

nixu
cybersecurity.

Annual Review | **2017**

Part of Nixu's Annual Report



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The statements and projections concerning markets and the future of the company are based on the current views of the company management. Due to their nature, they are prone to uncertainty resulting from economic fluctuations and changes in the cybersecurity sector. The Certified Advisor for Nixu Corporation is Summa Capital Oy.

Digitalization, Done Right

NIXU IN BRIEF

REVENUE

32

MEUR

PERSONNEL

323

REVENUE
GROWTH

50%

SHARE OF
INTERNATIONAL
REVENUE

35%

Nixu is an international cybersecurity services company on a mission to keep the digital society running.

Nixu wants to be a trusted cybersecurity partner for its clients and its passion is to help organizations embrace digitalization securely. Partnering with its clients, Nixu provides practical solutions for ensuring business continuity, an easy access to digital services and data protection.

Nixu's job is to support business continuity throughout its clients' processes and in the ever-changing business landscape at all times, at all levels, and across the entire supply network. Nixu anticipates risks proactively and takes responsibility.

As indicated in Nixu's growth strategy, the company aims to provide the best workplace to its team of cybersecurity professionals that work to find practical solutions. With Nordic roots, but present in four continents, Nixu serves its clients worldwide. Nixu Corporation is listed on the Nasdaq First North stock market.

Nixu's Year 2017 Briefly

February

For the fourth time, Nixu arranged the Nixu Challenge, an annual contest intended for young talent. Those who perform well in the challenge have the opportunity to join a Nixu traineeship program, allowing them to participate in actual cybersecurity work.

June

Nixu acquired the Swedish digital forensics company Bitsec AB. At the same time, Nixu reinforced its service offering and became one of the largest cybersecurity companies in Sweden.

Thanks to new acquisitions and organic growth, the number of Nixu employees surpassed the 300 mark.

May

Nixu expanded its service offering and client base by acquiring Expert Solution Support Center B.V. (ESSC), a Dutch company that provides digital identity support services to clients across the globe.

The cooperation between Danfoss and Nixu received international recognition in the European Identity & Cloud Awards 2017, as Danfoss was granted the "Best IoT Security Project 2017" award for its IoT project.



Nixu's Year 2017 Briefly

September

Nixu's very first employee conference, nixucon, was held in Helsinki, Finland. The event gathered Nixu employees from each and every Nixu office around the world.

The company announced that it is looking into listing on Nasdaq Helsinki's Main Market.



October

In order to fund its growth strategy, Nixu organized a share issue directed at international investors, raising approximately EUR 10 million in shareholders' equity.

November

Nixu launched the Nixu Wreckathon event concept with the aim of helping companies improve their cybersecurity and increase their awareness and knowledge of cybersecurity issues with the help of Nixuans. In the first event, KONE and Nixu put the cybersecurity of an IoT-enabled elevator to the test.

Key Figures

Key figures (IFRS)

EUR thousand	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2016
Revenue	32,279	21,487
Profit/loss for the period	-172	57
Earnings per share (EUR)	-0.03	0.01
EBITDA	1,106	805
EBITDA, % of net sales	3.4%	3.7%
Adjusted EBITDA ¹	1,375	805
Adjusted EBITDA, % of net sales ¹	4.3%	3.7%
EBIT	492	437
EBIT, % of net sales	1.5%	2.0%
Adjusted EBIT ¹	761	437
Adjusted EBIT, % of net sales ¹	2.4%	2.0%

¹ Extraordinary, non-recurring events that do not belong to normal business operations are handled as adjustment items. Such extraordinary items are, for example, non-recurring costs related to acquisitions and listing that are included in other operating expenses. The non-recurring costs included in the operating profit of January–December 2017 were EUR 269 thousand (61).

EUR thousand	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2016
Equity ratio, %	51.4%	47.5%
Net interest-bearing debt	-3,384	765
Net gearing, %	-17.9%	9.3%





From a Consultation Company to a Cybersecurity Service Company

We have made clear progress on our journey from a consultation company that charges for its services by the hour to our target: a scalable cybersecurity service company. This transformation is based on both introducing technology-based services to support our consultation operations and on the evolution of our consultation services from short assignments to longer-term, continuous service contracts that are not dependent on individual persons.

2017 was not only a year of strong growth – about 50% – for Nixu, it was also a year of significant strategic development.

This is the first time we are publishing our revenue divided into four different types of services: managed security services, continuous services, project-based assignments, and the revenue from the sales of third-party licenses. I'm glad to see that the share of all continuous services (managed security services and continuous services) of our revenue has reached 31% on an annual basis, rising by 118%. At the same time, it is also worth noting that Nixu's customer relationships are, in general, very lasting in nature: because we have a partnership with our customers, they choose us for one assignment after another.

The turnover of technology-based services mainly consists of the Nixu Cyber Defense Center (Nixu CDC) service, which has very quickly gained an excellent position in the Finnish market. By the end of 2017, we had secured 19 new clients in both Finland and Sweden, where, in the second half of the year, we were already involved in several digital forensics projects. In summer, we published the news that the Finnish Tax Administration had selected Nixu as its cyber detection partner.

Our international foothold has been strengthened, thanks to the ESSC and Bitsec acquisitions in the summer. In this context, we have learned that, for us, acquisitions are the best way to expand our international presence. In the future, acquisitions will likely continue to be our preferred means to enter new markets. Thanks to the acquisition of ESSC, our recognition in the Netherlands has improved, which will make gaining new clients easier. Support for the strong organic growth (122%) of

the operations in the Netherlands (Nixu B.V.) continued to significantly affect Nixu's EBITDA.

We have also made notable investments in the facilitation of growth and the digitalization of our operations. Even if these measures affect the EBITDA negatively in the short term, we have been able to secure the continued operative profitability between customer prices and salaries.

In 2017, in order to support our growth strategy, we started preparations for listing on Nasdaq Helsinki's Main Market. To secure the supply of capital, we carried out a share issue of about EUR 10 million, directed at international institutional investors. Thanks to this arrangement, we can continue acquisitions whenever we find a target that suits our strategy and our corporate culture.

As the business of our clients becomes increasingly digital while cyber threats are multiplying, it demonstrates clearly that companies need a versatile partner that focuses on cybersecurity, with professionals who are located close to the client. This trend, together with highly skilled, enthusiastic Nixu people, provides us a strong base for continued implementation of our growth strategy.

Excellent Results with Determined Implementation of Growth Strategy

Nixu's growth strategy was published in 2014, when the company was first listed in Nasdaq Helsinki's First North Finland marketplace. The main goal of Nixu's growth strategy is to be the best workplace for cybersecurity professionals and the number one choice as a cybersecurity partner in Northern Europe.

It can be concluded that by the end of 2017, the company has made determined progress in implementing the strategy. Nixu has demonstrated sustained development in its strategic development areas, namely internationalization, continuous services, and the best workplace for cybersecurity professionals.

Internationalization

Internationalization involves opening several local offices, allowing Nixu to serve regional clients directly and provide comprehensive cybersecurity services on a local basis.

The internationalization efforts began in earnest in 2015, when Nixu established a subsidiary in the Netherlands. In 2016, the company continued along the path to internationalization by joining forces with two

Swedish information security companies, when Nixu acquired Euro-point Networking AB and Safeside Solutions AB. In that year, Nixu founded a new subsidiary in the United States to ensure the ability to provide more efficient and effective local support for its clients.

In 2017, the internationalization took a leap forward when Nixu acquired ESSC, a Dutch company with global operations specializing in digital identity management support services, and Bitsec, a Swedish digital forensics company. By the end of 2017, Nixu had significant operations in Finland, Sweden, the Netherlands, Romania and the United States. Nixu is a global company that provides local services for its international clients. In 2017, the share of international sales grew significantly and reached 35% of the revenue of the Nixu Group.

Continuous services

Nixu's strategic target is to be a comprehensive cybersecurity partner for its clients. As part of this strategy, Nixu is building a portfolio of continuous, technology-based, scalable services. These managed services are seamlessly integrated in the company's consultation operations. This is how Nixu secures its ability to be a true and holistic cybersecurity partner for its clients while ensuring lasting customer relationships and competitiveness in the international market.

In 2015, Nixu rolled out the Nixu Cyber Defense Center (Nixu CDC) service. This technology-based service package allows Nixu to provide its clients with a digital environment for real-time supervision and intrusion investigation and an up-to-date snapshot of their organizations' web service threats. The CDC service is operational 24 hours a day, seven days a week.

In 2017, the demand for Nixu CDC continued its stable growth. Nixu secured several important new customers and expanded its customer base in Sweden.

The ESSC acquisition that also took place in 2017 strengthened Nixu's experience in service-based deliveries and increased the revenue from continuous services.

Best workplace

One of the three strategic development areas consists of the motivation and skills development of expert personnel and recruiting and cultivating new cybersecurity experts. As the demand for cybersecurity services has increased rapidly due to the increased digitalization of society and the number of global security breaches has exploded, the competition for the top experts in the field has become fierce. For this reason, the company is determinedly improving Nixu as a workplace and supports the professional development of its employees by constantly providing them opportunities for training and on-the-job learning.

In 2017, Nixu continued its investments in recruiting and its determined efforts to strengthen its values and the corporate culture and to develop the management work. Nixu Code, the Nixu framework for culture and conduct, was rolled out internally to guide and support the day-to-day work of everyone at Nixu.

Your Local Cybersecurity Partner

Nixu's passion is to help its clients capitalize on the opportunities provided by digitalization in a safe manner. Nixu wants to be a trusted cybersecurity partner for its clients, providing comprehensive services that will allow them to implement and access new digital services safely in a landscape riddled with increasingly sophisticated cyber threats.

Based on the number of experts in the company's employment, Nixu ranks among the major players in cybersecurity expert services in Northern Europe. The company has experts in Finland, Sweden, the Netherlands, Romania, the United States and Australia. Nixu's local teams participate in client assignments around the world. Working in close cooperation with clients, Nixu experts help companies by providing practical solutions for ensuring business continuity, an easy access to digital services and data protection.

MORE THAN
400
CLIENTS

ASSIGNMENTS IN
27
COUNTRIES AROUND
THE WORLD

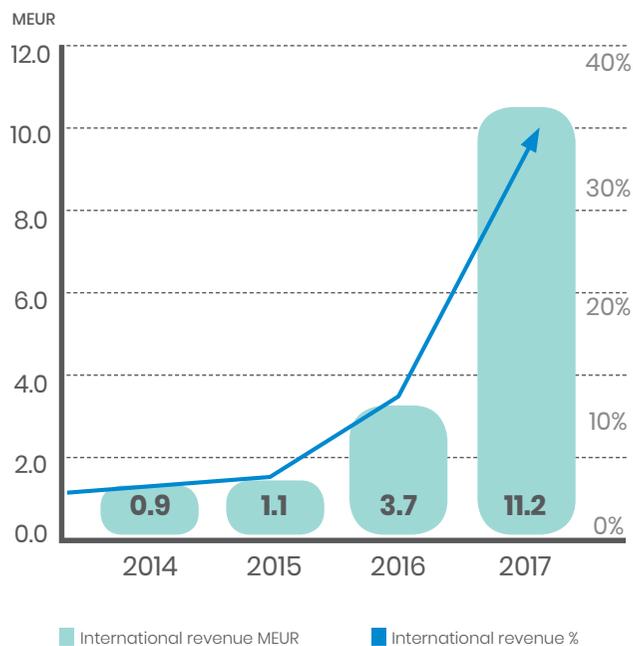
CUSTOMER SATISFACTION
97%

Expert Solution Support Center

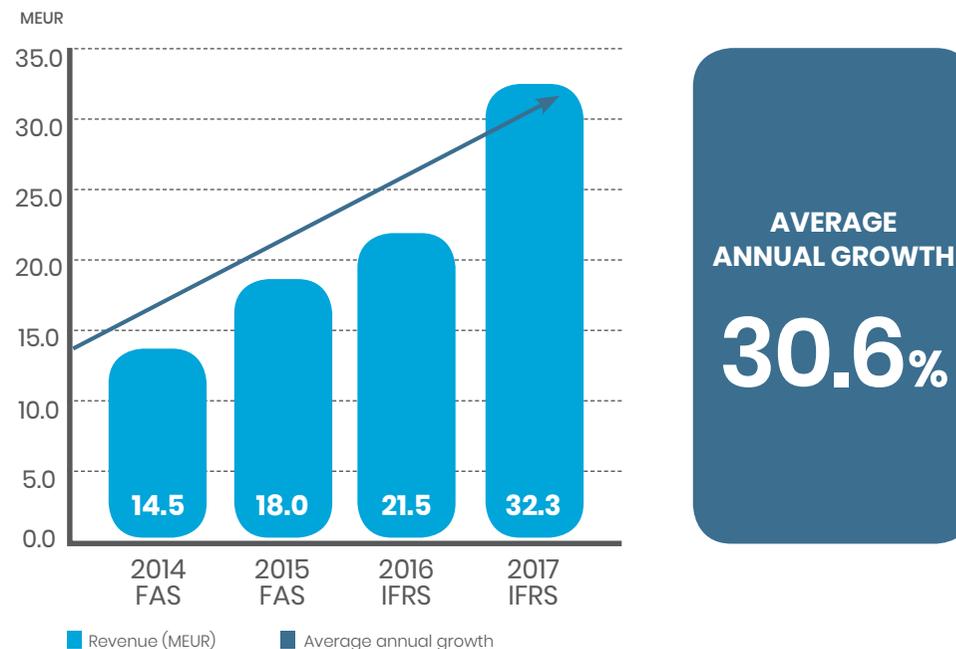
In 2017, Expert Solution Support Center B.V. (ESSC), a company that offers support services for managing digital identities worldwide, became part of Nixu through an acquisition. This arrangement strengthens Nixu's experience in service-based deliveries and increases the share of continuous revenue and considerably expands Nixu's international network.

The clients expect Nixu to provide increasingly comprehensive and continuous partnership to ensure the cybersecurity of their digital transformation. Under the European Data Protection Regulation (GDPR), companies are required to substantially improve the management and protection of their customers' digital identities. Thanks to the Nixu Dedicated Support service, those making the leap to the digital age have the opportunity to procure their entire identity management solution from a single partner, covering everything from planning to implementation and support.

INTERNATIONAL REVENUE



REVENUE DEVELOPMENT



Bitsec

In 2017, Nixu increased its expertise in data breach investigation and technical cybersecurity by acquiring Bitsec AB, a Swedish company specializing in digital forensics. As a result, Nixu achieved a substantial foothold in the Swedish cybersecurity market and became one of the largest cybersecurity companies in Sweden.

Nixu offers comprehensive cybersecurity partnership for its clients. A key part of this strategy is the Nixu Cyber Defense Center (Nixu CDC) service, which allows Nixu to monitor, detect and handle intrusions. Bitsec’s strong technical expertise and excellent reputation especially in intrusion investigation reinforces the know-how of the Swedish team, allowing Nixu to expand its service portfolio. Nixu’s clients in Sweden now have a local team of top experts at their disposal, not to mention direct access to Nixu CDC services.

Nixu Ensured Agile and Risk-based Security of Lantmännen

Lantmännen is Northern Europe's leader in agriculture, machinery, bioenergy and food products. Lantmännen has 10,000 employees, operations in over 20 countries and an annual turnover of SEK 40 billion.

It is of utmost importance for Lantmännen, which operates worldwide, to have optimized decision-making based on risks and streamlined to support future growth. Since information is a critical asset for Lantmännen's business progress and continuity, the company decided to develop an agile approach and invest in the automation of the GRC framework and related activities. In this way, cybersecurity can be an integrated part of their organization's business processes and systems in order to ensure quality in business and to provide a basis for decisions about risks.

Lantmännen started a strategic initiative to ensure the right level of cybersecurity for its business processes. The company identified the need for a more agile and cohesive work approach regarding information security governance (GRC) and GDPR fulfillment. In addition, Lantmännen wanted to implement a global information security process to enable and follow up on information classification, compliance management, risk management and GDPR fulfillment. The initiative also aimed at integrating and automating the information security workflow and its activities, and to make security handling more effective.

In order for Lantmännen to reach an optimal solution for these challenges, it recognized a need for a tool-based solution. Nixu offered its wide expertise and helped to create methods and processes for the automation of Lantmännen's information classification, compliance management, risk management and data protection workflow for the registration of processing activities. The solution also supports and automates the ability to measure and report information security status and KPIs.

With the help of the automation, Lantmännen now has the ability to manage information security in a better and more efficient way, and furthermore, the automated and efficient corporate governance ensures more agile and risk-based security protection.

“Lantmännen’s information security program started a new chapter in January 2016, aiming to be a more business-centric partner with our diversified business operations – to support our goal to take responsibility from field to fork. One part of that chapter was to set clear roles and responsibilities within and between businesses and IT. Another was to make information security as simple, seamless, and integrated as possible. The development of an information security process was one important strategic deliverable in this new chapter where the GRC tool helped us realize and enforce the process globally. This has helped us to measure the information security program more efficiently in a company with 10,000 employees and operations in 20 countries. Throughout this journey Nixu has been a tremendous support to us and we really appreciate their expertise and professionalism.”

Fredrik Pierrou,
Head of Information & IT Security – CISO, Lantmännen Group



We Keep the Digital Society Running

Nixu pursues its mission by serving key stakeholders in society, both in the public and private sectors, to develop and secure cybersecurity. Nixu's comprehensive services allow safe deployment and availability of new digital services in society, despite the ever-increasing cyber threat. Working in close cooperation with clients, Nixu provides practical solutions for ensuring business continuity, an easy access to digital services and data protection with the following service concepts:



Business digitalization

Customer data collection is in the core of the digital services and the whole digital platform economy. It provides great competitive advantage, but creates concerns with privacy and security. Systems that process data must be reliable, so that business continuity can be ensured during and after the digital transformation.

Cybersecurity should not in any circumstances slow down the rapid digital business development or obstruct a smooth customer experience, vice versa. Nixu ensures reliable digital transformation, with the terms given by your business.



Cyber defense

Nixu helps its clients to ensure their business continuity by providing effective defensive capabilities against cyber threats. Nixu's approach to cybersecurity is based on proactive cyber threat protection. Nixu's cyber defense service allows companies to quickly detect threats, respond to them immediately and recover from disruptions without delay.

Nixu offers tailored solutions for creating snapshots of current threats, preventing cyber attacks and facilitating rapid recovery. A high-quality snapshot of the cybersecurity status allows clients to identify deviations more rapidly, limiting the time attackers have to target exploits in the environment.



Cybersecurity outsourcing

With business becoming increasingly reliant on digital solutions, the requirements for cybersecurity are becoming more and more demanding. Nixu's certified experts are capable of running organization's whole cybersecurity environment from people to processes, and technology – or a part of it in case another part is taken care of. No matter whether the clients are running industrial control systems or traditional IT environments, with the help of Nixu's cybersecurity experts, the clients can be assured that the top talent pool is looking after their business.

Nixu provides special expertise in key areas of cybersecurity, including administrative or technical cybersecurity, and, for instance, identity and access management, eliminating the need to establish your own cybersecurity team.



Cloud transformation

Nixu can help clients utilize cloud computing reliably and securely. With the help of Nixu’s cloud security specialists clients can rest assured that the cloud they have built or deployed is secure and the associated risks remain at an acceptable level. Migrating environments and services to the cloud provides several benefits but this transformation also includes risks that should be handled accordingly - no matter whether utilizing IaaS or PaaS when building own applications, migrating current systems to the cloud or utilizing SaaS in individual functions.



Safety and reliability

In the networked environment today, Nixu helps its clients to ensure the continuity of their industrial production. To ensure the safety and reliability of industrial operations, Nixu implements cybersecurity models and creates secure remote connections and access management systems tailored to client needs. Furthermore, Nixu will create information security requirements for the suppliers and harden the automation systems. Nixu’s experience in the cybersecurity of industrial environments ranges from nuclear power plants to oil refineries, process industry operations and the manufacturing industry.

Developing cybersecurity of production plants requires persistent planning and risk management at the corporate level, and consideration of information security requirements when modernizing existing or procuring new systems. In addition, technical information security must be ensured throughout system’s lifecycle.



Compliance and certification

Nixu’s service portfolio includes a wide range of information security compliance consultation and assessment services.

Be it a space station you are constructing or a new payment service you are building, you may be required to demonstrate the compliance of your operations to different parties. Your company may have to demonstrate that the risks and regulatory requirements associated with your project have been identified, there are cybersecurity and privacy controls and monitoring mechanisms built into your system and that managed processes are followed when using the system. Nixu will help ensure and demonstrate that everything is as it should be.



Internet of Things

Developing and managing the cybersecurity of products is a critical factor when making the gradual transition into digital business models. Nixu helps its clients to secure their connected devices by offering wide-ranging consultation and development services and continuous cybersecurity services throughout product’s lifecycle.

First, Nixu will survey the requirements of the client and its market. The next step is using these requirements as a basis for concrete security recommendations. Finally, Nixu will plan an information security architecture that will match the client’s needs far into the future. Nixu will also create secure practices for the client’s product development team, provide the necessary training and help to develop the team’s cybersecurity testing skills.

“The Nixu Code reflects our company culture, defines us as Nixuans, and provides us with clear expectations on how to act responsibly with our colleagues, customers, partners, and stakeholders, although we represent different national cultures.”

Nixu Code Guides Our Work Every Day, Everywhere

The Nixu Code framework consists of Nixu's Ethical Code of Conduct, values and operating principles. It defines the company's operating culture and creates a foundation that guides the work of all employees. The company wants to be a modernly managed agile work environment, where employees have a great deal of autonomy in their own work. The idea of Nixu Code is to provide a framework and guidelines that will allow every employee to make wise decisions that are valued by the community.

Nixu's Ethical Code of Conduct is aligned with the principles of the UN Global Compact. Nixu complies with all applicable labor and tax laws and other regulations in each country it operates. However, Nixu's Ethical Code of Conduct exceeds the requirements of laws and regulations, as the ambition is to further promote Nixu's ethical behavior and responsibility. It addresses topics that describe how Nixuans are committed to loyalty, fairness, ethical hacking, purchasing, and treating each other. Along with all employees, Nixu expects its suppliers, subcontractors, and other partners to comply with the Ethical Code of Conduct.

Values at the heart of operations

Nixu's values form the core of the Nixu Code. Nixuans are professionals with a passion for cybersecurity and finding new solutions to its clients' issues. Nixuans are always aiming for higher quality and looking for ways to improve themselves and their performance. This requires self-initiative, collaboration, team work, and a curious mindset - a willingness to inspire others and be inspired.

In addition to the Ethical Code of Conduct and values, the Nixu Code framework includes operating principles that guide the everyday work and give Nixuans the opportunity to decide on their own work. Examples of the operating principles: "learning happens each day" and "don't wait, communicate".

"We Nixuans are professional, collaborative, humane, and passionate about cybersecurity."

The Best Workplace for Cybersecurity Professionals



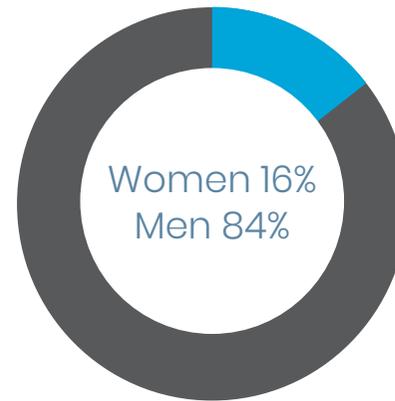
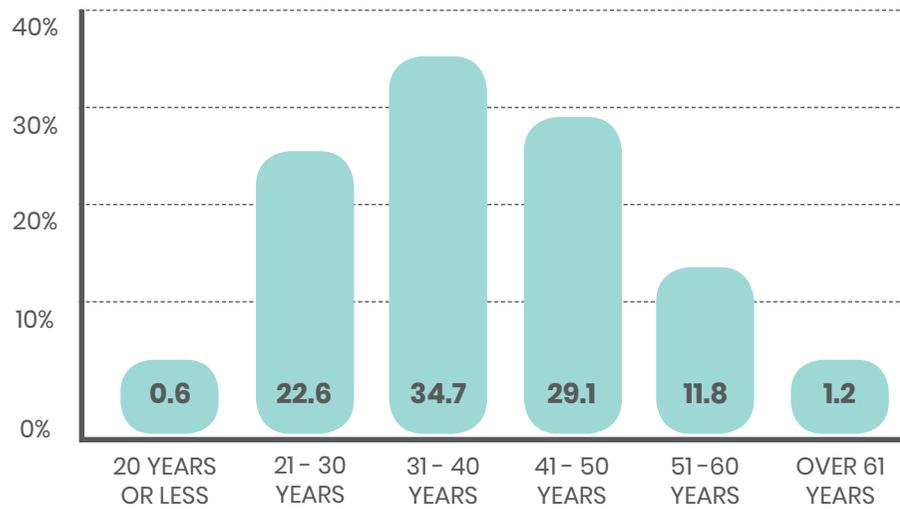
The most exciting customer assignments, the international community of top-notch professionals, and a comfortable work environment guarantee Nixu's experts the best workplace in the industry.

Nixu has grown strongly organically and through acquisitions, and expanded to new markets. However, Nixu has managed to retain a flat organizational structure with little bureaucracy. The community spirit is typical of the Nixu culture, and the importance of cooperation is built into the operating model, allowing Nixu to utilize its top expertise in a versatile way.

In 2017, Nixu measured work satisfaction with three Nixu Pulse surveys that yielded good results. The average overall grade was 3.4/4. Nixuans feel that they can work in their own way (average 3.5/4) and that work is valuable (average 3.4/4). Nixuans feel they have an opportunity to act in accordance with the values in their daily work (average 3.5/4), and that they are proud to work at Nixu (average 3.5/4).

“We embrace diversity, and appreciate the leisure time of our employees. And we truly want our people to have fun at work!”

AGE OF EMPLOYEES



NIXU RECRUITED
77
NEW EMPLOYEES

18
SUMMER WORKERS AND TRAINEES

We are constantly looking for new additions to our team, both experienced cybersecurity experts and those who are just now starting their career. We want to offer young people who are passionately interested in cybersecurity and cybersecurity experts who are at an early stage in their career a workplace and a community of peers that promotes personal growth and development. In 2017, we arranged our fourth Nixu Challenge. Those who performed well in the challenge had the opportunity to join a Nixu traineeship program, allowing them to participate in actual cybersecurity work.



Continuous Learning Is a Prerequisite for Success

Nixu supports the learning and development of Nixuans by investing in on-the-job-learning and education. Nixu applies the 70-20-10 model to development, i.e., Nixu uses various forms of learning at work (70%), preparatory learning and self-study (20%), and training and coaching programs (10%).

Learning at work is important to Nixu, as the cybersecurity field is constantly evolving. The clients value Nixu's expertise and give them the most challenging assignments, cultivating Nixu's business and developing its expertise in different areas of cybersecurity even further.

Nixu also develops its expertise by cooperating with a number of actors such as the EU, educational institutions, and the international cybersecurity community. In partnership with local and global or-

ganizations, Nixu creates the best security practices and auditing requirements for different industries, among other things. For example, in the EU-SEC program, Nixu helps to create common auditing criteria for cloud services.

During 2017, Nixu launched the NixuCode 270/360 survey and gave its team members the opportunity for self-development. When launching the survey, Nixu committed to matching the number of responses received (1,369) to the amount Nixu donated to supporting education in developing countries. This enabled Nixu to donate 40 school uniforms and give 35 people a chance to benefit from a vocational education via the Finn Church Aid Toisenlainen Lahja campaign. While Nixuans learning themselves Nixu was able to help others learn as well.

Nixu Wreckathon

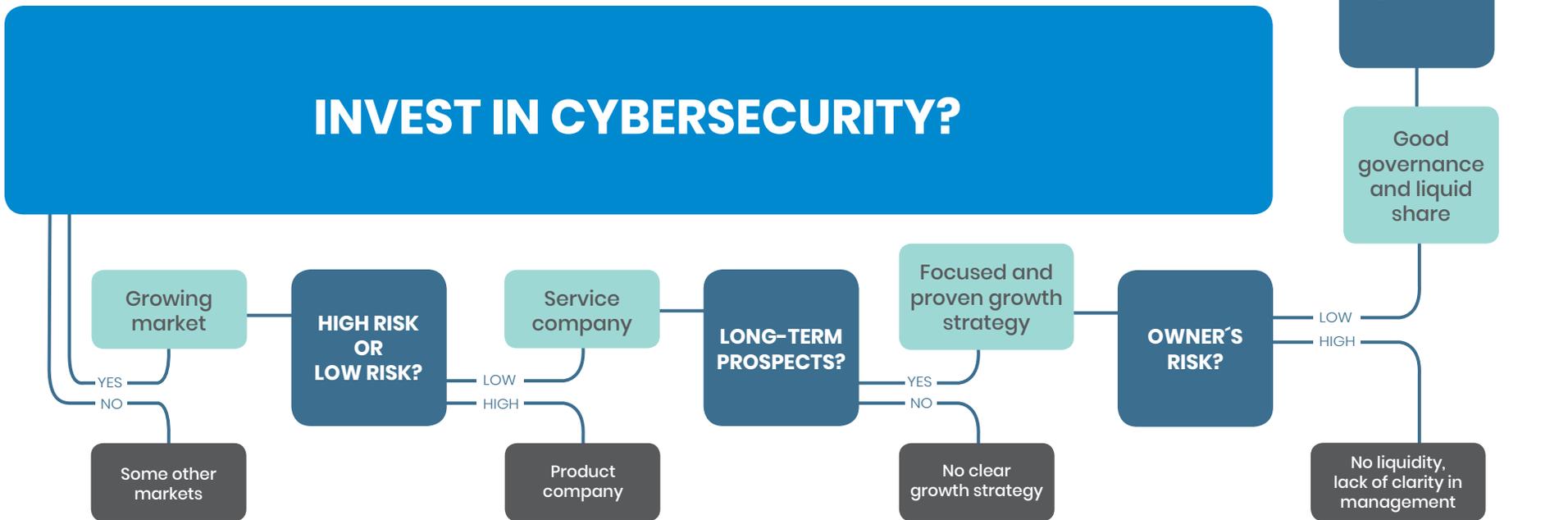
Nixu launched the Nixu Wreckathon event concept with the aim of helping companies improve their cybersecurity and increase their awareness and knowledge of cybersecurity issues with the help of Nixuans. In the first event, KONE and Nixu put the cybersecurity of an IoT-enabled elevator to the test. The event offered Nixuans two memorable days of hacking, training, workshops, valuable learning, and networking.

Nixucon

Nixucon17, the world's smallest international cybersecurity convention, gathered almost all Nixuans together to learn and share their knowledge. The event offered everyone, from beginner to high-tech guru, interesting stories, workshops and a total of 50 lectures. Nixucon17 was a great joint learning experience and inspired Nixu to make it a tradition. Nixucon18 will be held in August 2018 and will continue Nixu's joint learning journey.

Nixu As an Investment

Nixu is a growth company operating in the cybersecurity sector. Our sector is seeing growth, and, in the last few years, its consolidation development has been strong. Nixu has a strong brand and it has established its position as a trusted cybersecurity partner for its clients. We have a long history in the sector and a clearly defined growth strategy for the coming years, making us an interesting investment for potential buyers. Our goal is to remain profitable and grow faster than the market. Our medium-term goal is to achieve an annual revenue growth rate of above 15 percent and an EBITDA margin of above 10 percent. As a public company, Nixu's method of governance is transparent and compliant with the Securities Market Act. We have an extensive owner base.



Cybersecurity 101

Back door or trap door = Hidden software or hardware mechanism used to circumvent security controls. May be intentionally added by the developers for e.g. testing purposes or added by hackers to gain access to systems in the event that their primary access route becomes unavailable.

Bug bounty program = Also called a vulnerability rewards program, is a crowdsourcing initiative that rewards individuals for discovering and reporting software bugs. Bug bounty programs are often initiated to supplement internal code audits and penetration tests as part of an organization's vulnerability management strategy.

Contingency Plan = A plan for emergency response, backup operations, and post-disaster recovery maintained by an activity as a part of its security program, which will ensure the availability of critical resources and facilitate the continuity of operations in an emergency situation.

Encryption = Translation of data into unreadable (encrypted) form that can be reverted back to the original data. To access (decrypt) encrypted data, a secret key or password is required. Unencrypted data is called plain text; encrypted data is referred to as cipher text. There are two main types of encryption: asymmetric encryption (also called public key encryption) and symmetric encryption. Encryption acts as the foundation for many security features today.

Phishing = One technique of social engineering used by criminals in an attempt to obtain financial or other confidential information (including user names and passwords) often for malicious reasons, by disguising themselves as a trustworthy and legitimate organization in an electronic communication and tricking recipients into e.g. handing over sensitive details through requests that look legitimate.

Ransomware = A type of malware which, after compromising a system, will encrypt and erase most data that the system contains. The password for decryption is then exchanged for ransom, often using Bitcoins or similar cryptocurrencies to make tracing the payment harder. Ransomware has become a primary method of making money through cybercrime as of late.

Social engineering = In the context of information security, this refers to the psychological manipulation of people into performing actions or disclosing confidential information. A type of confidence trick for the purpose of information gathering, fraud, or system access that is often one of many steps in a more complex fraud scheme.

Spyware = Malware that passes information about a computer user's activities to an external party without the user's informed consent. Spyware can monitor your activities and even pick up critical information like credit card numbers, usernames, and passwords.

Trojan Horse = A harmful computer program which can be easily installed on your computer while you're downloading unknown programs or files off the Internet (or simply opening up unfamiliar email attachments). A Trojan horse can perform any actions on the infected machine and potentially act similarly to other types of malware.

Zero-day = Computer software vulnerability that has not yet been made public (including the vendor of the target software). Until the vulnerability is mitigated, hackers can exploit it to adversely affect computer programs, data, additional computers, or a network. An exploit directed at a zero-day vulnerability is called a zero-day attack.

Information for Shareholders

2018 Annual general meeting

Nixu Corporations Annual General Meeting will be held on April 25, 2018 at 16:00 at Technopolis Innopoli 1. Address: Tekniikantie 12, FI-02150 Espoo, Finland.

Listing of the enrolled people and distributing the voting ballots will begin at 15:00.

All shareholders registered as shareholders on the list of shareholders maintained by Euroclear Oy no later than April 13, 2018 have the right to participate in the Annual General Meeting. The company's annual report and documents kept on display are available at the company website.

Address: www.nixu.com. For further information, please visit www.nixu.com/investors/nixu-annual-general-meeting-2018

Dividend payment

On December 31, 2017, the parent company's assets subject to profit distribution amounted to EUR 20,265,613.74, of which the profit for the period amounts to EUR 246,149.66. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2017. The Board of Directors believes that instead of paying dividends, it is in the shareholders' interest to exploit the growth potential in the company's current markets.

Consequently, the dividend proposal deviates from the Nixu profit distribution policy: "Nixu strives to distribute 30–70 percent of its annual profit to shareholders."

List of shareholders

Shareholders are requested to report any changes to their contact details to the centralized book-entry registry in which they have a book-entry account.

Financial reporting in 2018

Nixu Corporation reports on its results in accordance with IFRS in 2018 as follows:

- IFRS comparative data: January 2018
- Revenue information for 2017: Wednesday, January 31, 2018
- Financial statements release for 2017: Thursday, March 8, 2018
- Annual report for 2017: Thursday, March 29, 2018
- Revenue information for the first quarter: Monday, April 16, 2018
- Half-year financial report January–June: Thursday, August 16, 2018
- Revenue information for the third quarter: Monday, October 15, 2018

The planned date for the Annual General Meeting is Wednesday, April 25, 2018 at 4:00 PM.

Board of Directors



Kimmo Rasila

**Born 1957, MSc (Econ.)
Chair of the Board since 2006,
Member of the Board since 2005.**

Professional experience: IBM, Tietotekniikan Liitto ry, CEO of ExecNet Oy since 2003. Kimmo had a long career at IBM (1980–2003) and was a member of the IBM Finland Management Team between 1994 and 2003. Kimmo has extensive expertise in the ICT sector and has gained different perspectives on the development of digitalization. Currently, Kimmo is an independent entrepreneur, providing management coaching and serving on the Board of Directors of several ICT companies. Kimmo has also served as Deputy Chair of the Board of Directors' Institute Finland.



Juhani Kaskeala

**Born 1946, Admiral
Member of the Board since 2012.**

Professional experience: Chief of Defence of the Finnish Defence Forces, 2001–2009, Member of the Board at KONE Corporation and Oy Forcit Ab. Juhani had a long career in the Finnish Defence Forces. After retiring from his position as Chief of Defence in 2009, he established his own consulting company, Admiral Consulting Oy. Juhani's contribution to the Nixu Board includes his deep knowledge of public administration, an extensive network of contacts, and his understanding of the rising importance of cyber defense.



Marko Kauppi

**Born 1970, MSc (Econ.)
Deputy Chair of the Board since 2014,
Member of the Board since 2011.**

Professional experience: University of Vaasa, ABB, Opstock, Enskilda Securities, Mandatum, Arvo Omaisuudenhoito. After starting his career in academia, Marko took a more industry-oriented path by joining ABB, and moved to the financial sector some years later. He worked for 12 years in brokerage and banking. Since 2009, Marko has been an entrepreneur, managing his company Tenendum Oy and serving on the Board of Directors of several companies.



Tuija Soanjärvi

**Born 1955, MSc (Econ.)
Member of the Board since 2015.**

Professional experience: TietoEnator Corporation, Elisa Corporation, Itella Corporation. For 15 years, Tuija served as the Chief Financial Officer and Member of the Board for various public companies and, for five years, as the CFO of a fully state-owned company. As CFO, she has been responsible not only for corporate funding and finance, but also procurement, real estate property and premises, mergers and acquisitions, information security, and the governance of internal audits. Tuija has served as a Member of the Board for various companies since the late 1990s and is currently a Member of the Board of Nixu Corporation, Basware Corporation, Metsähallitus, Silta Ltd, and VR-Group Ltd. Tuija also serves as the chair of the Finnish Orienteering Federation.



Kati Hagros

**Born 1970, MSc in Social Sciences and MSc in Technology.
Member of the Board since 2014.**

Professional experience: BNL Information Oy, Nokia Corporation, Kone Corporation, Aalto University. Kati has gained lengthy international experience from working for technology companies and has, among other things, served as the Quality Director of Nokia and as the CIO and Development Director of Kone. Currently, Kati serves as the Chief Digital Officer of Aalto University and a Member of the Board of Nixu Corporation, Siili Solutions Corporation, and Tokmanni Group.

More information on the board members is available at: www.nixu.com/about and on their ownership of Nixu shares at: www.nixu.com/investors/insiders.

Corporate Leadership Team



Petri Kairinen

Born 1977, MSc (Econ.)
Nixu Chief Executive Officer since 2014 and
Member of the Management team since 2006.

Petri's most important responsibilities include leading Nixu's operating culture in such a way that the Nixu professionals thrive and evolve to perform their duties. Before becoming CEO, Petri headed Nixu's sales and marketing since 2006. He has previous experience from sales and marketing positions in several technology-based companies such as Elcoteq, Affecto, and Hewlett-Packard.



Valtteri Peltomäki

Born 1981, MSc (Econ.)
Nixu Chief Commercial Officer since 2014.

Valtteri is responsible for sales and marketing. He has extensive experience in customer relationship development, sales management, and marketing in cybersecurity, allowing him to promote a customer-oriented sales culture across the company. Valtteri joined Nixu in 2008 and before becoming CCO, he served as Nixu's sales manager and held various sales and marketing positions. Before joining Nixu, Valtteri held several specialist positions, for example at Capgemini.



Janne Kärkkäinen

Born 1973, MSc (Econ.)
Nixu Chief Financial Officer since 2016.

As CFO Janne is responsible for Nixu Group's financial management and risk management, and operational support functions. Additionally, he serves as Nixu's deputy CEO and Secretary of the Board. Janne is an experienced CFO with a long international career, providing Nixu with wide-ranging international expertise in the financial management of consulting and service companies. Before joining Nixu, Janne worked as CFO at M-Brain, Global Intelligence Alliance Group, and Tetra Pak.



Kim Westerlund

Born 1975, University-level studies
Nixu Chief Development Officer since 2014.

Kim is responsible for the service, people and overall development of operations including support systems at Nixu. Before becoming CDO, Kim managed a business unit specializing in different information security architectures. Before joining Nixu, Kim has held various information security positions at Hewlett-Packard and Finland Post Corporation.



Katja Müller

Born 1976, MSc (Econ.)
Nixu Chief People Officer and member
of the Management team since October 2017.

As CPO Katja is responsible for Nixu Group's international people operations. Katja joined Nixu in September 2016 as Head of People Operations. Katja has extensive experience of human resources in professional services firms and technology industry, thanks to previous positions at Accenture, Lenovo and KPMG, among others.

Nixu Corporate Leadership Team as of January 1, 2018: CEO Petri Kairinen resigned from his position as the market area leader for Finland, and the company's Chief Commercial Officer (CCO), Valtteri Peltomäki, was appointed for the position. Jesper Sveiby was appointed as the new CCO and a member of the Corporate Leadership Team. Members of Nixu Corporate Leadership Team as of January 1, 2018 are Chief Executive Officer Petri Kairinen, Chief Financial Officer Janne Kärkkäinen, Finnish Market Area Leader Valtteri Peltomäki, Chief Development Officer Kim Westerlund, Chief People Officer Katja Müller and Chief Commercial Officer Jesper Sveiby.

More information on the Nixu Corporate Leadership Team members is available at: www.nixu.com/about and on their ownership of Nixu shares at: www.nixu.com/investors/insiders.

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