Unofficial translation

Nixu Corporation
Company release, January 29, 2018 at 14:30 EET

Transition to IFRS reporting

Nixu Corporation follows the growth strategy that includes acquisitions. As part of this growth strategy, Nixu has announced its intention to transit to the Nasdaq Helsinki Stock Exchange list in order to increase its visibility and liquidity of the share as well as possibilities for funding the growth.

Nixu Corporation published in a company release on December 15, 2017 that it will prepare and publish its consolidated financial statements and financial statements release for the year ended December 31, 2017 in accordance with the International Financial Reporting Standards (IFRS) related to the transition to the stock exchange list. Previously Nixu has prepared its published financial statements for the year ended December 31, 2016 and the half-year report for the six months ended June 30, 2017 in accordance with Finnish Accounting Standards (FAS).

Nixu has prepared the following unaudited IFRS financial information to provide its investors comparative information on Nixu Group's previously published consolidated statement of comprehensive income, consolidated statement of financial position and key figures for the year ended December 31, 2016, the six month period ended June 30, 2016, December 31, 2016 and June 30, 2017 as well as consolidated statement of financial position as at the transition date to IFRS January 1, 2016.

Key differences to the Finnish Accounting Standards resulting from the transition to IFRS are described in accompanying notes to this company release. For additional information on the historical financial information prepared in accordance with FAS, refer to the audited historical consolidated financial statements and the unaudited half year consolidated financial information of Nixu on Nixu's website at www.nixu.com.

The financial information included in this release is unaudited except for the consolidated statement of comprehensive income, the consolidated statement of financial position information for the year ended December 31, 2016 and the consolidated statement of financial position information under FAS for the year ended December 31, 2015.

Key figures (IFRS)

EUR thousand	**1 Jan – 30 Jun 2017**	**1 Jan – 31 Dec 2016**	**1 Jul – 31 Dec 2016**	**1 Jan – 30 Jun 2016**
Revenue	14,568	21,487	11,408	10,079
Result for the period	134	57	202	-144
Earnings per share (EUR)	0.02	0.01	0.03	-0.02
EBITDA	657	805	695	109
EBITDA, % of revenue	4.5%	3.7%	6.1%	1.1%
Operating result	415	437	484	-47
Operating result, % of revenue	2.8%	2.0%	4.2%	-0.5%

EUR thousand	**30 Jun 2017**	**31 Dec 2016**	**30 Jun 2016**	**1 Jan 2016**
Equity ratio, %	34.3%	47.5%	46.3%	51.4%
Net interest-bearing debt	3,630	765	483	-2,846
Net gearing, %	38.7%	9.3%	6.5%	-35.9%

Consolidated statement of comprehensive income 1 January – 30 June 2017

EUR thousand	Ref	FAS 1 Jan - 30 Jun 2017	Impact of IFRS adjustments	IFRS 1 Jan - 30 Jun 2017
Revenue	4)	**14,622**	**-53**	**14,568**
Other operating income		253		253
Materials and services		-808		-808
Employee benefit expenses	1), 4), 5)	-10,054	-64	-10,118
Other operating expenses	1), 2), 7)	-3,212	-27	-3,239
Depreciation and amortization	1), 2)	-468	226	-242
Operating result		**332**	**83**	**415**
Finance income		0		0
Finance expenses	1), 2), 3)	-165	21	-144
Finance income and expenses, net		-165	21	-144
Result before taxes		**167**	**103**	**271**
Income tax expense	6), 7)	-133	-3	-136
Result for the period		**34**	**100**	**134**
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Translation differences	1), 7)	4	-41	-37
Other comprehensive income for the period, net of tax		**4**	**-41**	**-37**
Total comprehensive income for the period		**38**	**60**	**98**
Result for the period attributable to:				
Owners of the parent		34	100	134
Result for the period		**34**	**100**	**134**
Total comprehensive income for the period attributable to:				
Owners of the parent		38	60	98
Total comprehensive income		**38**	**60**	**98**
Earnings per share for profit attributable to the owners of the parent during the year				
Basic and diluted earnings per share, EUR		**0.01**		**0.02**

Consolidated statement of financial position as at 30 June 2017

EUR thousand	Ref	FAS 30 Jun 2017	Impact of IFRS adjustments	IFRS 30 Jun 2017
ASSETS				
Non-current assets				
Goodwill	1)	11,154	-1,280	9,874
Other intangible assets	1), 7)	97	1,993	2,091
Tangible assets	2), 7)	447	448	895
Other receivables	7)		17	17
Deferred tax assets	6), 7)		45	45
Total non-current assets		**11,699**	**1,223**	**12,922**
Current assets				
Trade receivables and other receivables	1), 4), 7)	8,713	180	8,894
Loan receivables	5)	192	-192	
Current income tax receivables	7)		133	133
Cash and cash equivalents		5,368		5,368
Total current assets		**14,273**	**122**	**14,395**
Total assets		**25,971**	**1,345**	**27,316**
EQUITY AND LIABILITIES				
Equity				
Share capital		95		95
Invested unrestricted equity reserve	1), 5)	7,675	-499	7,176
Translation differences	1), 7)	-4	-11	-16
Retained earnings	2), 3), 4), 5), 7)	1,624	356	1,980
Result for the period		34	100	134
Total equity attributable to owners of the parent		**9,424**	**-54**	**9,369**
Liabilities				
Non-current liabilities				
Borrowings	1), 3), 7)	6,922	331	7,252
Deferred tax liabilities	6)		434	434
Other non-current liabilities	7)	231	-183	48
Total non-current liabilities		**7,152**	**582**	**7,734**
Current liabilities				
Borrowings	2), 3), 7)	1,380	366	1,746
Trade and other payables and other payables	4), 5), 7)	8,016	378	8,393
Current income tax liabilities	7)		73	73
Total current liabilities		**9,395**	**818**	**10,213**
Total liabilities		**16,548**	**1,399**	**17,947**
Total equity and liabilities		**25,971**	**1,345**	**27,316**

Consolidated statement of comprehensive income 1 January – 31 December 2016

		FAS	Impact of IFRS adjustments	IFRS
EUR thousand	Ref	1 Jan - 31 Dec 2016		1 Jan - 31 Dec 2016
Revenue	4)	**21,578**	**-90**	**21,487**
Other operating income		599		599
Materials and services		-1,542		-1,542
Employee benefit expenses	1), 4), 5)	-14,993	4	-14,989
Other operating expenses	1), 2)	-4,869	118	-4,751
Depreciation and amortization	1), 2)	-657	289	-368
Operating result		**116**	**321**	**437**
Finance income		36		36
Finance expenses	1), 2), 3)	-133	-45	-178
Finance income and expenses, net		**-96**	**-45**	**-142**
Result before taxes		**19**	**276**	**295**
Income tax expense	6)	-261	23	-238
Result for the period		**-242**	**299**	**57**
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Translation differences	1)	-9	30	21
Other comprehensive income for the period, net of tax		**-9**	**30**	**21**
Total comprehensive income for the period		**-250**	**329**	**79**
Result for the period attributable to:				
Owners of the parent		-242	299	57
Result for the period		**-242**	**299**	**57**
Total comprehensive income for the period attributable to:				
Owners of the parent		-250	329	79
Total comprehensive income		**-250**	**329**	**79**
Earnings per share for profit attributable to the owners of the parent during the year				
Basic and diluted earnings per share, EUR		**-0.04**		**0.01**

Consolidated statement of financial position as at 31 December 2016 and 1 January 2016

EUR thousand	Ref	FAS 31 Dec 2016	Impact of IFRS adjustments	IFRS 31 Dec 2016	FAS 31 Dec 2015	Impact of IFRS adjustments	IFRS 1 Jan 2016
ASSETS							
Non-current assets							
Goodwill	1)	6,081	-511	5,570	2,900		2,900
Other intangible assets	1), 7)	138	864	1,002	91	-91	
Tangible assets	2), 7)	377	492	869	283	435	718
Deferred tax assets	6), 7)		26	26		2	2
Total non-current assets		**6,595**	**871**	**7,466**	**3,274**	**346**	**3,620**
Current assets							
Trade receivables and other receivables	1), 4), 7)	7,019	72	7,092	5,181	12	5,193
Loan receivables	5)	261	-256	6			
Current income tax receivables	7)		94	94			
Cash and cash equivalents		2,718		2,718	6,633		6,633
Total current assets		**9,998**	**-89**	**9,909**	**11,814**	**12**	**11,826**
Total assets		**16,594**	**782**	**17,376**	**15,088**	**358**	**15 446**
EQUITY AND LIABILITIES							
Equity							
Share capital		95		95	95		95
Invested unrestricted equity reserve	1), 5)	6,714	-563	6,151	5,402		5,402
Translation differences	1)	-9	30	21			
Retained earnings	2), 3), 4)	1,884	-3	1,881	2,446	-10	2,437
Result for the period		-242	299	57			
Total equity attributable to owners of the parent		**8,442**	**-236**	**8,206**	**7,943**	**-10**	**7,933**
Liabilities							
Non-current liabilities							
Borrowings	1), 3), 7)	2,030	360	2,390	2,746	202	2,948
Deferred tax liabilities	6)		216	216			
Other non-current liabilities	7)	184	-184				
Total non-current liabilities		**2,214**	**392**	**2,606**	**2,746**	**202**	**2,948**
Current liabilities							
Borrowings	2), 3), 7)	716	376	1,093	716	122	839
Trade payables and other payables	4), 5), 7)	5,221	158	5,379	3,682	-199	3,483
Current income tax liabilities	7)		93	93		243	243
Total current liabilities		**5,937**	**627**	**6,564**	**4,399**	**166**	**4,564**
Total liabilities		**8,151**	**1 019**	**9,170**	**7,145**	**368**	**7,513**
Total equity and liabilities		**16,594**	**782**	**17,376**	**15,088**	**358**	**15,446**

IFRS Notes

The following summarizes the impact of the adoption of IFRS for Nixu to the consolidated statement of comprehensive income for the year ended December 31, 2016, for the six month period ended June 30, 2017 and to the consolidated statement of financial position as at the transition date to IFRS January 1, 2016, as at December 31, 2016 and as at June 30, 2017:

1. Acquisitions and goodwill

Under IFRS, Nixu has elected to apply IFRS 1 exemption and has not applied IFRS 3 retrospectively to past business combinations. Accordingly, the carrying amount of goodwill in the opening IFRS balance sheet as at January 1, 2016 is carried over to IFRS and no other adjustments are needed. Under IFRS goodwill is not amortized but is tested for impairment at least annually.

Nixu acquired Europoint Networking AB ("Europoint") in March 2016, Safeside Solutions AB ("Safeside") in October 2016, Expert Solution Support Center BV ("ESSC") at the end of May 2017 and Bitsec AB ("Bitsec") as at June 30, 2017. Under FAS the goodwill was recognized as a difference of the net assets acquired and the purchase consideration paid. Transaction costs were capitalized as part of the purchase consideration.

Under IFRS the acquisitions are accounted for using the acquisition method. The cost of the acquisition is measured at the fair value of consideration transferred comprising of the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued as purchase consideration, and fair value of any contingent consideration arrangement.

Under IFRS the identifiable assets acquired and liabilities assumed of Europoint, Safeside, ESSC and Bitsec were recognized at their fair values as at the acquisition date, with excess of the purchase consideration over the fair value of identifiable net assets acquired recognized as goodwill. The purchase consideration paid in shares was measured by using the fair value (quoted share price) as at the acquisition date.

Under IFRS costs related to acquisition are expensed as incurred and presented as other operating expenses in the income statement.

Due to the above the following adjustments have been made under IFRS to FAS goodwill as at December 31, 2016 and as at June 3o, 2017:

EUR thousand	Ref	31 Dec 2016	30 Jun 2017
FAS Goodwill		**6,081**	**11,154**
Reversal of goodwill amortization	a)	489	857
Customer relationships recognized	b)	-1,028	-2,174
Discounting of contingent consideration	c)	-28	-28
Adjustment to purchase consideration	d)	33	96
Capitalized transaction costs	e)	-61	-215
Payment for post combination services	f)	-152	-359
Cost related to establishing a subsidiary	g)	-9	-9
Deferred tax liability related to customer relationships	h)	226	478
Impact of currency translation	i)	19	-5
Revenue recognition, net of tax	j)		79
IFRS Goodwill		**5,570**	**9,874**

a) As goodwill is not amortized under IFRS, Nixu reversed the amortization recognized under FAS and, therefore, increased the goodwill amount by EUR 489 thousand for the year ended December 31, 2016. For the six month period ended June 30, 2017 the amortization cost was decreased by EUR 368 thousand and goodwill increased by EUR 857 thousand as compared to the respective figures under FAS.

b) Nixu recognized customer relationships of EUR 1 028 thousand related to the acquisitions of Europoint and Safeside during the year ended December 31, 2016. The customer relationships recognized related to the acquisitions of Bitsec and ESSC during the six month period ended June 30, 2017 amounted to EUR 1 146 thousand. The customer relationships are amortized in 10 to 12 years. The amortization related to the customer relationships amounted to EUR 34 thousand for the year ended December 31, 2016 and EUR 49 thousand for the six month period ended June 30, 2017.

c) The acquisition of Europoint included contingent consideration of EUR 575 thousand under FAS. Under IFRS, the contingent consideration was EUR 28 thousand lower due to discounting of the contingent consideration to the net present value. The increase of EUR 12 thousand in the fair value of the contingent consideration compared to the carrying value under FAS was recognized as finance expense in the income statement for the year ended December 31, 2016. Under IFRS, the contingent consideration was EUR 15 thousand lower due to discounting to the present value as at December 31, 2016. During the period ended June 30, 2017 the increase in interest expenses amounted to EUR 8 thousand. Under IFRS, the contingent consideration was EUR 7 thousand lower due to discounting as at June 30, 2017.

d) Shares issued to the sellers of Europoint, Safeside, ESSC and Bitsec were recognized at the fair value (quoted share price) as at the acquisition dates. This resulted in adjustments that increased invested unrestricted equity and goodwill by EUR 33 thousand under IFRS as at December 31, 2016 and EUR 97 thousand as at June 30, 2017.

e) Under IFRS, acquisition related costs are expensed in the periods in which the costs are incurred. Therefore acquisition related costs of EUR 61 thousand included in the purchase consideration under FAS were adjusted to other operating expenses for the year ended December 31, 2016 and EUR 154 thousand for the six month period ended June 30, 2017.

f) The acquisition of Safeside and Bitsec included arrangements with sellers working as a key employees that were considered as a compensation for post combination services rather than purchase consideration under IFRS. For the year ended December 31, 2016, the adjustment related to post combination services decreased goodwill by EUR 152 thousand, increased receivables by EUR 144 thousand, increased employee benefit expenses by EUR 13 thousand and translation differences by EUR 5 thousand. For the period ended June 30, 2017, the adjustment related to post combination services decreased goodwill by EUR 359 thousand, increased receivables by EUR 311 thousand, increased employee benefit expenses by EUR 39 thousand and increased translation differences by EUR 4 thousand as compared to FAS.

g) Other operating expenses were increased and goodwill decreased by EUR 9 thousand for the year ended December 31, 2016 related to the costs for establishing a subsidiary.

h) For the acquisitions of Europoint and Safeside, Nixu recognized deferred tax liabilites related to customer relationships amounting to EUR 226 thousand as at the acquisition dates. For the acquisitions of ESSC and Bitsec, Nixu recognized deferred tax liabilities related to customer relationships amounting to EUR 252 thousand.

i) Under IFRS, any goodwill and fair value allocations to the carrying amounts of assets and liabilities arising on a foreign operation’s acquisition are treated as the foreign operation’s assets and liabilities whereas under FAS the assets and liabilities have been recorded based on the EUR amounts. As at December 31, 2016, translation of customer relationships and related deferred tax liabilities, receivables from post combination services, contingent consideration as well goodwill from the acquisitions resulted EUR 30 thousand increase in translation differences and goodwill under IFRS compared to FAS. As at June 30, 2017, translation of customer relationships and related deferred tax liabilities, receivables from post combination services, contingent consideration as well goodwill resulted EUR 2 thousand decrease in translation differences and goodwill under IFRS compared to FAS.

j) ESSC has recognized certain vendor support service revenue before the service commencement date. Under IFRS, revenue from vendor support services is recognized over the service period. Nixu recognized a contract liability of EUR 101 thousand related to the revenue recognition of ESSC from vendor support services net of deferred tax asset of EUR 22 thousand as at the acquisition date.

2. Finance leases

Under FAS, Nixu has accounted for all lease agreements as operating leases and lease payments have been recognized in income statements on a straight-line basis over the lease term. Under IFRS a lease is classified as a finance lease when the risks and rewards related to ownership are substantially held by Nixu. Other leases are classified as operating leases. Under finance lease, Nixu recognizes the asset and related liability in the balance sheet at the lower of the leased asset's fair value or the present value of minimum lease payments. Minimum lease payments made under the finance lease are apportioned between finance cost and the reductions of the outstanding liability. The finance cost is allocated to each year during the lease term so as to produce a constant period rate of interest on the remaining balance of the liability. The lease asset is depreciated in accordance with Nixu's policy for tangible assets.

The tangible assets were increased by EUR 344 thousand due to capitalized IT hardware and cars, non-current borrowings increased by EUR 219 thousand and current borrowings by EUR 132 thousand in the opening balance sheet as at January 1, 2016. The depreciation was increased by EUR 166 thousand, other operating expenses were decreased by EUR 188 thousand and finance expenses were increased by EUR 23 thousand for the year ended December 31, 2016. Tangible assets as at December 31, 2016 were increased by EUR 354 thousand, non-current borrowings by EUR 201 thousand and current borrowings by EUR 161 thousand respectively.

For the period ended June 30, 2017, tangible assets were increased by EUR 350 thousand, non-current borrowings increased by EUR 190 thousand and current borrowings increased by EUR 167 thousand. The depreciation was increased by EUR 93 thousand, other operating expenses were decreased by EUR 104 thousand and finance expenses were increased by EUR 11 thousand for the six month period ended June 30, 2017.

3. Transaction costs related to the bank loans

Under FAS, Nixu has recognized transaction costs related to bank loans as an expense in the same accounting period when the loan was drawn. Under IFRS, bank loans are initially recognized at fair value, net of transaction cost. Transaction costs are amortized over the term of the loan using the effective interest method. Nixu draw-down new loans amounting to EUR 5 900 thousand during the six month period ended June 30, 2017. Transaction costs were reversed from FAS income statement and are recognizsed during the loan term.

Borrowings were decreased by EUR 26 thousand in the opening balance sheet as at January 1, 2016 and EUR 17 thousand as at December 31, 2016. Interest expenses for the year ended December 31, 2016 increased by EUR 9 thousand.

Borrowings were decreased by EUR 56 thousand as at June 30, 2017. Interest expenses decreased by EUR 40 thousand for the six month period ended June 30, 2017.

4. Revenue recognition

Nixu provides security consulting services, continuous services and sells licenses. Continuous services consist of managed security services such as Cyber Defence Center services and vendor support services.

Under FAS, Nixu has recognized implementation phase revenue and related set-up costs related to Cyber Defence Center services in the accounting period in which these implementation services are rendered. Under IFRS Nixu recognizes revenue over the managed Cyber Defence Center continuous services period. Under FAS set-up costs were expensed as they did not qualify for recognition as an asset. Under IFRS these set-up costs were capitalized as costs to fulfil a contract.

Nixu has recognized a contract liability of EUR 43 thousand in the opening balance sheet as at January 1, 2016 and EUR 133 thousand as at December 31, 2016 in relation to revenue from set-up activities of Cyber Defence Center services and an contract asset of EUR 12 thousand in the opening balance sheet and EUR 36 thousand as at December 31, 2016 in relation to costs to fulfil the service agreement. Revenue was decreased by EUR 90 thousand and personnel costs deferred by EUR 24 thousand for the year ended December 31, 2016.

Under IFRS, Nixu recognized contract liability of EUR 288 thousand related to Cyber Defence Center and vendor support services and contract assets of EUR 52 thousand related to Cyber Defence Center as at June 30, 2017. Revenue was decreased by EUR 54 thousand and personnel expenses decreased by EUR 16 thousand for the six month period ended June 30, 2017.

5. Employee share based incentive plan

Nixu issued 120 000 shares to its key employees in November 2016 with a subscription price of EUR 4.96 per share that was below the fair value. Under FAS, this resulted EUR 595 thousand increase in equity. In connection of the share issue, Nixu granted loans amounting to EUR 271 thousand to employees for the payment of the subscription price of the new shares. The loans will be repaid in 20 instalments that are deducted directly from wages. EUR 324 thousand of the subscription price was paid in cash.

The incentive plan with the employees includes a service condition for one to two years during which the employees are not entitled to dispose the shares. Under certain conditions, the company has a right to repurchase transfer-restricted shares from subscribers whose employment or CEO contract is terminated within the service period. Under FAS, Nixu has not recognized employee benefit expense from the plan. Under IFRS, the plan is classified as an equity-settled share-based incentive plan. The fair value of the employee services received in exchange for the grant of the shares is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the shares granted and the subscription price paid. Service conditions are included in assumptions about the number of shares expected to vest. The total expense is recognized over the vesting period.

The adjustment increased employee benefit expenses and retained earnings by EUR 7 thousand for the year ended December 31, 2016 and EUR 41 thousand for the period ended June 30, 2017.

Under FAS, Nixu has recognized an increase in equity for the shares issued under the share-based inventive plan. In connection with the share issue, Nixu granted loans to the employees to finance the subscriptions. Under FAS, these loan receivables amounted to EUR 256 thousand as at December 31, 2016 and EUR 192 thousand for the period ended June 30, 2017. Nixu’s past practice has been to redeem the shares in case the employee contract is terminated before the end of the vesting period. Therefore, under IFRS, the share issue is recognized in equity when the vesting period ends. The loans granted to employees to subscribe the shares are considered as part of the share-based payment transaction. This resulted in adjustments, where the increase in equity and loan receivables recognized under FAS were derecognized. The part of the subcsription price that was paid in cash was recognized as a liability. The loan instalments that are paid by employees prior to the end of the vesting period are recognized as increase in Nixu’s liabilities. At the end of each vesting period, subscription price related to the shares of employees that are still employed by the company are recognized to equity. The other side of the adjusting entry to equity is to derecognize Nixu’s liability or if part of the subscription price is still unpaid by employees, recognize corresponding receivable.

This adjustment decreased receivables by EUR 256 thousand, increased liabilities by EUR 340 thousand and decreased equity by EUR 595 thousand as at December 31, 2016. Receivables were decreased by EUR 174 thousand, liabilities were increased by EUR 403 thousand and equity was decreased by EUR 595 thousand as at June 30, 2017. Retained earnings were increased by EUR 18 thousand related to shares that were redeemed from employees leaving Nixu as at June 30, 2017. Under FAS the redemption of own shares was deducted from the retained earnings.

6. Deferred tax assets and deferred tax liabilities

Nixu has recognized deferred taxes under FAS. Under IFRS, Nixu recognized deferred tax assets amounting to EUR 79 thousand and deferred tax liabilities amounting to EUR 76 thousand in the opening balance sheet related to the IFRS adjustments discussed above. Deferred tax assets recognized amounted to EUR 100 thousand and deferred tax liabilities EUR 303 thousand as at December 31, 2016. Changes in deferred taxes of EUR 23 thousand from the IFRS adjustments was recognized as income for the year ended December 31, 2016. Deferred tax assets recognized amounted to EUR 132 thousand and deferred tax liabilities EUR 552 thousand as at June 30, 2017. A change in deferred taxes of EUR 10 thousand was recognized as income from the IFRS adjustments for the six month period ended June 30, 2017.

Under IFRS, deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and liabilities, and when the deferred tax assets and tax liabilities are attributable to taxes charged by the same tax authority and relate to either the same tax entities or different tax entities, where there is an intention to settle the balances on a net basis. Nixu has offset certain deferred tax assets and liabilities under IFRS. The adjustments related to the offsetting decreased the deferred tax assets and liabilities as at January 1, 2016 by EUR 76 thousand, as at December 31, 2016 by EUR 87 thousand and as at June 30, 2017 by EUR 137 thousand.

7. Reclassifications and other adjustments

Leasehold improvements have been classified as intangible assets under FAS. Under IFRS leasehold improvements of EUR 91 thousand as at January 1, 2016, EUR 138 thousand as at December 31, 2016 and EUR 97 thousand as at June 30, 2017 were classified as tangible assets.

Deferred tax assets amounting to EUR 13 thousand as at December 31, 2016 and EUR 50 thousand as at June 30, 2017 were reclassified from current receivables to non-current receivables. Deferred tax liabilities amounting to EUR 18 thousand were reclassified from current liabilities to non-current liabilities as at June 30, 2017.

Income tax liabilities amounting to EUR 243 thousand as at January 1, 2016, EUR 93 thousand as at December 31, 2016 and EUR 73 thousand as at June 30, 2017 were reclassified from trade payables and other payables to current income tax liabilities. Income tax receivables amounting to EUR 94 thousand as at December 31, 2016 and EUR 133 thousand as at June 30, 2017 were reclassified from trade receivables and other receivables to the current income tax receivables.

Under FAS, Nixu has disclosed contingent consideration related to the acquisition of Europoint under other non-current liabilities and other current liabilities. Under IFRS, the contingent consideration of EUR 168 thousand is presented under non-current borrowings and EUR 222 thousand under current borrowings as at December 31, 2016. Under IFRS, the contingent consideration presented under non-current borrowings amounted to EUR 176 thousand and EUR 220 thousand under current borrowings as at June 30, 2017.

Nixu has reclassified non-current deposits amounting to EUR 18 thousand from the current assets to the non-current assets as at June 30, 2017.

Nixu adjusted its reported FAS figures for the six month period ended June 30, 2017 as follows: translation differences increased by EUR 3 thousand, retained earnings decreased by EUR 13 thousand, other operating expenses decreased by EUR 24 thousand and income tax expenses increased by EUR 13 thousand for the six month period ended June 30, 2017.

Summary of the impact of the adoption of IFRS to the consolidated equity and result for the period of Nixu

The following table summarizes the impact of the adoption of the IFRS to the equity of of Nixu for the periods presented below:

EUR thousand	Ref	**30 Jun 2017**	**31 Dec 2016**	**30 Jun 2016**	**1 Jan 2016**
Equity, FAS		9,424	8,442	7,099	7,943
IFRS adjustments:					
Acquisitions and goodwill	1	669	430	417	0
Finance leases	2	-6	-6	-6	-5
Transaction costs of the loans	3	45	13	17	21
Revenue recognition	4	-186	-78	-62	-26
Employee share based incentive plan	5	-578	-595	0	0
Other adjustments	7	1	0	0	0
Total adjustments		-54	-236	366	-10
Equity, IFRS		9,369	8,206	7,465	7,933

The following table summarizes the impact of the adoption of the IFRS to the result for the period of Nixu for the periods presented below:

EUR thousand	Ref	**1 Jan - 30 Jun 2017**	**1 Jan - 31 Dec 2016**	**1 Jul - 31 Dec 2016**	**1 Jan - 30 Jun 2016**
Result for the period, FAS		34	-242	280	-522
IFRS adjustments:					
Acquisitions and goodwill	1	128	367	-52	419
Finance leases	2	1	-1	-1	-1
Transaction costs of the loans	3	32	-7	-4	-4
Revenue recognition	4	-31	-53	-16	-37
Employee share based incentive plan	5	-41	-7	-7	0
Other adjustments	7	12	0	0	0
Total adjustments		100	299	-79	378
Result for the period, IFRS		134	57	202	-144

Additional half year financial information for the year 2016

Consolidated statement of comprehensive income 1 Jan – 30 Jun 2016 and 1 Jul -31 Dec 2016

	FAS	Impact of IFRS adjustments	IFRS	FAS	Impact of IFRS adjustments	IFRS
EUR thousand	1 Jan - 30 Jun 2016		1 Jan - 30 Jun 2016	1 Jul - 31 Dec 2016		1 Jul - 31 Dec 2016
Revenue	**10,143**	**-64**	**10,079**	**11,434**	**-26**	**11,408**
Other operating income	444		444	155		155
Materials and services	-849		-849	-692		-693
Employee benefit expenses	-7,353	18	-7,335	-7,640	-13	-7,654
Other operating expenses	-2,278	48	-2,229	-2,591	69	-2,522
Depreciation and amortization	-541	385	-156	-116	-95	-211
Operating result	**-434**	**387**	**-47**	**549**	**-65**	**484**
Finance income	29		29	8		8
Finance expenses	-48	-21	-69	-85	-24	-109
Finance income and expenses, net	-19	-21	-40	-78	-24	-102
Result before taxes	**-452**	**366**	**-87**	**471**	**-89**	**382**
Income tax expense	-70	12	-58	-191	11	-180
Result for the period	**-522**	**378**	**-144**	**280**	**-79**	**202**
Other comprehensive income						
Items that may be reclassified to profit or loss:						
Translation differences	-6	-30	-37	-2	60	58
Other comprehensive income for the period, net of tax	**-6**	**-30**	**-37**	**-2**	**60**	**58**
Total comprehensive income	**-528**	**347**	**-181**	**278**	**-19**	**259**
Result for the period attributable to:						
Owners of the parent	-522	378	-144	280	-79	202
Result for the period	**-522**	**378**	**-144**	**280**	**-79**	**202**
Total comprehensive income for the period attributable to:						
Owners of the parent	-528	347	-181	278	-19	259
Total comprehensive income	**-528**	**347**	**-181**	**278**	**-19**	**259**
Earnings per share for profit attributable to the owners of the parent during the year						
Basic and diluted earnings per share, EUR	**-0.08**		**-0.02**	**0.05**		**0.03**

Consolidated statement of financial position as at 30 June 2016

	FAS	Impact of IFRS adjustments	IFRS
EUR thousand	30 Jun 2016		30 Jun 2016
ASSETS			
Non-current assets			
Goodwill	4,068	93	4,160
Other intangible assets	103	284	387
Tangible assets	306	439	745
Deferred tax assets		24	24
Total non-current assets	**4,477**	**840**	**5,317**
Current assets			
Trade receivables and other receivables	7,279	17	7,296
Cash and cash equivalents	3,496		3,496
Total current assets	**10,775**	**17**	**10,792**
Total assets	**15,252**	**857**	**16,109**
EQUITY AND LIABILITIES			
Equity			
Share capital	95		95
Invested unrestricted equity reserve	5,636	7	5,643
Translation differences	-6	-30	-37
Retained earnings	1,896	12	1,908
Result for the period	-522	378	-144
Total equity attributable to owners of the parent	**7 099**	**366**	**7 465**
Liabilities			
Non-current liabilities			
Borrowings	2,388	591	2,979
Deferred tax liabilities		85	85
Other non-current liabilities	429	-429	0
Total non-current liabilities	**2,817**	**248**	**3,065,**
Current liabilities			
Borrowings	716	283	999
Trade payables and other payables	4,620	-97	4,522
Current income tax liabilities		57	57
Total current liabilities	**5,336**	**243**	**5,579**
Total liabilities	**8,153**	**491**	**8,644**
Total equity and liabilities	**15,252**	**857**	**16,109**

Key Figures

Nixu presents certain key figures elsewhere in this release related to the company's results for the period and financial position. All of those key figures are not accounting measures defined or specified under IFRS and therefore are considered as alternative performance measures.

Nixu presents EBITDA, equity ratio, net interest-bearing debt and net gearing as alternative performance measures and as additional information to the financial measures presented in accordance with IFRS. Management believes that these key figures provide meaningful supplemental information on the statement of comprehensive income and financial position, and are widely used by analysts, investors and other parties and provide additional information to analyse Nixu's performance and capital structure.

Alternative performance measures should not be viewed in isolation or as a substitute to measures presented in the audited IFRS financial statements. Companies do not calculate alternative performance measures in a uniform way, and therefore Nixu's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Formulas for the key figures

EBITDA is calculated by adding depreciation and amortization to operating result.

Equity ratio is calculated by dividing total equity by total balance sheet less received advances.

Net interest-bearing debt. Cash and cash equivalents deducted from total financial debt (current and non-current borrowings).

Net gearing is calculated by dividing net debt by total equity.

Earnings per shares, basic is calculated by dividing total result attributable to owners of the parent by average number of outstanding shares during period.

Earnings per shares, diluted is calculated by dividing total result attributable to owners of the parent by average number of diluted outstanding shares during period.

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Nixu in brief:
Nixu is a cybersecurity services company on a mission to keep the digital society running. Our passion is to help organizations embrace digitalization securely. Partnering with our clients we provide practical solutions for ensuring business continuity, an easy access to digital services and data protection. We aim to provide the best workplace to our team of over 300 cybersecurity professionals with a hands-on attitude. With Nordic roots, but based in four continents, we serve enterprise clients worldwide. Nixu Corporation is listed on the Nasdaq First North stock market.
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