



Financial Statements Release 1.1.–31.12.2021 (IFRS)

Nixu Corporation
Stock Exchange Release
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The year of transformation enabling future growth

Highlights for July–December 2021:

- Revenue: EUR 25,089 (25,617) thousand, change -2%.
- EBITDA: EUR 667 (2,836) thousand, share of revenue: 3% (11%).
- The weakening of EBITDA is explained by lower revenue than in the comparison period and weaker profitability of revenue mix. Other operating expenses were exceptionally low during the comparison period as a result of COVID-19 pandemic.
- Adjusted EBITDA: EUR 731 (2,586) thousand, share of revenue: 3% (10%).
- EBIT: EUR -289 (364) thousand, share of revenue: -1% (1%).
- Nixu published its growth ambition for 2022-2025 originating from its growth strategy and aiming towards compound annual growth of 25 % from both organic and inorganic sources.

Financial Guidance for 2022

Nixu estimates its revenue to grow and its EBITDA to increase from the previous financial year.

Highlights for January–December 2021:

- Revenue: EUR 51,809 (53,272) thousand, change -3%.
- EBITDA: EUR 1,473 (2,895) thousand, share of revenue 3% (5%).
- Adjusted EBITDA: EUR 1,929 (3,350) thousand, share of revenue 4% (6%).
- EBIT: EUR -444 (-702) thousand, share of revenue -1% (-1%).
- Nixu renewed its operating model to increase cross-border alignment for improved client experience, improved brand recognition and efficiency in staffing and deliveries.

Key Figures

EUR thousand	1 July – 31 Dec 2021	1 July – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Revenue	25,089	25,617	51,809	53,272
Profit/loss for the period	-532	-378	-984	-1,835
Earnings per share (EUR)	-0.07	-0.05	-0.13	-0.25
EBITDA	667	2,836	1,473	2,895
EBITDA, % of net sales	2.7%	11.1 %	2.8%	5.4 %
Adjusted EBITDA ¹	731	2,586	1,929	3,350
Adjusted EBITDA, % of net sales ¹	2.9%	10.1 %	3.7%	6.3 %
EBIT	-289	364	-444	-702
EBIT, % of net sales	-1.2%	1.4 %	-0.9%	-1.3 %
Adjusted EBIT ¹	-226	114	13	-247
Adjusted EBIT % ¹	-0.9%	0.4 %	0.0%	-0.5 %

¹ Adjustment items are exceptional and non-recurring events that are not ordinary course of business. Such exceptional items include e.g. other operating expenses related to reorganization and business combinations. January-December 2021 EBITDA included the non-recurring costs EUR 456 (455) thousand. July-December 2021 EBITDA included the non-recurring costs EUR 64 (-250) thousand.

² The figures for the comparison period have been adjusted for Covid-19 NOW grant from other operating income to adjustment items. The effect on adjustment items is EUR 190 thousand in July-Dec 2020 and EUR 337 thousand in Jan-Dec 2020.

EUR thousand	31 Dec 2021	31 Dec 2020
Equity ratio, %	31.5%	34.4 %
Net interest-bearing debt	3,237	2,244
Net gearing, %	25.3%	16.0 %

The figures presented in the financial statements release are un-audited.

Petri Kairinen, CEO of Nixu:

“The year 2021 was a transformation year for Nixu on many fronts. In the spring, we launched the Better Together operating model, which provides all clients the same high-quality Nixu service experience in all our operating markets with the help of cross-border operations and teams. An important objective of the new operating model is to support the profitable growth of markets outside Finland, in particular, and to align recruitments on Nixu level. We were able to successfully complete the Better Together transformation project by the end of the year, and to our delight our clients and employees have welcomed the change. For example, we have agreed on new client assignments outside Finland that we would not have been able to implement with our old operating model. The worst pain of change is already behind us, and in 2022, we will be able to enjoy the benefits of our new operating model.

Financially, the transformation year was challenging for us. Our full year revenue remained on the same level with the comparison year. Unlike in the third quarter, revenue in the fourth quarter did not grow. This was a result of, among other things, delays in the start of a few large projects by several months due to customer related reasons. However, we were very pleased that our IoT and Advisory businesses grew significantly during the year and in the last quarter. Employee turnover decreased from the previous year, but was still higher than our target level. We were successful in recruiting new experts for our international teams and additionally launching a trainee program.

The Managed Services Business Area was affected by two significant transformations during the year. As part of our efforts to move towards more standardized services, we lost a few significant clients. At the same time, there was a technological shift in which the Microsoft technology-based security monitoring gained a significant foothold in the market. The combined effects of these transformations decreased the revenue of Managed Services in the second half, and correspondingly the profitability of operations. However, the prerequisites for future growth are strongly in place: Jan Mickos, the new leader of Managed Services Business Area, who started at Nixu in September, renewed the business area at the end of 2021 to better support international operations. In addition, our own Microsoft-based security monitoring solution is already in production. However, we estimate that the Managed Services will continue to operate at a loss in the first half of 2022. Our strengths, in the area of Managed Services, include in addition to security monitoring the high-quality and value-adding services that we provide, by example, for investigating data breaches.

We are starting 2022 with great confidence. With our new operating model, sales started to pay off well in the fourth quarter, and the client orders we received saw double digit growth compared to the fourth quarter of the previous year. We have managed to recruit the personnel required for growth, and the client projects that were delayed in the autumn have also got off to a good start. The acceleration of the Covid-19 pandemic at the beginning of 2022 has not affected our clients' buying behaviour. Our clients' trust in us remains strong, as reflected in high customer satisfaction for the past year (NPS 70).

Finally, I would like to thank all Nixu employees for their work in enabling our new operating model, and in particular for coping with the uncertainty caused by the Covid-19 pandemic and the lack of social interaction. With the reorganization now complete, we can fully focus on keeping the digital society running by providing cybersecurity services to our clients throughout Northern Europe, in line with our mission. At the same time, we aim for a good combination of growth and profitability in accordance with our growth ambition.”



Growth Strategy

In September 2021, Nixu published its growth ambition statement originating from its growth strategy as it saw the opportunity to return to a proper growth track. Nixu halted its previous growth ambition and targets in spring 2020 as a result of the volatile and unforeseeable business environment caused by the Covid-19 pandemic.

Nixu growth strategy focuses particularly on cybersecurity services for digital business transformation. Nixu is increasingly developing its cybersecurity services that enable clients to leverage the Industrial Internet of Things and use of digital identities in business. The growth strategy is based on five development areas.

The strategic development areas:

Cybersecurity talent community

As an expert organization, Nixu's success in its strategic targets will rely on its ability to retain, recruit and train the best cybersecurity specialists in the business. In addition, the company's reputation must be enhanced among the international cybersecurity community.

Cybersecurity partner for digitalization

Nixu provides its customers with a holistic variety of services to serve as a long-time cybersecurity partner. New services are being developed specifically to address the security of industrial internet platforms.

Data-driven services on global platforms

Nixu wants to transition into a digital business model, that it relies on data on shared systems. Not only can the data collected in these systems be used for serving clients, it will also allow the company to develop its operations. Nixu's services rely on the solutions of global technology partners.

Expanding market presence

Strategic acquisitions to open new markets are a key factor to expand Nixu's market presence. Acquisitions are financed in a manner that optimizes shareholder value, using either debt or equity. Nixu wants to serve its clients globally, however, its primary network of experts will be established across Northern Europe.

Profitable, scalable growth

Despite its growth investments, Nixu is building its growth to be scalable. As the size of the business grows, relative profitability continues to improve.

Revenue and Result for July–December 2021

Nixu Group's revenue stood at EUR 25,089 (25,617) thousand. Revenue decreased by -2% from the previous year. The Group's revenue change was organic.

Development of revenue by service type:

- Projects and assignments accounted for 50% (49%) of the revenue, a growth of 0.4% compared to the previous year.
- All continuous services accounted for 35% (38%) of the revenue, a decrease of -10% from the previous year. All continuous services include:
 - Managed services, which accounted for 19% (20%) of the revenue, a decrease of -9%.
 - Continuous services accounted for 16% (17%) of the revenue, decreasing by -12% from the previous year.
- Technology resale accounted for 15% (13%) of the revenue.

Nixu's EBITDA was EUR 667 (2,836) thousand. The weakening of EBITDA is explained by lower revenue than in the comparison period and weaker profitability of revenue mix, which is reflected as an increase in materials and services costs. This is explained by both the increase in technology resale and the share of projects with subcontracting work in revenue. In addition, the weakening of profitability is explained by higher other operating expenses, which were exceptionally low during the comparison period due to cost savings as a result of the COVID-19 pandemic.

Adjusted EBITDA was EUR 731 (2,586) thousand. The adjusting items were EUR 64 (-250) thousand and those were related to reorganization costs. In the comparison period the adjustments related to COVID-19 NOW benefits and reorganization costs.

Nixu's EBIT was EUR -289 (364) thousand. In addition to the above, EBIT was affected by depreciations and impairments amounting to EUR 957 (2,472) thousand. In the previous year, EBIT was affected by an impairment of EUR 1,420 thousand on goodwill.

Financial income and expenses amounted to EUR -267 (-325) thousand.

Revenue and Result for January–December 2021

Nixu Group's revenue stood at EUR 51,809 (53,272) thousand. Revenue decreased by -3% from the previous year.

Development of revenue by service type:

- Projects and assignments accounted for 50% (50%) of the revenue, decreased by -2% compared to the previous year.
- All continuous services accounted for 35% (37%) of the revenue and decreased by -8% compared to the previous accounting period. All continuous services include:
 - Managed services, which accounted for 19% (20%) of revenue and decreased by -5% compared to the previous accounting period.
 - Continuous services accounted for a 16% (17%) share of the revenue and decreased by -11% from the previous year.
- Technology resale accounted for 15% (13%) of the revenue.

Other operating income stood at EUR -123 (533) thousand.

Nixu's EBITDA was EUR 1,473 (2,895) thousand. EBITDA was weakened by a decrease in revenue from the previous year as expenses remained at the same level.

Adjusted EBITDA was EUR 1,929 (3,350) thousand. The adjustment items of EUR 456 (455) thousand were related to COVID-19 NOW benefits and reorganization costs both in the current and comparison period. COVID-19 NOW benefit weakened EBITDA by EUR 337 thousand during the review period and improved EBITDA by EUR 337 thousand in the comparison period.

Nixu's EBIT was EUR -444 (-702) thousand. In addition to the above, EBIT was affected by depreciations and impairments amounting to EUR 1,917 (3,597) thousand. In the previous year EBIT was affected by an impairment of EUR 1,420 thousand on goodwill.

Financial income and expenses amounted EUR -514 (-666) thousand.

The result for the year was EUR -984 (-1,835) thousand.

Financing and Investments

On December 31, 2021, Nixu Group's balance sheet total was EUR 40,710 (40,712) thousand.

The company's cash in hand on December 31, 2021 was EUR 4,080 (6,031) thousand. The company has two credit facility agreements of EUR 1,500 thousand and EUR 4,000 thousand. The credit facility of EUR 4,000 thousand is maturing on April 30, 2022. The credit facilities were not in use at the end of the accounting period on December 31, 2021.

In the next 12 months a loan of EUR 2,065 thousand is maturing.

Net liabilities on December 31, 2021 amounted to EUR 3,237 (2,244) thousand. The change in net liabilities was mainly due to the decrease in cash in hand.

Net cash flow from operating activities was EUR 138 (5,275) thousand. Cash flow from operating activities was affected by the postponed tax payments, impact of EUR 1 215 thousand.

Net cash flow in July–December 2021 was EUR -813 (516) thousand.

Personnel, Leadership and Management

The number of personnel was 389 (373) at the end of 2021, which started to grow as the company continued its determined work to increase the number of its personnel through new recruitments. During 2021, Nixu moved to a new international Better Together operating model. The new operating model supports collaboration across borders and enables individuals to have more diverse assignments at Nixu. As the pandemic situation improved during the review period, Nixu began to implement a hybrid model that combines both remote and onsite work in order to benefit the flexibility of remote work and the social dimension the onsite work.

Nixu's employee satisfaction is measured quarterly. In 2021, job satisfaction remained at a good level. In the survey, the employees highlighted positive aspects, such as the new international operating model, the flexibility of hybrid work, interesting assignments and the work community. Good leadership emerged in the survey as an important factor influencing employee satisfaction, and therefore Nixu organized a management training program for team leaders.

In addition to its own employees, Nixu strives to support the wider cybersecurity talent community. Nixu's corporate culture encourages the sharing of expertise to the international cybersecurity community, of which Nixu is an active member. During the review period, Nixu collaborated with cybersecurity communities and educational institutions in the field, and organized and supported several cybersecurity related events. Nixu also strives to promote cybersecurity at a social level.

Management

During the accounting period, Nixu's Board of Directors consisted of Kimmo Rasila (Chairman), Marko Kauppi (Deputy Chairman), Jaya Baloo, Kati Hagros, Anders Silwer, Tuija Soanjärvi until March 30, 2021, and Jari Niska as a new ordinary Member of the Board of Directors from March 30, 2021.

The Audit Committee consisted of the following members until the AGM on March 30, 2021: Tuija Soanjärvi (Chair), Marko Kauppi and Anders Silwer. As of March 30, 2021, the Audit Committee consisted of Jari Niska (Chair), Marko Kauppi and Anders Silwer.

In 2021, the Personnel and Remuneration Committee consisted of the following members: Kati Hagros (Chair), Jaya Baloo and Kimmo Rasila.

The auditor of the company was the authorized public accountants PricewaterhouseCoopers Oy and Enel Sintonen, Authorized Public Accountant acting as the principal auditor.

Members of Nixu Corporate Leadership Team during the accounting period:

Nixu Corporation's Leadership team consisted of 1 January 2021 – 28 February 2021: Petri Kairinen (CEO), Janne Kärkkäinen (CFO), Kim Westerlund (Chief Development Officer), Katja Müller (Chief People Officer), Jesper Svegby (Chief Commercial Officer), Valtteri Peltomäki (Market Area Leader, Finland), Björn-Erik Karlsson (Market Area Leader, Swe-

den), Errit Müller (Market Area Leader, Denmark), Pietari Sarjakivi (Senior Adviser).

Nixu renewed its operating model and changed its organization structure to international during the first quarter. As a result, the composition of Nixu's Corporate Leadership Team changed on March 1, 2021, including the CEO, CFO, CPO and Business Area Leaders.

Nixu Corporate Leadership Team as of March 1, 2021:

- Petri Kairinen, Chief Executive Officer
- Janne Kärkkäinen, Chief Financial Officer
- Katja Müller, Chief People Officer
- Valtteri Peltomäki, SVP Client Experience
- Björn-Erik Karlsson, SVP Expert Services
- Mats Lindgren, SVP Market Expansion (until September 30, 2021)
- Pietari Sarjakivi, SVP Labs
- Jan Mickos, SVP Managed Services (as of September 8, 2021)

Key Figures for Personnel

	2021	2020	2019
Average number during the accounting period	385	399	388
Wages and salaries during the accounting period (EUR 1,000)	25,841	27,505	25,402
Average employment (years)	4.7	5.0	4.5
Average age (years)	40.7	41.8	40.6
Permanent employees	98%	99%	96%
Part-time employees	6%	5%	6%
Women's share of the group's personnel	24%	21%	21%

Annual General Meeting 2021

Nixu's Annual General Meeting (AGM) was held on March 30, 2021. The General Meeting adopted the Annual Accounts and the Consolidated Annual Accounts and granted discharge from liability to the members of the Board of Directors, the CEO and the deputy CEO for the accounting period 1 January–31 December 2020.

Nixu Corporation's Board of Directors were selected Kimmo Rasila (Chairman), Marko Kauppi (Deputy Chairman), Kati Hagros, Anders Silwer, Jaya Baloo, and Jari Niska as a new full member.

PricewaterhouseCoopers Oy was re-elected as the audit firm of the company. PricewaterhouseCoopers Oy has informed that Ms. Enel Sintonen, Authorized Public Accountant, will act as the Auditor in Charge.

The AGM resolved, in accordance with the proposal of the Board of Directors, that the loss from the financial year would be transferred to the retained earnings/ loss account and that no dividend was paid for 2020.

The AGM approved all proposals made by the Board of Directors as described in the Notice to the AGM published on March 5, 2021. The resolutions of the AGM can be found in the Company's stock exchange release on March 30, 2021 and on the company's website <https://www.nixu.com/investors/AGM-2021>.

Audit Committee

The role of the Audit Committee is, among other things, to monitor the company's financial reporting process and the effectiveness of internal control, internal audit and risk management systems.

On March 30, 2021, Nixu Corporation's Board of Directors elected from among its members Jari Niska as Chair and Marko Kauppi and Anders Silwer as members of the Audit Committee.

Personnel and Remuneration Committee

The role of the Personnel and Remuneration Committee is to assist the Board of Directors in particular handling

NIXU	Shares traded	Total value (EUR)	High (EUR)	Low (EUR)	Average price (EUR)	Latest (EUR)
Jan-Jun 2021	1,336,041	12,905,757	11.95	8.00	9.80	8.10
Jul-Dec 2021	2,043,454	15,243,770	8.50	6.54	7.37	7.02
Jan-Dec 2021	3,379,495	28,149,528	11.95	6.54	8.55	7.02

	December 31, 2021	December 31, 2020
Market capitalization (EUR)	52,114,325	71,215,071
Number of shareholders	5,152	3,987
Total number of shares	7,425,219	7,425,219
Number of the company's own shares held by the company	1,526	22,405

and preparing personnel and remuneration matters. Nixu's Board of Directors elected from among its members Kati Hagros as Chair of the Personnel and Remuneration Committee, and Jaya Baloo and Kimmo Rasila as members.

Shares and shareholders

Nixu has one share series and each share entitles the holder to equal rights.

Nixu's shares are listed on the Official List of Nasdaq Helsinki Stock Exchange, under trading symbol NIXU.

The Board of Directors of Nixu Corporation decided on a directed share issue without payment for All-Employee Matching Share Plan 2019 - 2021 reward payment. The decision on the directed share issue without payment was based on the authorization granted to the Board of Directors by the Annual General Meeting of Shareholders held on 7 April 2020. In the directed share issue without payment, 20,879 Nixu Corporation shares held by the company were on 11 March 2021 conveyed to 134 employees according to the terms and conditions of the plan.

Flagging Notifications

According to the notification, the aggregate ownership of OP-Suomi Pienyhtiöt and OP-Suomi Mikroyhtiöt investment funds, managed by OP-Rahastoyhtiö Oy, in Nixu Corporation's shares decreased under five per cent threshold on June 23, 2021. (Stock Exchange Release on June 28, 2021)

Proposal for the distribution of profits

On December 31, 2021, the parent company's assets subject to profit distribution amounted to EUR 16,219,856.71 of which the profit for the year amounts to EUR 168,156.86. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2021.

There have been no significant changes in Nixu's financial status after the close of the financial year.

Research and Development

During 2021, Nixu implemented internal development projects and the Group recognized research and development costs amounting to EUR 747 (775) thousand through profit or loss in the financial year that ended December 31, 2021.

In connection with the operating model change in 2021, Nixu established the Labs Business Area focused on innovation and support for new business. The change strengthened Nixu's ability to foresee market changes and provide customers with new cybersecurity services to secure digitalization. With the Labs Business Area, Nixu has invested especially in securing the Internet of Things by bringing together the best experts in the industry in its new IoT Business Unit.

In 2021, Nixu developed further its capabilities to protect and monitor cloud environments by introducing Security Operations Center offering based purely on cloud native technologies. During the review period, Nixu also worked with an initiative aimed at launching services that enable its customers to safely decentralize cloud environment management and identify the attack surface.

During 2021, Nixu continued its development project to achieve the ISO 27001 Information Security Certification in the first quarter of 2022. With the project, Nixu has unified and developed the processes and security practices of its Information Security Management System on a group-level.

In addition to revenue-funded development projects, Nixu has participated during 2021 in national and international projects, which have received funding from the EU and Business Finland, among others. Nixu has, for example, contributed to the emergence of the foundations of digital society and the data economy in several collaboration projects. Finland's Authentication Cooperative was established in autumn 2021 as a continuation to the SisulD project. Nixu is one of the founders and investors of the open cooperative together with the Finnish Broadcasting Company Yleisradio, Alma Media and Digital Living International. The new national authentication service, to be launched for consumers at the end of 2022, will provide commercial global authentication services with a national cost-effective alternative that respects customer relationship and privacy. With the cooperative model, the service can be developed in cooperation with companies across industries and market needs.

In addition, Findy consortium's Findynet Cooperative, which aims at developing a common, shared and secure network of verifiable data, was established in 2021. The Findynet Cooperative can be joined by all public and private sector organizations wishing to ensure the building, management and development of a verifiable data network.

Its services can be used by all public and private sector organizations that want to provide digital data wallets to end users. The project also aims to work closely with public administration to enable a digital identity wallet defined at the EU level.

Nixu has also participated in the Virtual Finland project of the Ministry for Foreign Affairs of Finland, which aims to promote the digitalization of Finland's international exchange of information and service processes, in other respects entry. With the plan produced in spring 2021, the Virtual Finland project has been able to focus on developing the architecture of the national data economy and the necessary infrastructure in collaboration with other national projects.

Risks and Uncertainties

Nixu identifies and manages risks, as a part of its normal business activities. The identified risks in Nixu's risk management have been described below, which, if realized, could have a great impact on the company's result.

Although Nixu has adapted its operations during the Covid-19 pandemic, the continued and continuously changing Covid-19 pandemic increases in the likelihood of personnel related risks. The Covid-19 pandemic may affect different countries in different ways, depending on local constraints on the spread of the disease.

Nixu Employees' health and ability to work, and thus the continuity of operations and services, is the most significant Covid-19 specific risk for Nixu. The continued pandemic has influenced the well-being of Nixu employees. The future hybrid way of working may also have negative impact on the employee well-being and in addition the turnover of employees may increase because of frustration in relation to Covid-19.

There are operational risks involved in Nixu's business activities, specifically in malfunctions in Nixu's IT systems and equipment, or an interruption in availability. Malfunctions in them may lead to the company not being able to produce its services as agreed.

Nixu's services are partly based on services and products provided by third parties, and dependent on their continuity, technical quality and the quality of third party services. Vendors' service performance has a direct impact on Nixu's service profitability. In the worst case, the company may even lose clients because of poor service quality produced by one of the third parties.

Nixu handles customer information in its operations. A breach to Nixu's systems and materialized cybersecurity threat may cause significant direct or indirect damage to company's operations.

In their activities, Nixu processes personal client data. In addition, the company is the register keeper of the personal information of its own personnel. Eventual shortcomings in following the legislation, if realized, may result in substantial direct and indirect adverse consequences to Nixu.

Unexpected delays and extra work are typical for large projects, adding uncertainty factors which may cause Nixu to incur additional costs. Moreover, Nixu may not always be able to allocate personnel resources, schedule tasks for long-term projects or plan its operations as required based on its predictions. In case this continues, the problems in allocation of personal resources may have negative impact to Nixu's profits. There may also be problems in providing constant services, which may accrue costs to Nixu. In its activities, additionally, the company has a usual risk of ending up in conflicts with its clients which pertain to the contents of agreements.

Although Nixu's strategy relies mainly on organic growth, the company is also constantly searching for growth opportunities from acquisitions. If the acquired companies do not meet the set targets or if Nixu fails to integrate the acquired companies, both could seriously disrupt the company's operations. Potential acquisitions can also present unexpected risks and latent liabilities for which the company cannot prepare in advance.

Nixu's business requires great trust from its clients. Information security attacks are aimed at our clients' systems and potential problems in Nixu's services may result in substantial direct and indirect adverse consequences to Nixu.

The financing agreements of the company include conventional covenant conditions, which, if breached, may complicate the company's financial position, especially in situations in which creditor would not consent to the renegotiation of said conditions, or providing their consent for the breaching of the covenant conditions.

Nixu operates in a highly competitive market. If competition increases, Nixu may lose market share and see a decrease in its margins. Losing any of the ten largest clients or losing a significant number of clients from the continuous services client base within a short period of time may also affect the company's profitability.

As part of its growth strategy, the company invests heavily in its continuous, scalable services business. The business models, methods, and the promised service levels in the services business are different from those in the consultancy business. Implementing these changes can be challenging, potentially causing substantial direct and indirect consequences for Nixu.

There is a strong demand for skilled cybersecurity professionals in the current labor market, which has increased employee turnover and can lead to slower recruitment and increased salary costs. The demand for the services provided by the company may decrease if the company is unable to maintain the competence of its personnel at the correct technical level and adapt to changes in its clients' business operations.

Events After the Review Period

Nixu Corporation received a notification pursuant to Chapter 9, Section 5 of the Securities Markets Act from Aktia Rahastoyhtiö Oy on January 3, 2022. According to the notification, the aggregate ownership of Aktia Mikro Markka, Aktia Nordic Micro Cap, Aktia Nordic Small Cap, Aktia Secura investment funds, managed by Aktia Rahastoyhtiö Oy, in Nixu Corporation's shares increased above five per cent threshold on January 1, 2022. (Stock exchange release on January 3, 2022)

Future outlook

The COVID-19 pandemic and the ensuing restrictions led to a wide and rapid wave of digitalisation in society, the impact of which will continue for a long time to come. The demand for cybersecurity services is directly linked to the level of digitalization of companies and society, as digitalization requires organizations to pay great attention to cybersecurity and invest in ensuring the continuity of digital business operations.

The global cybersecurity services market is expected to grow at an annual rate of nearly 8% in 2022–2025. However, in Nixu's market areas in Finland, Sweden, Denmark and the Netherlands, the growth is expected to be faster, reaching an annual growth rate of about 10%. (Gartner, 2021)

Financial reporting in 2022

The planned date for the Annual General Meeting is Tuesday, April 19, 2022.

Nixu will publish its half-year financial report for January–June 2022 on Thursday, August 11, 2022. In accordance with its disclosure policy, Nixu will publish revenue, EBITDA and adjusted EBITDA information from the first and third quarters, as well as the CEO's overview in addition to the half-year financial report and financial statements. The Q1/2022 CEO's overview, revenue, EBITDA and adjusted EBITDA information will be published on April 14, 2022, and Q3/2022 will be published on October 13, 2022.

Nixu will organize a results briefing for analysts, investors and media representatives on February 10, 2022 at 9:30 AM EET. The event will be available through a live webcast at <https://nixu.videosync.fi/2021-q4-results>.

Espoo, February 9, 2022

Nixu Corporation

The Board of Directors

Consolidated statement of comprehensive income

EUR thousand	1 July – 31 Dec 2021	1 July – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Revenue	25,089	25,617	51,809	53,272
Other operating income	153	237	-123	533
Materials and services	-6,585	-5,698	-12,944	-12,245
Employee benefit expenses	-15,150	-15,201	-31,791	-33,456
Other operating expenses	-2,841	-2,120	-5,479	-5,210
Depreciation and amortization	-957	-1,051	-1,917	-2,176
Impairment charges	0	-1,420	0	-1,420
Operating result	-289	364	-444	-702
Finance income	6	-1	27	3
Finance expenses	-232	-278	-453	-566
Interest expenses on lease payments	-41	-46	-87	-103
Finance income and expenses, net	-267	-325	-514	-666
Result before taxes	-556	39	-958	-1,368
Income tax expense	25	-417	-26	-468
Result for the period	-532	-378	-984	-1,835
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Translation differences	-62	235	-101	223
Other comprehensive income for the period, net of tax	-62	235	-101	223
Total comprehensive income for the period	-594	-143	-1,085	-1,612
Result for the period attributable to:				
Owners of the parent	-532	-378	-984	-1,835
Result for the period	-532	-378	-984	-1,835
Total comprehensive income for the period attributable to:				
Owners of the parent	-594	-143	-1,085	-1,612
Total comprehensive income	-594	-143	-1,085	-1,612
Earnings per share for profit attributable to the owners of the parent during the year				
Basic and diluted earnings per share, EUR	-0.07	-0.05	-0.13	-0.25

Consolidated Statement of Financial Position

EUR thousand	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
Goodwill	12,613	12,716
Other intangible assets	2,093	2,509
Tangible assets	253	404
Right-of-use assets	2,139	2,555
Other receivables	265	252
Shares and similar rights of ownership	30	0
Deferred tax assets	170	62
Total non-current assets	17,563	18,499
Current assets		
Inventories	0	6
Trade receivables and other receivables	18,734	16,140
Current income tax receivables	333	35
Cash and cash equivalents	4,080	6,031
Total current assets	23,148	22,213
TOTAL ASSETS	40,710	40,712
EQUITY AND LIABILITIES		
Equity		
Share capital	95	95
Invested unrestricted equity reserve	19,314	19,314
Translation differences	-465	-364
Retained earnings	-5,149	-3,203
Result for the period	-984	-1,835
Total equity attributable to owners of the parent	12,811	14,007
Liabilities		
Non-current liabilities		
Borrowings	2,365	4,971
Lease liabilities	900	1,447
Deferred tax liabilities	195	215
Other non-current liabilities	283	282
Total non-current liabilities	3,743	6,916
Current liabilities		
Borrowings	2,686	621
Lease liabilities	1,366	1,237
Trade payables and other payables	20,080	17,336
Current income tax liabilities	24	596
Total current liabilities	24,157	19,789
Total liabilities	27,899	26,705
TOTAL EQUITY AND LIABILITIES	40,710	40,712

Notes are an integral part of the Financial Statements.

Consolidated statement of cash flows

EUR thousand	1 July – 31 Dec 2021	1 July – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Cash flows from operating activities				
Result for the period	-532	-378	-984	-1,835
Adjustments for:				
Depreciation and amortization	957	2,472	1,917	3,597
Other non-cash adjustments	72	27	-100	279
Finance income and expenses, net	261	325	507	666
Income tax expense	-25	417	26	468
Changes in working capital				
Change in trade receivables and other receivables	-2,459	-979	-2,596	-102
Change in inventories	6	-2	6	-2
Change in trade payables and other payables	1,948	-1,062	2,814	2,861
Interests paid	-223	-242	-378	-403
Other finance income and expenses, net	-32	-54	-54	-126
Income taxes paid	-787	-6	-1,019	-127
Net cash flows generated from operating activities	-813	516	138	5,275
Cash flows from investing activities				
Purchases of tangible assets	-10	-43	-10	-76
Purchases of intangible assets	-8	-32	-8	-96
Investments in other financial assets	-19	0	-19	0
Proceeds from loans receivable	0	164	0	366
Net cash from investing activities	-37	89	-37	194
Cash flows from financing activities				
Repayments of borrowings	-313	-1,389	-625	-1,737
Purchase of own shares	0	-91	0	-91
Lease liability repayments	-718	-763	-1,398	-1,547
Net cash from financing activities	-1,030	-2,242	-2,023	-3,375
Net decrease(-)/increase in cash and cash equivalents	-1,880	-1,637	-1,921	2,094
Cash and cash equivalents at the beginning of the period	5,978	7,662	6,031	3,923
Exchange gains/losses (-) on cash and cash equivalents	-18	6	-30	14
Cash and cash equivalents at the end of period	4,080	6,031	4,080	6,031

Consolidated statement of changes in equity

	Attributable to owners of the parent				
EUR thousand	Share capital	Invested unrestricted equity reserve	Cumulative translation difference	Retained earnings	Total equity
Equity at 1 Jan 2020	95	19,314	-587	-3,436	15,385
Result for the period				-1,835	-1,835
Other comprehensive income for the period:					
Translation differences			223		223
Total comprehensive income for the period	0	0	223	-1,835	-1,612
Transactions with owners:					
Share-based payments				324	324
Purchase of own shares				-91	-91
Total transactions with owners:	0	0	0	234	234
Equity at 31 Dec 2020	95	19,314	-364	-5,038	14,007
Equity at 1 Jan 2021	95	19,314	-364	-5,038	14,007
Result for the period				-984	-984
Other comprehensive income for the period:					
Translation differences			-101		-101
Total comprehensive income for the period	0	0	-101	-984	-1085
Transactions with owners:					
Share-based payments				-111	-111
Total transactions with owners:	0	0	0	-111	-111
Equity at 31 Dec 2021	95	19,314	-465	-6,133	12,811

1 Notes to the balance sheet

About this Review

These consolidated interim financial statements comprise of Nixu Corporation (“the Company”) or (“the Parent Company”) and its subsidiaries (together referred to as the “Group” or “Nixu”). The Nixu Corporation shares are listed on the Official List of Nasdaq Helsinki stock exchange. The Parent Company domicile is in Espoo, and the registered address is Keilaranta 15, 02150 ESPOO.

The notes to the balance sheet have been segmented as follows

- Result for the period
- People
- Acquisitions and group structure
- Interest-bearing Net Debt and Equity
- Other relevant notes

1.1 Basis of preparation

This Financial Statements Review has been prepared in accordance with the IAS 34 Interim Financial Reporting standard. The accounting principles and calculation methods used in this Financial Statements release are identical to those used in Nixu’s annual financial statements 2020, excepting those specified by new and revised standards that became effective on January 1, 2021. The Financial Statements Review does not, however, contain all information and the addendum information which is presented in the consolidated financial statement. Nixu’s Board of Directors has approved this Financial Statements Review in their meeting on February 10, 2022.

Nixu presents EBITDA, adjusted EBITDA, EBIT, adjusted EBIT, equity ratio, net interest-bearing debt, netgearing as well as EBIT and EBITDA margin adjusted for non-recurring items as alternative indicators and additional information for the key figures that are presented here in accordance with IFRS standards. It is the Management Team’s opinion that these indicators provide significant additional information on the company’s statement of comprehensive income and balance sheet. The indicators are widely

used by analysts, investors and other parties, and provide additional information for analyzing the result of Nixu’s operations and capital structure.

Alternative performance measures should not be viewed in isolation or as a substitute to measures presented in the Financial Statement. 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.

The figures presented in this Financial Statements Review have not been audited. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

1.2 Key accounting estimates

The preparation of the financial statements release requires the management to make judgments, estimates and presumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Group has estimated the accounting effects of the Covid-19 pandemic. In general, the Covid-19 pandemic has not had a significant impact on Nixu’s figures and asset values in the 2021 period. Most of the customers’ digitalization projects have continued despite the pandemic. Nixu estimates that the rapid increase in digitalization in companies due to the pandemic and the possible postponed implementation of information security projects will be reflected in the growing demand for cybersecurity services in the future.

Impact in the financial reporting of the Covid-19 pandemic

Nixu renewed its operating model in the financial year 2021. In the new operating model, cross-country teams reduce delays in customer projects due to possible illnesses.

In accordance with IAS 36, non-financial assets must be tested for impairment whenever there is an indication that their value may be impaired. In addition, goodwill is tested at least annually.

Nixu monitored the development of the situation during the year and assessed its impact on financial reporting, including non-current assets and the valuation of trade receivables.

To prepare for the potential impact of the Covid-19 pandemic, the company has two credit facilities, totalling EUR 5,500 thousand.

2 Result for the period

This section contains information that is important for understanding the Group's results for the reporting period:

- Revenue
- Earnings per share

2.1 Revenue and Segments

The group's proceeds from service sales accrue over time, whereas licenses fall due at specific times. These proceeds are broken down based on primary service areas and geographical areas:

The projects and assignments area includes one-off assignments. The extent and duration of these assignments range from individual inspection and consultation assignments to extensive project deliveries.

All continuous services include:

Managed services – Nixu CDC services and, for example, a range of continuous user management services where Nixu manages the technology delivered to a client and takes a continuous operational role in supporting the client's functions. Managed information security services also include licenses sold for them, whether included in the price of the service or sold separately.

Continuous services – continuous services other than managed services, including continuous user management services. The difference between these services and other assignments is that continuous services are based on contracts of indefinite duration or those that are, in practice, extended automatically.

Technology Resale Area includes third party software and technology service licenses and technology resale usually in connection with other services. Proceeds from licenses also include proceeds from maintenance services. Licenses for managed information security services are not included in the license revenue.

Revenue Breakdown by Service Area

EUR thousand	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Service type:				
Projects and assignments	12,610	12,565	26,003	26,529
Total continuous services	8,674	9,669	18,241	19,746
Managed services	4,776	5,223	9,953	10,446
Continuous services	3,898	4,446	8,287	9,300
Technology resell	3,805	3,383	7,566	6,998
Total	25,089	25,617	51,809	53,272

Revenue by geographical area:

EUR thousand	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Finland	14,498	16,338	29,923	32,395
Denmark	3,604	2,905	7,594	7,364
Sweden	4,955	4,014	9,836	8,834
Benelux	622	1,007	1,422	2,073
Norway	405	462	1,061	1,027
Other	1,005	892	1,973	1,579
Total	25,089	25,617	51,809	53,272

The geographical breakdown of revenue is based on the locations of the customer with which the contract for services has been made. Part of the services may have been delivered to other countries.

Nixu has only one reportable segment. The revenue and the result of the reportable segment is specified in the consolidated statement of comprehensive income and the assets and liabilities of the reportable segment are shown in the consolidated statement of financial position.

2.2 Earnings per share

	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Result for the period attributable to the owners of the parent	-531,885	-377,739	-983,760	-1,835,236
Weighted average number of shares, undiluted	7,423,693	7,408,871	7,418,602	7,410,832
Earnings per share, basic (EUR)	-0.07	-0.05	-0.13	-0.25
Impact of shares related to share based incentive plan	0	43,591	57,545	44,046
Weighted average number of shares, fully diluted	7,423,693	7,452,462	7,476,146	7,454,877
Earnings per share, diluted (EUR)	-0.07	-0.05	-0.13	-0.25

The company has dilutive potential ordinary shares with respect to its share-based incentive plan, which is described in further detail in the Share-based incentive plan, below.

3 Personnel

This section includes information how Nixu rewards its employees and key management personnel.

- Employee benefits
- Share-based payments

3.1 Employee Benefits

Employee benefits recognized in the consolidated statement of comprehensive income are presented in the following table:

EUR thousand	1 July – 31 Dec 2021	1 July – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Wages and salaries	12,216	12,434	25,841	27,505
Social security expenses	1,039	986	2,017	2,054
Share-based payments	-52	161	82	324
Pension expenses – defined contribution plans	1,948	1,619	3,850	3,572
Total	15,150	15,201	31,791	33,456

3.2 Share-Based Payments

The 2019 share-based incentive scheme

Nixu established a matching share plan at 2019, the All-Employee Matching Share Plan 2019–2021 (the Plan), which was aimed at all permanent employees of Nixu Corporation and its subsidiaries.

The Plan consisted of a directed share issue against payment (“Share Issue 1/2019”) offering Nixu regular employees the option to subscribe for a minimum of 50 and a maximum of 2,000 Nixu new shares per employee (“New Shares”) and entitlement of one (1) additional share (gross) (together the “Additional Shares”) for gratuitous rights of employees participating in the Plan after a restriction period of approximately two years, for each of the two New Shares subscribed in the Issue 1/2019 as per the terms of the Plan. Additional shares will be issued to the participants on the day of their delivery as determined by Nixu Corporation. Employees participating in the Plan had the opportunity to participate in the financing of the company on separate terms.

The maximum number of shares to be subscribed for in the share issue 1/2019 was 100,000, representing approximately 1.4 per cent of the Company’s fully diluted shares. The Board

of Directors of the Company determined the subscription price of the New Shares based on the volume-weighted average price of the share traded on Nasdaq Helsinki Oy from April 1 to April 30, 2019. 99,071 new shares were subscribed for in the share issue 1/2019. The subscription period for the New Shares ended on May 23, 2019 and the subscription price was EUR 12.09 per share.

Issuance of stock options to key employees

Based on the authorization granted by the AGM held on April 25, 2018, the Board of Directors of Nixu Corporation decided to issue stock options. The stock options will be issued to selected key personnel of Nixu Group. There is a weighty financial ground for the Company for the issuance of the stock options since the stock options are intended to form part of the incentive and commitment program of the key persons and to motivate the key personnel to work on a long-term basis to increase the shareholder value of the company in accordance with the growth strategy.

The total maximum number of Stock Options issued is 345,000 and they entitle their holders to subscribe for a total maximum number of 345,000 shares of the Company. Each Stock Option entitles to subscribe for one (1) share in the Company.

Of the Stock Options, 115,000 Stock Options are marked with the symbol 2019A, 115,000 with the symbol 2019B and 115,000 with the symbol 2019C.

A condition of receiving the 2019A stock options was that the key employee participated in a directed share issue to the personnel. Also the other Stock Option series may be made conditional on an investment in the Company’s shares, such as participation in a share issue directed to personnel.

The Stock Option holders’ right to keep the Stock Options until the commencement of the share subscription period, is conditional on the fulfilment of performance targets of employee and customer satisfaction and revenue growth on terms separately determined by the company. The stock options are issued free of charge.

The share subscription price shall be the following: 2019A: EUR 12.9, 2019B: EUR 9.48, 2019C: EUR 9.95.

If the Company after the end of the share subscription price determination period, before the share subscription, distributes dividends or funds from the reserve of unrestricted equity, the share subscription price with the Stock Option shall be reduced with the amount of such distribution per share. The share subscription price shall, nevertheless, always amount to at least EUR 0.01. The share subscription price shall be booked in the reserve for invested unrestricted equity.

The share subscription period with the Stock Options shall be for Stock Options 2019A October 1, 2021 – May 31, 2023; for Stock Options 2019B October 1, 2022 – May 31, 2024; for Stock Options 2019C October 1, 2023 – May 31, 2025. The maximum number of shares 345,000 which may be subscribed with the stock options is approximately 4.5 per cent of the company’s shares on a fully diluted basis.

The Board of Directors decided to postpone the subscription period of option series 2019A and the period of achievement of the related performance targets so that the subscription period begins on 31 December 2022 and ends on 31 August 2024. According to the original decision, the subscription period for option series 2019A was 1 October 2021–31 May 2023. The performance targets set by the company remained unchanged.

In accordance with the decision of the Annual General Meeting held on March 30, 2021, the members of the Board of Directors were paid 30% of the annual remuneration in Nixu Corporation shares acquired from the market. The total amount of the share based payment was EUR 59 thousand.

4 Acquisitions and intangible assets

This section presents details concerning Nixu's group structure, acquisitions made during the year, assets acquired and liabilities assumed as well as goodwill and other intangible assets recorded upon acquisition.

- Acquisitions
- Intangible assets

4.1 Acquisitions

There were no acquisitions during the review period.

4.2 Intangible Assets and Goodwill

The company's intangible assets include goodwill, customer relationships and other intangible assets, such as software licenses.

EUR thousand	31 Dec 2021	31 Dec 2020
Net book amount at 1 January	15,226	16,858
Acquisition of subsidiaries	8	0
Exchange differences	-129	275
Amortization	-399	-487
Impairment charges	0	-1,420
Net book amount at 31 December	14,706	15,226

On December 31, 2021, the amount of goodwill was EUR 12,613 (12,716) thousand, the amount of customer relationships EUR 2,085 (2,509) thousand and the amount of other intangible assets EUR 8 (0) thousand.

5 Interest-bearing Net Debt and Equity

This chapter presents details concerning the Group's net interest-bearing debt and shareholders' equity:

- Interest-bearing Net Debt and Derivative Financial Instruments
- Shareholders' equity

5.1 Interest-bearing Net Debt and Derivative Financial Instruments

The table below presents the calculation of the Group's interest-bearing net debt:

EUR thousand	31 Dec 2021	31 Dec 2020
Non-current borrowings		
Loans from financial institutions	2,365	4,971
Lease liabilities	900	1,447
Total non-current borrowings	3,265	6,418
Loans from financial institutions	2,686	621
Lease liabilities	1,366	1,237
Total current loans	4,052	1,858
Total loans	7,317	8,276
Less cash and cash equivalents	4,080	6,031
Net debt	3,237	2,244

Borrowings

On December 31, 2021, Nixu's loans from financial institutions consisted of variable and fixed-rate loans amounting to EUR 5,900 thousand, drawn in connection with the 2017 financing arrangement, and a variable-rate loan of EUR 2,500 thousand drawn in 2019.

The table below provides information on loans (loans are undiscounted):

EUR thousand	Drawn down	Maturity	Interest rate	Installment	Remaining Debt 31 Dec 2021	Remaining Debt 31 Dec 2020
Loan 1	2017	5/30/22	1.9%+6 month euribor	bullet	2,065	2,065
Loan 2	2019	3/28/23	1.9%+6 month euribor	half-on-year	938	1,563
Loan 3	2017	5/30/23	3.8%+3.8%	bullet	2,052	1,977
Total					5,055	5,605

The interest rates on the loans ranged from 1.9% to 3.8%, with the capitalized interest rate for a EUR 2,052 thousand portion at 3.80% on the period ended December 31, 2021. The company has a total of two credit facilities of EUR 1,500 thousand and EUR 4,000 thousand. The EUR 4,000 thousand credit facility matures on April 30, 2022. The credit facilities were not in use at the end of the accounting period on December 31, 2021.

The loans withdrawn in 2017 are paid at once on their due dates. The loan drawn in 2019 is being paid in half-yearly installments and will mature on March 28, 2023. As of December 31, 2021, the outstanding amount was EUR 938 (1,563) thousand.

The covenants for the credit facility and loans are as follows: equity ratio at least 30% up to the review date of June 30, 2022 and at least 32% always thereafter, and EBITDA of at least EUR 1,000 thousand on the review date of December 31, 2021. EBITDA is calculated based on the previous 12 months. The Group's interest-bearing net debt/EBITDA indicator will be reviewed every six months on June 30 and December 31, with the first review on June 30, 2022. The net debt-to-EBITDA ratio may not exceed 3.7 up to the review date of June 30, 2022, 3.25 up to the review date of December 31, 2022, and 3.0 up to subsequent review dates.

The Group met the covenant conditions related to the loans on December 31, 2021. In the current view, the Group will meet the covenant conditions relating to the loans on June 30, 2022, and December 31, 2022 and the loans will be classified as non-current and current.

Derivative Financial Instruments

At the closing of accounts, on December 31, 2021, the Group held one interest swap contract (one interest swap contract). On June 31, 2021, the fair value of the derivative was negative EUR -10 (-30) thousand. Changes in the fair value of this derivative was recognized as financial expenses in the income statement. The nominal value of interest rate swap on December 31, 2021 was EUR 2,065 (2,065) thousand. For each swap, the company receives a floating rate (EURIBOR 3 months and 6 months respectively) and pays a fixed coupon rate (0.44% and 0.81% respectively). The interest rate swap will mature in 2022. These derivative financial instruments are classified as level 2 in the fair value hierarchy, and their fair value is calculated as the current value of estimated future cash flows based on observable yield curves.

5.2 Equity

Payments of dividends

No dividends have been paid in the 2021 financial period (2020: 0).

6 Other relevant notes

6.1 Related Party Transactions

The following transactions were carried out with related parties:

EUR thousand	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Purchases of services	2	0	2	0

6.2 Contingencies and Commitments

EUR thousand	31 Dec 2021	31 Dec 2020
Mortgages given on own behalf:		
Business mortgages ¹	10,118	10,118
Loan amount	4,938	5,592
Other commitments		
EUR thousand	31 Dec 2021	31 Dec 2020
Rental deposits	265	269

¹ Business mortgages of Nixu Oyj and shares of Nixu Ab (100 pcs) and Nixu A/S (100 pcs) were used as collateral for Nixu Corporation's 4,9 MEUR financial institution loan and 5,5 MEUR credit limits. At the end of the review period, the credit limits have remained unused.

Addendum 1

– The Corporation's key figures

In this release, Nixu presents certain indicators associated with the company's financial standing and result for the accounting period. Not all of the indicators are key figures pursuant to IFRS standards and, therefore, should be considered alternative indicators.

Nixu presents EBITDA, adjusted EBITDA, EBIT, adjusted EBIT, equity ratio, net interestbearing debt, net gearing, EBITDA and EBIT adjusted for non-recurring items as well as EBIT and EBITDA margin adjusted for non-recurring items as alternative indicators and additional information for the key figures that are presented herein in accordance with IFRS standards. It is the Management Team's opinion that these indicators provide significant additional information on the company's statement of comprehensive income and balance sheet. The indicators are widely used by analysts, investors and other parties, and provide additional information for analyzing the result of Nixu's operations 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 manner, and therefore Nixu's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Key figures (IFRS)

EUR thousand	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Revenue	25,089	25,617	51,809	53,272
Profit/loss for the period	-532	-378	-984	-1,835
Earnings per share (EUR)	-0.07	-0.05	-0.13	-0.25
EBITDA	667	2,836	1,473	2,895
EBITDA, % of net sales	2.7%	11.1%	2.8%	5.4%
Adjusted EBITDA ¹	731	2,586	1,929	3,350
Adjusted EBITDA, % of net sales ¹	2.9%	10.1%	3.7%	6.3%
EBIT	-289	364	-444	-702
EBIT, % of net sales	-1.2%	1.4%	-0.9%	-1.3%
Adjusted EBIT ¹	-226	114	13	-247
Adjusted EBIT % ¹	-0.9%	0.4%	0.0%	-0.5%

¹ Adjustment items are exceptional and non-recurring events that are not ordinary course of business. Such exceptional items include e.g. other operating expenses related to reorganization and business combinations. The non-recurring costs included in the operating profit of January-December 2021 were EUR 456 thousand (455). The non-recurring costs included in the operating profit of July-December 2021 were EUR 64 thousand (-250).

The figures for the comparison period have been adjusted for Covid-19 NOW grant from other operating income to adjustment items. The effect on adjustment items is EUR 190 thousand in July-Dec 2020 and EUR 337 thousand in Jan-Dec 2020.

EUR thousand	31 Dec 2021	31 Dec 2020
Equity ratio, %	31.5%	34.4%
Net interest-bearing debt	3,237	2,244
Net gearing, %	25.3%	16.0%

Reconciliation of Alternative Key Figures

	1 July - 31 Dec 2021	1 July - 31 Dec 2020	1 Jan - 31 Dec 2021	1 Jan - 31 Dec 2020
Operating result	-289	364	-444	-702
+ Depreciation and amortization	957	2,472	1,917	3,597
= EBITDA	667	2,836	1,473	2,895
EBITDA	667	2,836	1,473	2,895
+ Adjusted items	64	-250	456	455
= Adjusted EBITDA	731	2,586	1,929	3,350
Operating result	-289	364	-444	-702
+ Adjustment items	64	-250	456	455
= Adjusted operating result	-226	114	13	-247

Formulas for Calculating Key Figures

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

Adjusted EBITDA is calculated by adding adjustment items to EBITDA.

Adjustment items are material items outside the ordinary course of business, related to the cost of restructuring and acquisitions.

Adjusted EBIT is calculated by adding adjustment items to EBIT.

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

Earnings per share, 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 about 400 cybersecurity professionals with a hands-on attitude. With Nordic roots we serve enterprise clients worldwide. Nixu shares are listed on the Nasdaq Helsinki stock exchange.

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