in April 1–June 30, 2020, was 546 persons (2019: 540), which shows an increase of 1.1 percent. At the end of the review period, the number of active personnel was 548 (2019: 538), which shows an increase of 1.9 percent.

At the end of the review period, the average age among personnel was 41.2 years (2019: 40.8). Women accounted for 28 percent (2019: 26%) and men 72 percent (2019: 74%) of the personnel.

Other events in the review period

On January 30, 2020, Innofactor announced in a stock exchange release that it will deliver a financial management system for a Finnish trading company. The value of the procurement is approximately EUR 0.65 million, which is estimated to be registered for 2020.

On February 12, 2020, Innofactor announced in a stock exchange release that the Hospital District of Helsinki and Uusimaa (HUS) has selected Innofactor as the provider of ICT services related to the Health Village for a maximum amount of EUR 2,000,000. The services are estimated to be provided in 2020–2021.

On February 13, 2020, Innofactor announced in a stock exchange release that the Legal Register Centre selected Innofactor as the provider of the further development stage of the HAIPA project, which is the ERP and document management system for administrative courts and special courts. The procurement consists of the specialist work related to the project as well as the implementation in the different agencies and possibly maintenance for the system. The contract period is estimated to start in March 2020 and will last until the end of 2020. Additionally, the customer reserves the right to two options for 2021 and 2022, which will be agreed on separately. The estimated total value (excluding VAT) stated by the customer in the procurement decision is EUR 2,157,000.

On February 13, 2020, Innofactor announced in a stock exchange release that the Ullensaker municipality in Norway selected Innofactor as the provider of ICT consultancy services. The services consist of a comprehensive public cloud solution including the cloud infrastructure, identity and access, cloud security and modern employee experience. The consultancy services include architectural and system development, maintenance and other services for an estimated

total amount of NOK 10,000,000 (approximately EUR 1,000,000), which are estimated to be provided during years 2020 and 2021. The customer also reserves an option of extending the service for two more years.

On March 4, 2020, Innofactor announced in a stock exchange release that the Social Insurance Institution of Finland selected Innofactor as the provider of an administrative case management solution. The procurement includes the case management solution and its delivery, support services, and specialist work ordered separately. The system delivery and the related integrations are planned to be implemented during 2020–2021. The contract will be valid for four years to begin with, and after that, it will be valid until further notice. The estimated total value of the procurement during the contract period is approximately EUR 1,050,000.

On March 24, 2020, Innofactor announced in a stock exchange release that the Legal Register Centre selected Innofactor as the provider of the bankruptcy and reorganization proceedings system (KOSTI). The procurement consists of the following for the KOSTI system: delivery and implementation projects, maintenance and support services, and specialist services for further development. The system delivery is planned to be implemented in stages during 2020–2021. The predicted total value (excluding VAT) stated by the Legal Register Centre in the procurement decision is EUR 2,247,000. The agreement will be valid until further notice.

On April 27, 2020, Innofactor announced in a stock exchange release that VTT Technical Research Centre of Finland Ltd has selected Innofactor in a public procurement competition as the provider of application management services for Microsoft Office 365 and Microsoft SharePoint environments. The procurement consists of application management tasks and services related to maintenance and development of an O365 cloud environment and on-premise SharePoint 2019 environment. The length of the agreement period is three years. Additionally, the customer reserves an option for continuing the agreement for two (2) years, one year at a time. The procurement's estimated total value (excluding VAT) for the agreement period is EUR 2,500,000.

On June 10, 2020, Innofactor announced in a stock exchange release that Innofactor and a large Finnish globally operating manufacturing industry company have signed a contract for the digitalization of a quotation process. According to the contract, Innofactor will design and implement, using agile methods, a cloud-based solution for managing the quotation process and handling and storing related information and documents. The solution is implemented using Microsoft Azure PaaS cloud services. The value of the contract (excluding VAT) is approximately EUR 1,700,000. The project will be implemented during 2020 and 2021.

On June 15, 2020, Innofactor announced in a stock exchange release that a Swedish trade union has decided to continue the collaboration with Innofactor for the further development of their membership management solution, focusing on leads, ticket management and course management. The system is based on the Microsoft Dynamics 365 software and Innofactor's Membership Management System MMS. The project delivery is planned to start in July 2020 and end in June 2021. The value (excluding VAT) of the project is approximately EUR 1,000,000.

On June 16, 2020, Innofactor announced in a stock exchange release that the Employment Fund has selected Innofactor in a public procurement competition as its primary framework agreement supplier of maintenance and development of information systems. The procurement comprises IT specialist services and software for maintenance and development of the information systems. The specialist services can be utilized for maintenance, development and support as needed. Work can be agreed on as individual tasks, projects or continuous services. The deliveries may include software and software components. The framework agreement will be valid until further notice with a maximum duration of four years. According to the priority principle, Innofactor is also granted a contract regarding the delivery of an application maintenance and development team in addition to the framework agreement. Innofactor estimates the value of the framework agreement to be between EUR 3 and 5 million during the four-year contract period.

Share and shareowners

At the end of the review period, Innofactor Plc's share capital was EUR 2,100,000.00 and the total number of shares was 37,388,225. Innofactor Plc has one series of shares. Each share is entitled to one vote.

On April 1–June 30, 2020, the highest price of the company share was EUR 0.96 (2019: EUR 0.72), the lowest price was EUR 0.60 (2019: 0.50), and the average price was EUR 0.83 (2019: EUR 0.60).

On January 1–June 30, 2020, the highest price of the company share was EUR 0.96 (2019: 0.72), the lowest price was EUR 0.51 (2019: 0.36), and the average price was EUR 0.77 (2019: 0.53).

The closing price for the review period on June 30, 2020, was EUR 0.90 (2019: EUR 0.63).

In public trading in April 1–June 30, 2020, a total of 3,741,256 shares were traded (2019: 3,284,308 shares), which corresponds to 10.0 percent (2019: 9.1%) of the average number of shares on the said period. On April 1–June 30, 2020, there were 37,388,225 shares on the average (2019: 36,240,972). The share trading increased by 13.9 percent compared to the corresponding period in 2019.

In public trading in January 1–June 30, 2020, a total of 9,150,940 shares were traded (2019: 6,426,286 shares), which corresponds to 24.5 percent (2019: 17.7%) of the average number of shares on the said period. On January 1–June 30, 2020, there were 37,388,225 shares on the average (2019: 36,214,744). The share trading increased by 42.4 percent compared to the corresponding period in 2019.

The market value of the share capital at the closing price of EUR 0.90, on June 30, 2020, was EUR 33,649 thousand (2019: 23,555), which shows an increase of 42.9 percent.

On June 30, 2020, the company had a total of 11,121 shareowners (2019: 11,211), including administrative registers.

The Board of Directors has been given the following authorizations:

- Until June 30, 2021, to decide on a share issue and granting of special rights entitling to shares, concerning a maximum of 3,600,000 new shares (decided by the General Meeting of March 31, 2020); the authorization has not been used.
- Until June 30, 2021, to decide on a transfer of a maximum of 3,600,000 treasury shares (decided by the General Meeting of March 31, 2020); the authorization has not been used.

Own shares

The General Meeting of March 31, 2020, authorized the Board of Directors to decide on acquiring of a maximum of 3,600,000 of company's own shares in one or several parts with the company's unrestricted equity. The authorization entitles the Board to deviate from the shareholders' proportional shareholdings (directed acquisition). Own shares may be acquired at the purchase price formed for them in public trading at the day of purchase or at another market price. The number of treasury shares at a time may be, at the maximum, one tenth of the total number of shares in the company. Shares may be purchased to be used in company acquisitions or implementing other arrangements relating to the company's business operations, improving the company's capital or financing structure, as a part of the company's incentive system, or otherwise to be handed over or voided. In connection with the share repurchase, ordinary derivative, stock lending and other agreements may be made in the market in accordance with the laws and regulations. The authorization includes the right of the Board of Directors to decide on all other matters related to the acquisition of shares. The authorization will be valid until June 30, 2021. This authorization replaces the Board's earlier authorizations concerning share repurchase.

The authorization has not been used. At the end of the review period, the company had no treasury shares.

Management of the company

Innofactor Plc complies with the recommendations of the Corporate Governance Code 2020 for Finnish listed companies, published by the Securities Market Association.

The General Meeting of March 31, 2020, decided that the number of Board members is five. Previous members Pekka Eloholma, Sami Ensio, Anna Lindén and Risto Linturi, were re-elected as members of the Board of Directors. Heikki Nikku was elected as a new member. In their organizing meeting held immediately after the General Meeting, the Board of Directors elected Anna Lindén as the Chairman of the Board.

The General Meeting approved the proposal to appoint Ernst & Young Oy, an auditing firm authorized by the Central Chamber of Commerce, as the auditor for the company, with Juha Hilmola as the main responsible auditor.

Innofactor has drawn up a separate Corporate Governance Statement for the financial period of 2019.

Innofactor Plc's entire Corporate Governance and statements are available on the company's web site at: www.innofactor.com/invest-in-us/corporate-governance/

Market outlook and business environment: We believe the markets will grow in long term – due to the coronavirus, the markets are not expected to grow in 2020

Main forces affecting market changes and main trends of innovation are, for example, augmented and virtual reality, Internet of Things (IoT), artificial intelligence, robotics, blockchains, and quantum computing. Factors enabling these include transfer of software into the cloud, data analytics, social media, and mobility. Prevention of the climate change sets new requirements for both societies and organizations, but it also creates new business opportunities and speeds up innovation. The purchase habits of customers have changed as these business changes are taking place. Our customers expect their IT partner to focus more on business benefits instead of technology benefits. They want to get solutions that are ready for use without a need to make major customer-specific changes. Additionally, customers increasingly expect to purchase continuous services instead of large one-off projects.

We estimate that the IT service market in the Nordic countries grew by approximately 3–5 percent in 2019. We estimate that the IT service market will not grow in the Nordic countries in 2020 due to the financial hardships caused by the coronavirus epidemic. Our estimate is based on research institutes' forecasts and our own outlook on markets.

In the long term, we believe that the digital step the society is taking due to the coronavirus epidemic will increase Innofactor's possibilities to grow its business operations. The abilities of a modern digital organization will be even more important for our customers in the future – also when preparing for the possible second wave of the coronavirus. It is also possible that some of our customers will transfer some of their operations back to the Nordic countries in order to be closer to their customers. This would have a favorable effect as regards the business model of Innofactor's chosen strategy based on Nordic specialists. We also believe that Microsoft's position has strengthened during the coronavirus epidemic. We believe in our chances of increasing our market share in the Nordic countries.

The competition in Microsoft-based solutions in the Nordic countries is fragmented. The first competitor group consists of large companies operating in all Nordic countries. These competitors sell a wide variety of IT solutions that corporations and organizations need, and they offer several competing technologies of which the Microsoft technology is one. The second competitor group consists of mid-sized companies that focus on a narrower solution area in the Nordic level and also offer several different technologies. The third competitor group consists of mid-sized companies operating mainly in a specific country and typically offering a wide variety of solutions using

several competing technologies. The third competitor group consists of small companies operating only in their own country and focusing on a clearly defined solution area, technology and field of business.

Microsoft's fragmented partner network consisting of small and mid-sized companies offers us interesting possibilities for acquisitions. In acquisitions, we will probably focus on mid-sized companies operating in one country. With these, we will aim at expanding the coverage of our offering in a specific country and also possibly acquiring more cloud-based product and service business. Good reputation, fast and profitable growth, successful acquisitions, and entrepreneurial spirit will make us an attractive partner for reorganizations in the field. The coronavirus epidemic will probably increase reorganizations, if small and mid-sized IT service companies end up in financial trouble.

Short term risks and uncertainty factors

Innofactor's operations and finances involve risks that may be significant for the company and its share value. These risks are assessed by Innofactor Plc's Board of Directors four times a year as part of the strategy and business planning process. The risks are published in their entirety in the financial statement and in the Annual Report of the Board of Directors. The half-yearly reports only present the changes in short-term risks.

Risk of a pandemic: An epidemic spreading into a global pandemic could hinder Innofactor's business operations. If there were no significant epidemic in Innofactor's operating area in the Nordic countries, the detriment would be limited mostly to a decrease in availability of tools, especially computers, needed in Innofactor's business operations. Should there be a significant epidemic also in Innofactor's operating area in the Nordic countries, it could mean introducing remote work, either for a part of or the entire personnel, as well as temporary decrease in customers' purchases and delays in some customer deliveries.

The risk of a pandemic has realized in the form of the coronavirus (COVID-19), and the epidemic is present in significant amounts in Innofactor's operating area in the Nordic countries. All Nordic countries introduced restrictions, and the operational preconditions for several companies weakened significantly. Innofactor had prepared for the risk of a pandemic by giving the employees instructions concerning traveling and especially any symptoms after it, by purchasing a larger than normal stock of computers, and by making a separate plan for getting all personnel to work remotely, if necessary. In accordance with the plan, it was recommended that the entire personnel work remotely in March 12–June 25, 2020. The recommendation for remote work is still valid locally in Sweden.

It is estimated that it has been possible to perform over 98% of tasks in Innofactor remotely. As concerns some customers, a decrease of deliveries and purchases or delaying them until a later date has been observed. This has so far had a minor effect on Innofactor's business. In Sweden,

Norway and Denmark, the net sales have decreased and minor adjustments have been made, for example, some employees are working shorter hours. The planning of our current operation is based on the assumption that the second wave of the coronavirus epidemic will be minor and no significant restrictions hampering the operation of companies will be needed, which means there would be no significant decrease in business activities and there probably would not be a need for any major adjustment actions.

Financing risks: In its normal business operations, the Innofactor Group is susceptible to normal financing risks. In total at the end of the review period, Innofactor had approximately EUR 11.6 million in interest bearing debts to financial institutions, which have been taken out to finance acquisitions and working capital. Of the debts, approximately EUR 10.2 million is non-current and approximately EUR 1.4 million current liabilities. Additionally, the company had lease liabilities in accordance with the IFRS 16 standard (leases for the duration of fixed-term leases) for EUR 4.9 million, of which EUR 1.8 million was current and EUR 3.1 million non-current. The total of interest-bearing liabilities was EUR 16.5 million.

In the review period, Innofactor acquired EUR 3.0 million in new additional financing in the form of a senior loan from a major Finnish pension insurance company to support growth projects and renegotiated loan terms with the bank. From now on, Innofactor is committed to the following covenants common to both financiers: Equity ratio calculated every 6 months is at least 36% until June 30, 2021, 38% until December 31, 2022, and 40% afterwards; interest bearing liabilities calculated every 6 months divided by the 12-month operating margin (EBITDA) is a maximum of 3.5 until December 31, 2020, 3.25 until June 30, 2021, 3.0 until December 31, 2021, 2.75 until June 30, 2022, and 2.5 afterwards; and certain other normal conditions for loans. Additionally, due to the coronavirus epidemic, we have agreed that installments for the new and current loans will be paid for the first/next time in April 2021.

The goal of managing the financing risks is to minimize the negative effects of the changes in the financial markets to the result of the Group. Financing risk management has been centralized to the CFO, who is responsible for the Group's financing and regularly reports to the company's Executive Board, CEO, and Board of Directors. It is possible that, in the future, the Group will not get the financing it needs and this would have a negative effect on the Group's business and its development, especially on making acquisitions.

There have been no other significant changes in Innofactor's short-term risks and uncertainty factors during the review period nor can any other significant changes be seen.

Acquisitions and changes in the Group structure

During the first quarter, Innofactor increased its ownership of Arc Technology Oy by 26.94 percent. At the end of the review period, Innofactor's share of ownership in the company was 45.13 percent. Starting from the Q2/2020 interim report, Arc Technology Oy is reported as a

subsidiary, because Innofactor assumed the control in the Board of Directors in April 2020. In the review period, Innofactor also agreed to buy the entire share capital of Arc Technology by the end of 2020. This agreement is binding on both parties. The increase in the ownership of Arc Technology Oy had no significant effect in the result of the review period, and the effect on the result for 2020 is not estimated to be significant. For 2020, Arc Technology Oy is estimated to increase Innofactor's net sales approximately by EUR 1 million.

Innofactor has started measures for simplifying the group structure. The goal is to realize the following arrangements for the 100% owned companies by the end of 2020: Merging Innofactor Business Solutions Oy into Innofactor Software Oy, merging Lumagate Holding AB into Innofactor Holding AB, and dissolving Innofactor CS Oy (the company's entire business operations have been transferred into Innofactor Software Oy by means of a business acquisition, and the company is not needed anymore).

There were no other changes in the group structure during the review period.

Events after the review period

On July 10, 2020, Innofactor announced in a stock exchange release that the Finnish Transport and Communications Agency Traficom has selected Innofactor in a public procurement competition as the provider of a document management system. The procurement consists of a document management solution and maintenance and consulting support for the solution. The goal of the solution is a common, centralized and secure document management with clear and effective information processing. The aim is to unify the document management in the agency and enhance the findability and availability of the information. The system to be provided by Innofactor will be based on Innofactor's Dynasty product family. The estimated total value (excluding VAT) stated by the customer in the procurement decision for the next four years is EUR 950,000.

There are no other significant events in Innofactor after the review period.

Espoo, July 28, 2020

INNOFACTOR PLC

Board of Directors

Additional information:

CEO Sami Ensio, Innofactor Plc

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Briefings concerning the half-yearly report January 1–June 30, 2020

Innofactor will publish the half-yearly report for January–June on Tuesday, July 28, 2020, at around 9:00 Finnish time.

A video conference in Finnish concerning the half-yearly report will be held for media, investors and analysts on the same day at 10:00 Finnish time. The corresponding video conference in English will be held at 12:00 Finnish time. The report will be presented by CEO Sami Ensio and CFO Markku Puolanne.

Please register for the conferences beforehand by sending email to ir@innofactor.com. The link for participating will be sent to the registered persons on the previous day.

The presentations will be available on Innofactor's web site after the conferences.

Distribution:
NASDAQ Helsinki
Main media
www.innofactor.com

Financial statement summary and appendixes January 1–June 30, 2020 (IFRS)

Accounting policies

Innofactor operates on a single segment, offering software, systems and related services.

This half-yearly report has been drafted in accordance with the IAS 34 Interim Financial Reporting standard.

The half-yearly report adheres to the same accounting policies and calculation methods as the last annual financial statement 2019. However, as of January 1, 2020, the Group has introduced the new or renewed IFRS standards and IFRIC interpretations published by IASB and mentioned in the accounting policies section of the financial report 2019. The principles for calculating the key figures and the calculation formulas have not been changed, and they have been presented in an appendix to this report.

In addition to the IFRS key figures, Innofactor publishes certain alternative key figures in order to present the financial development of the actual business operations and to improve comparisons between different periods. Acquisitions have been a central part of Innofactor's strategy. Depreciations of intangible rights resulting from acquisitions vary greatly depending on how valuable the customer contracts and technology of the acquired company are estimated to be and also in what kind of schedule the resulting intangible rights will be depreciated. For this reason, the company's view is that instead of the operating profit, the primary measure for profitability should be the operating margin (EBITDA), because it is not affected by the said depreciations. In addition to the operating margin, the company also publishes the following figures adjusted for the above-mentioned depreciations: the operative business result, operative business result before taxes, operative result, and operative result per share. Depreciations related to acquisitions, adjusted from the above-mentioned key figures, in the period January 1–June 30, 2020, were EUR 473 thousand (2019: 1,015).

Other alternative key figures used by Innofactor are order backlog, equity ratio, net gearing, return on investment, return on equity, and net sales per person. The equity ratio and net gearing have also been presented without the effect of the IFRS 16 standard in order to enable comparisons with earlier periods. The formulas for calculating the other alternative key figures are presented at the end of this report.

Drafting a financial statement in accordance with the IFRS standards requires the management of Innofactor to use estimates and presuppositions, which affect the amounts of assets and debts at the time of drafting the balance sheet and the amounts of earnings and costs for the review period. The application of the accounting policies also requires judgment. As estimates and presuppositions are based on the views held at the time of drafting the statement, they contain risks and uncertainty factors. The actual figures may deviate from the estimates and presuppositions. The figures of the profit and loss statement and the balance sheet are figures for

the Group. The figures of the statement have been rounded, so the sum of individual figures may differ from the sum presented.

The figures in this half-yearly report have not been audited.

**Comprehensive consolidated profit
and loss statement, IFRS**

EUR thousand	Apr 1–Jun 30, 2020	Apr 1–Jun 30, 2019	Jan 1–Jun 30, 2020	Jan 1–Jun 30, 2019
Net sales	16,755	16,651	33,907	32,799
Other operating income	73	33	78	42
Materials (–)	-1,664	-1,499	-3,127	-2,977
Employee benefits/expenses (–)	-11,229	-11,634	-22,624	-23,231
Depreciation (–)	-1,179	-975	-2,320	-1,934
Other operating expenses (–)	-1,873	-2,424	-4,215	-4,637
Operating profit/loss	884	153	1,700	63
Financial income	273	5	365	9
Financial expenses (–)	39	-262	-992	-372
Profit/loss before taxes	1,196	-104	1,073	-301
Income taxes	78	106	405	215
Profit/loss for the financial period	1,274	2	1,478	-86
Distribution of the result				
To the equity holders of the parent company	1,219	2	1,422	-86
To owners with no control	56	0	56	0
Other comprehensive income				
Items that may be later recognized in profit or loss:				
Exchange differences	-403	-235	-91	-190
Total comprehensive income	872	-233	1,387	-276
Distribution of the comprehensive income				
To shareholders of the parent company	816	-233	1,331	-276
To owners with no control	56	0	56	0

Earnings per share calculated from the profit attributable to equity holders of the parent:

basic earnings per share (EUR)	0.0326	0.0000	0.0386	-0.0024
diluted earnings per share (EUR)	0.0326	0.0000	0.0386	-0.0024

*) Exchange rate changes related to the Group's internal debts (due to the weakened rates of the Swedish krona and Norwegian krone in relation to euro) results in an exchange rate loss of EUR -297 thousand in accordance with IFRS in January 1–June 30, 2020, but this loss does not affect the cash flow, only the result for the financial period, the Group's balance sheet and the equity ratio. In April 1–June 30, 2020, there occurred an exchange rate profit of EUR 562 thousand as these currencies strengthened against euro.

Consolidated Balance Sheet, IFRS
ASSETS

EUR thousand	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Non-current assets			
Tangible assets	5,271	5,151	5,290
Goodwill	26,169	25,937	26,003
Other intangible assets	3,209	4,757	3,745
Shares and holdings	8	78	79
Receivables	330	649	629
Deferred tax assets	5,602	5,602	5,602
Non-current assets	40,589	42,174	41,347
Current assets			
Trade and other receivables	14,220	14,046	13,409
Cash and cash equivalents	5,322	82	963
Current assets	19 541	14,128	14,373
TOTAL ASSETS	60,131	56,302	55,720

SHAREHOLDERS' EQUITY AND LIABILITIES

EUR thousand	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Share capital	2,100	2,100	2,100
Share premium reserve	72	72	72
Other reserves (+/-)	59	59	59
Fund for invested unrestricted equity	20,921	20,921	20,921
Retained earnings	651	-1,526	-1,008
Equity attributable to the shareholders of the parent company	23,804	21,627	22,145
Share of the owners with no control	-25	0	0
Total shareholders' equity	23,778	21,627	22,145
Non-current liabilities			
Loans from financial institutions	10,160	4,585	3,684
Lease liabilities	3,053	3,102	3,269
Deferred tax liabilities	608	858	813
Long-term liabilities total	13,821	8,545	7,767
Current liabilities			
Loans from financial institutions	1,423	9,184	8,334
Lease liabilities	1,825	1,584	1,566
Trade and other payables*	19,283	15,363	15,909
Current liabilities total	22,531	26,131	25,808
Total liabilities	36,352	34,675	33,575
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	60,131	56,302	55,720

*) Includes approximately EUR 2.4 million in taxes, official payments and pension payments deferred due to the coronavirus situation.

Statement of change in shareholders' equity, IFRS

EUR thousand	Share capital	Share premium reserve	Reserve fund	Fund for invested unrestricted equity	Own shares	Retained earnings	Exchange difference	Total	Non-controlling interest	Total shareholders' equity
Shareholders' equity Jan 1, 2020	2 100	72	59	20 921	0	-22	-985	22 145	0	22 145
Comprehensive income										
Result for the financial period						1 422		1 422	56	1 478
Changes to previous years						246		246		246
Exchange differences							-91	-91		-91
Total comprehensive income						1 750	-91	1 659	-25	1 633
Shareholders' equity Jun 30, 2020	2 100	72	59	20 921	0	1 728	-1 076	23 804	-25	23 778
EUR thousand	Share capital	Share premium reserve	Reserve fund	Fund for invested unrestricted equity	Own shares	Retained earnings	Exchange difference	Total	Non-controlling interest	Total shareholders' equity
Shareholders' equity Jan 1, 2019	2 100	72	59	20 321	0	-212	-1 037	21 304		21 304
Issue of shares				600				600		0
Result for the financial period						-86		-86		-86
Exchange differences							-190	-190		-190
Total comprehensive income				600		-86	-190	324		324
Shareholders' equity Jun 30, 2019	2 100	72	59	20 921		-297	-1 227	21 627		21 627

Consolidated Cash Flow Statement, IFRS

EUR thousand	Jan 1–Jun 30, 2020	Jan 1–Jun 30, 2019
Cash flow from operating activities		
Operating profit	1,700	63
Adjustments:	0	0
Depreciation	2,320	1,934
Operating profit before a change in working capital	4,020	1,997
Change in trade and other receivables (+/–)	-305	-1,003
Change in trade and other payables (+/–) *	3,017	769
Other adjustments	-82	681
Change in working capital	2,630	448
Cash flow from operating activities before financing and income taxes paid	6,650	1,762
Interests received	43	9
Interests paid (–)	-373	-372
Net cash flow from operating activities	6,319	2,081
Investment cash flow		
Acquisition of subsidiaries	0	0
Investments in intangible and tangible assets (–)	-315	-111
Loan receivables paid back	236	30
Shares and holdings	0	0
Net cash flow from investments	-80	-81
Cash flow from financing		
Loans withdrawn	7,083	618
Loans paid	-7,902	-2,268
Lease liability payments*	-1,009	-620
Payments received from share issue	0	93
Net cash flow from financing	-1,828	-2,176
Change in cash and cash equivalents (+/–)	4,412	-176
Cash and cash equivalents, opening balance	910	258
Cash and cash equivalents, closing balance	5,322	82

*) Includes approximately EUR 2.4 million in taxes, official payments and pension payments deferred due to the coronavirus situation.

Consolidated Profit and Loss Statement by Quarter, IFRS

EUR thousand	Jan 1– Mar 31, 2020	Apr 1– Jun 30, 2020	Jan 1– Mar 31, 2019	Apr 1– Jun 30, 2019
Net sales	17,152	16,755	16,148	16,651
Other operating income	5	73	10	33
Materials (–)	-1,463	-1,664	-1,478	-1,499
	-	-		
Employee benefits/expenses (–)	11,395	11,229	-11,597	-11,634
Depreciation (–)	-1,141	-1,179	-959	-975
Other operating expenses (–)	-2,342	-1,873	-2,213	-2,424
Operating profit/loss	816	884	-90	153
Financial income	92	270	4	5
Financial expenses (–)	-1,032	39	-111	-262
Profit/loss before taxes	-123	1,193	-197	-104
Income taxes	327	78	109	106
Profit/loss for the financial period	204	1,271	-88	2
Operating margin (EBITDA)	1,957	2,063	868	1,127

Group's commitments and contingent liabilities

EUR thousand	Jun 30, 2020	Jun 30, 2019
Collateral given for own commitments		
Lease collateral	20	179
Mortgages on company assets	16,491	16,950
Bank guarantees	296	303
Other own liabilities		
Lease liabilities		
Current lease liabilities	15	155
Lease liabilities maturing in 1-5 years	10	42
Total	25	197
Lease liabilities*		
Current lease liabilities	0	337
Lease liabilities maturing in 1-5 years	0	0
Total	0	337
Other own liabilities total	25	534

* The change is due to the implementation of the IFRS 16 standard.

Largest shareholders

According to the share register maintained by Euroclear Finland Oy, the share ownership of the 20 largest Innofactor Plc shareowners at the end of the review period on June 30, 2020, was as follows.

Name	Number of shares	% of share capital
1. Ensio Sami	7,880,237	21.08%
<i>Ensio Sami</i>	5,706,477	15.26%
<i>Minor under guardianship</i>	724,588	1.94%
<i>Minor under guardianship</i>	724,586	1.94%
<i>Minor under guardianship</i>	724,586	1.94%
2. Ilmarinen Mutual Pension Insurance Company	1,800,000	4.81%
3. Hallikainen Jyrki	1,471,009	3.93%
4. Laiho Rami Tapani	1,262,159	3.38%
5. Linturi Kaija and Risto	1,256,411	3.36%
<i>R. Linturi Oyj</i>	489,107	1.31%
<i>Linturi Kaija Anneli</i>	430,000	1.15%
<i>Linturi Risto Erkki Olavi</i>	337,304	0.90%
6. Tilman Tuomo Tapani	900,397	2.41%
7. Ärje Matias Juhanpoika	882,065	2.36%
8. Mäki Antti-Jussi	847,192	2.27%
9. Saarelainen Mika Pekka	678,649	1.82%
10. Muukkonen Teemu Heikki	501,468	1.34%
11. Ingman Finance Oy Ab	500,000	1.34%
12. Järvenpää Janne-Olli	315,211	0.84%
13. Rausanne Oy	302,545	0.81%
14. Kukkonen Heikki-Harri	301,931	0.81%
15. Hellen Stefan Andreas	250,000	0.67%
16. Laiho Jari Olavi	235,000	0.63%
17. Mäkinen Antti Vilho Juhani	164,000	0.44%
18. Heikki Tervonen Oy	153,000	0.41%
19. Kyröläinen Mika Antero	130,782	0.35%
20. Muurinen Hannu Olavi	125,750	0.34%

Formulas for calculating the key figures

Operating margin (EBITDA):

Operating profit/loss - Depreciations

Order backlog:

Received license and project orders - realized net sales related to the order + net sales from recurring agreements for the next 12 months (does not include expected purchase activity not based on agreement, so called Run Rate)

Net sales / employee:

Net sales

Active personnel on average during the review period

Percentage of return on equity:

Profit/loss for the financial period

Shareholders' equity

Percentage of return on investment:

Profit or loss before taxes + Interest and other financial expenses

Shareholders' equity + Interest bearing financial liabilities

Net gearing:

Interest bearing liabilities - Cash funds

Shareholders' equity

Equity ratio, (%):

Shareholders' equity

Balance sheet total - Received advances

Result/share:

Profit before taxes attributable to equity holders of the parent - Taxes

Average number of shares on the financial period adjusted after the share issue