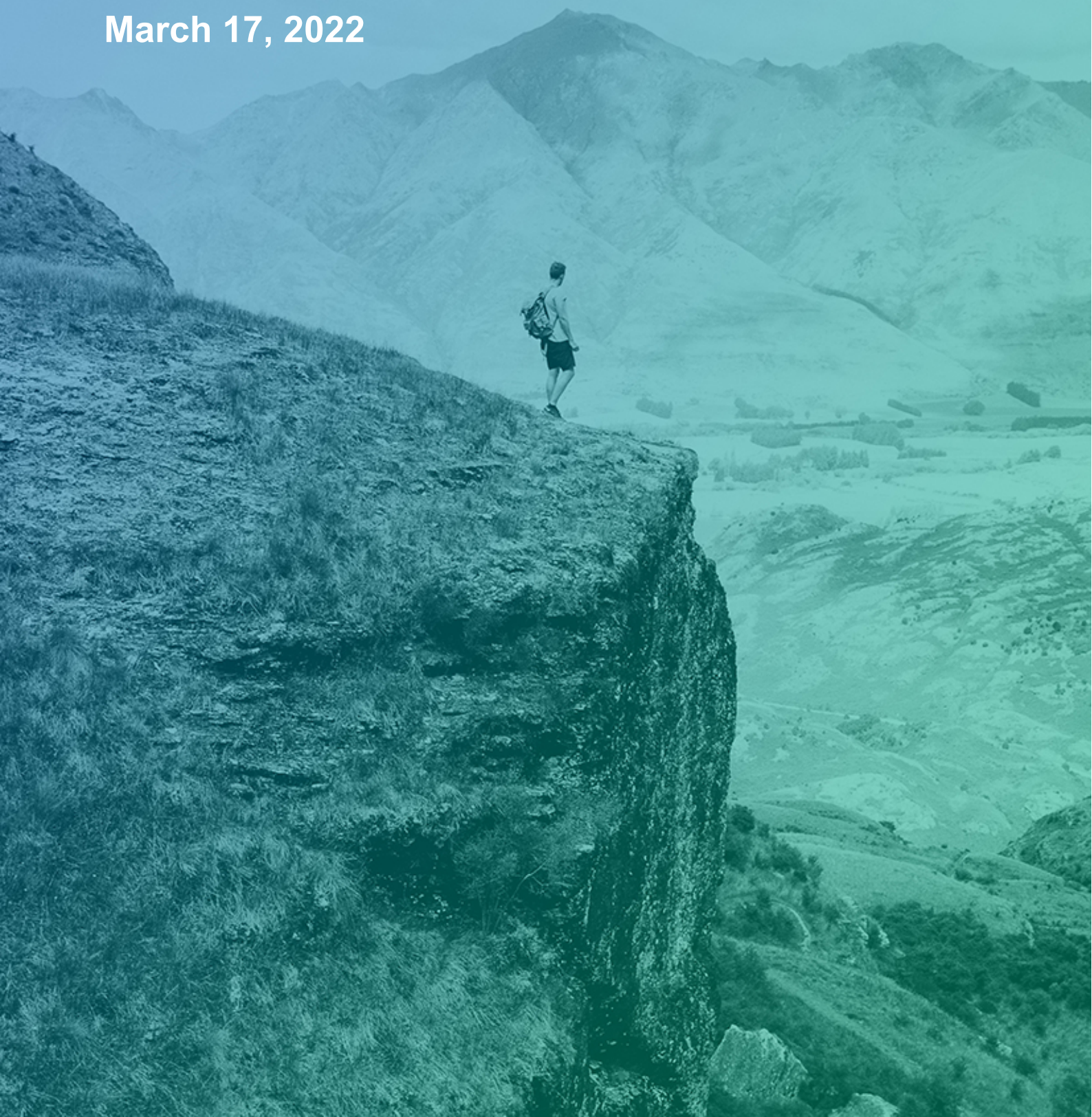


Enfo Oyj

Full year financial report 2021

March 17, 2022





Enfo Group's financial statement bulletin

January 1 – December 31, 2021

Enfo 2021: Stable performance reinforced with new strategy

Q4/2021

- Net sales in October-December were EUR 27.5 (26.8) million
- EBITDA was EUR 2.1 (2.7) million
- EBIT was EUR 0.0 (0.3) million
- Profit for the period was EUR -0.5 (0.1) million
- Earnings per share were EUR -0.6 (-1.5)
- Operating cash flow was EUR 2.2 (1.9) million

Full year 2021

- Net sales in 2021 were EUR 103.9 (101.5) million
- EBITDA was EUR 7.4 (7.7) million
- EBIT was EUR -2.3 (-1.5) million
- Profit for the period was EUR -3.9 (-2.7) million
- Earnings per share were EUR -10.4 (-2.6)
- Operating cash flow was EUR 7.9 (10.5) million

The numbers in brackets refer to the value in the corresponding period a year earlier, unless otherwise stated. The divestment of Zuite Business Consulting AB at the end of the second quarter of 2021 has been treated as a discontinued operation under International Financial Reporting Standards (IFRS). The figures in this interim report represent results for continuing operations and the corresponding periods' figures have been updated accordingly unless otherwise stated. In addition, the corresponding periods' figures have been updated in accordance with the clarification of an accounting policy for certain product sales as disclosed in the accounting principles.

Key figures

| | 1.10-31.12.2021 | 1.10-31.12.2020* | 1.1.-31.12.2021 | 1.1.-31.12.2020* |
|---|-----------------|------------------|-----------------|------------------|
| Net sales, EUR million | 27.5 | 26.8 | 103.9 | 101.5 |
| EBITDA | 2.1 | 2.7 | 7.4 | 7.7 |
| % of Net sales | 7.8 | 10.1 | 7.1 | 7.6 |
| Operating profit, EUR million | 0.0 | 0.3 | -2.3 | -1.5 |
| % of Net sales | 0.2 | 1.2 | -2.2 | -1.5 |
| Profit before taxes, EUR million | -0.5 | 0.1 | -4.0 | -2.8 |
| % of Net sales | -1.8 | 0.2 | -3.9 | -2.8 |
| Profit for the period, EUR million | -0.5 | 0.1 | -3.9 | -2.7 |
| % of Net sales | -1.7 | 0.3 | -3.8 | -2.7 |
| Earnings per share, continuing operations EUR | -0.6 | -1.5 | -5.2 | -3.7 |
| Earnings per share, EUR | -0.6 | -1.2 | -10.4 | -2.6 |
| Return on investment, % ** | neg | neg | neg | neg |
| Equity ratio, % | 37.9 | 40.1 | 37.9 | 40.1 |
| Net gearing, % | 92.5 | 86.1 | 92.5 | 86.1 |
| Interest-bearing net debt, EUR million | 34.3 | 40.8 | 34.3 | 40.8 |
| Equity per share, EUR | 49.4 | 60.7 | 49.4 | 60.7 |
| Average number of employees | 794 | 843 | 816 | 846 |

* The figures for the corresponding period have been updated in accordance with the changes disclosed in the accounting principles

** Rolling 12months

CEO's review

Mikko Valorinta, CEO in 2021, comments on the year:

In 2021, we engaged more than one hundred Enfonians in our strategy work and launched our new strategy "Capturing growth". With the new strategy, we also defined our new purpose "We work for a more sustainable and intelligent tomorrow". Enfo's aim is to be the most trusted companion within IT for customers and employees in building and running data-driven businesses on cloud. We continue to prioritize digital, social, environmental, and financial responsibility in everything we do. We identified four Accelerators to drive our profitable growth during 2022–2024: Engaged employees, Efficiency in operations, Evergreen services, and Expanding as One Enfo. Our new customer value promise "Results you want, people you love working with" was founded on our strong client-focus and commitment to deliver.

To simplify the organization and further increase our client focus, we reorganized our business areas in the early summer. The new business areas are Applications & Data Sweden, Care & Data Platforms Finland, Data & Analytics Finland, and a new business area, Digital Trust Sweden. With digital trust services, we support our clients in securing their data and applications.

In line with our strategic priorities, we divested our 30% ownership in the Swedish SAP consultancy Zuite Business Consulting AB to the Norwegian Pearl Group AS. The transaction did not impact Enfo's SAP operations in Finland where SAP S4/HANA and migrating SAP on cloud continue to be growth drivers.

Enfo was – as one of the first companies in the Nordic region – awarded the Analytics on Microsoft Azure Advanced Specialization in recognition of its strong expertise in Microsoft Azure analytic solutions. In addition, we earned a new Microsoft Azure Advanced Specialization status for cloud migrations. These two recognitions demonstrate our



strong focus on the Microsoft ecosystem and our deep expertise in these areas.

In the beginning of 2022, we transferred Enfo's Analytics Development Accelerator (ADA) service to a separate subsidiary. The name of the new company is Qivada Oy and will be operated by Enfo Group. This spin-off will enable us to accelerate the development and commercialization of our ADA services and make them available to everyone.

We are following the crisis in Ukraine and are concerned about the heartbreaking situation. The war might also increase uncertainty and volatility in the market. Depending on the direction of development, we will take required actions needed to ensure the safety and quality of our services.

With the new Enfo strategy, we have set ourselves ambitious targets for the coming years. Client satisfaction, employee engagement, and profitable growth will continue to be at the heart of our strategy. Our growth will be driven by digital trust, data and analytics, and cloud services. The strategic direction is set, and now we roll our sleeves.

I want to thank my Enfo colleagues, our customers, owners, and our partners for great collaboration in 2021 and look forward to together building a more sustainable and intelligent tomorrow.

Mikko Valorinta

Net sales and profit

Q4/2021

The Enfo Group's net sales in the fourth quarter were EUR 27.5 (26.8) million. EUR 13.1 million of the net sales were generated in Finland and EUR 14.4 million in Sweden. Sales from recurring services amounted to EUR 11.2 (11.2) million, sales from consulting to EUR 14.0 (13.8) million and intermediary sales to EUR 2.3 (1.7) million in the fourth quarter.

EBITDA of continuing operations was EUR 2.1 (2.7) million from October–December. Operating profit (EBIT) from continuing operations for the fourth quarter was EUR 0.0 (0.3) million, or 0,2% of net sales. Profit before taxes for continuing operations was EUR -0.5 (0.1) million and profit for the period including discontinued operations was EUR -0.5 (0.9) million in the fourth quarter. Fourth-quarter earnings per share for continuing operations were EUR -0.6 (-1.5). Earnings per share from October–December including discontinued operations were EUR -0.6 (-1.2).

Full year 2021

In 2021, the Enfo Group's net sales increased by 2.4% to EUR 103.9 (101.5) million. EUR 49.2 million of the net sales were generated in Finland and EUR 54.7 million were generated in Sweden. Sales from recurring services amounted to EUR 49.5 (50.3) million, sales from consulting amounted to EUR 45.0 (43.3) million and intermediary sales to EUR 9.4 (7.9) million in 2021.

EBITDA of continuing operations was EUR 7.4 (7.7) million in 2021. Full-year operating profit (EBIT) from continuing operations was EUR -2.3 (-1.5) million. Full-year profit before taxes for continuing operations was EUR -4.0 (-2,8) million. Full-year profit including discontinued operations was EUR -6.6 EUR (0.00) million. Full-year earnings per share for continuing operations in 2021 were EUR -5.2 (-3.7). Earnings per share including discontinued operations were EUR -10.4 (-2.6).

Investments and financing

Enfo's full-year 2021 net investments, excluding write-offs, were EUR 5.0 (7.4) million. The investments consisted mainly of increases in right-of-use assets.

Interest-bearing liabilities at the end of the year were EUR 35.6 (41.0) million and were composed of EUR 22.9 (29.8) million in bank loans, EUR 3.0 (0.0) million in loan from the parent company and EUR 9.7 (11.2) million in lease liabilities.

In December 2021, Enfo renewed its EUR 21.3 million financing package with a consortium of creditors, consisting of previous lenders Nordea Bank, OP Corporate Bank, Ilmarinen and LähiTapiola. The financing package included the re-financing of existing long-term bank financing and, at the same time, some of Enfo's credit limits were converted into long-term financing. The loans are denominated in EUR and will mature in January 2024. Loan interest rates consist of a reference rate and a margin. The margin is reviewed on a quarterly basis and is partly tied to the financial covenants of the financing agreement. In addition, Enfo signed a EUR 3.0 million loan agreement with OsuusKunta KPY in December. The loan will mature in July 2024 and has a fixed interest rate.

The new loan agreements include the following financial covenants:

- Net gearing less than 100%
- Interest-bearing net liabilities/EBITDA less than 3.75 on June 30, 2022, after which the covenant will be gradually reduced to 2.5 by December 31, 2023.
- EBITDA (EUR)

According to the new financing agreement, the covenants will be tested on a quarterly basis as of June 30, 2022.

Enfo divested its minority share in Zuite Business Consulting AB in the end of the second quarter 2021. The proceeds were partly used to make a EUR 4.0 million repayment of existing bank loans in the third quarter of 2021.

At the end of 2021, Enfo had EUR 8.7 (16.7) million of credit limit, of which EUR 1.6 (9.4) million was withdrawn at the end of the financial period.

The company's equity ratio at the end of the financial year was 37.9 % (40.1) and net gearing was 92.5 % (86.1). The Enfo Group's net financial expenses were EUR -1.7 (-1.3) million for the full year. Net cash flow from operations was EUR 8.1 (10.5) million in 2021. The end-of-year balance sheet totaled EUR 98.6 (117.8) million.

Board of Directors, management and auditor

Kaisa Olkkonen, Mikko Laine, Ari Virtanen and Jani Vahvanen were elected as members of the Board of Directors. At the constitutive meeting held after the Annual General Meeting, the Board of Directors elected Kaisa Olkkonen as the Chairperson. The Board of Directors appointed Anssi Lehikoinen as observer to the Board of Directors. In March 2021, Mikko Valorinta started his position as CEO at Enfo, and Henna Ylitalo was appointed EVP, People & Culture in May. At the end of 2021, the Group Management Team consisted of CEO Mikko Valorinta, Thomas Andersson (EVP, Digital Trust, Sweden), Nina Annila (EVP, Care & Data Platforms, Finland), Antti Hemmilä (General Counsel), Henna Ylitalo (EVP, People & Culture), Sami Kähkönen (EVP, Data & Analytics, Finland) and Mari Orttenvuori (CFO).

In 2021, Seppo Kuula (CEO), Björn Arkenfall (EVP, Applications & Data, Sweden), Erik Brügge (EVP, Care and Data Platforms, Sweden) and Henrik Norell (EVP, People Operations) left their positions at Enfo. In October, Mari Orttenvuori, CFO, informed that she will leave Enfo to take up new responsibilities outside the company.

In the 2021 financial year, the company's auditor was Authorized Public Accountants PricewaterhouseCoopers Oy, with Juha Toppinen, Authorized Public Accountant, as the principal auditor.

Shares, owners, and share capital changes

Enfo Oyj had a total of 750,346 shares on December 31, 2021. Enfo had 129 direct shareholders excluding foreign shareholders whose shares are nominee-registered. The company has one series of shares, and the shares are connected to Euroclear Finland Oy's book-entry system.

Enfo Oyj is the parent company of Enfo Group, which belongs to Osuuskunta KPY Group. The parent company of Osuuskunta KPY Group is Osuuskunta KPY. Enfo Group comprises subsidiaries in Sweden, Denmark, and Norway. At the end of 2021, the company's ten largest shareholders were Osuuskunta KPY, Ilmarinen Mutual Pension Insurance Company, Rongo Cap Oy, the Gösta Serlachius Fine Arts Foundation,



Keskisuomalainen Oyj, Einari Vidgrén Oy, Lululemon Oy, Hannu Isotalo Oy, Kallax Oy and Unikie Oy. Osuuskunta KPY holds 85.54% of Enfo's shares.

Enfo Oyj had a total of 747,978 shares on January 1, 2021. The company issued a total of 2,368 new shares in the financial year in relation to the long-term incentive program of the company.

Personnel and remuneration

Enfo employed an average of 816 employees (846) during the year and a total of 789 employees (840) at the end of the year. On average, 408 (399) employees worked in Finland and 408 (447) in Sweden. The Group's personnel expenses totaled EUR 66.3 (64.3) million in 2021. Personnel expenses made up 63% (61) of all expenses in the income statement. Enfo paid salaries and bonuses to its personnel in the total amount of EUR 49.9 (48.3) million.

At the end of 2021, the average duration of a permanent employment relationship in the Enfo Group was 7.5 (6.9) years. A clear majority or 77% (76) of the Group's personnel were men. The average age of the personnel was 43.1 years (43.4).

Keeping people engaged continued to be a central theme in 2021, as the corona restrictions continued to limit social interaction. Proof of the success of our efforts was Enfo being ranked as the seventh best employer in Sweden in a survey conducted by Universum. We follow our employee engagement with a monthly eNPS and an annual Employee Satisfaction Survey. The 2021 results show that the overall employee satisfaction had stayed on a good level at 4.0 (scale of 1-5) based on the statement "All in all, I would say that Enfo is a good place to work". Last year, we landed at 4.2, so there was a slight decrease in this rating year-on-year. Similarly, we saw a decrease in our eNPS figures in 2021.

Events following the financial year

In the beginning of 2021, Enfo appointed Petra Teräsaho as the new CFO and Johan Liljeström as the new EVP of business area Applications & Data, Sweden. Petra Teräsaho and Johan Liljeström will step into their positions during spring 2022 and will be part of Enfo's Group Management Team.

Implementation of the strategy

In September 2021, Enfo announced its renewed strategy with focus on digital trust, data and analytics, and cloud services. According to the new strategy, Capturing growth 2022-2024, Enfo's aim is to be the most trusted companion within IT for customers and employees in building and running technology solutions on cloud. Moreover, we want to be known as our clients' trusted partner in building secure, data-driven businesses on cloud. With the new strategy, we will prioritize digital, social, environmental, and financial responsibility in everything we do. Our new purpose is 'We work for a more sustainable and intelligent tomorrow'.

The post-corona pandemic market looks quite promising, with cloudification driving a lot of the transformation. We have identified three domains where we expect double-digit growth during the next years. These are digital trust, data and analytics, and cloud services.

Enfo also defined four Accelerators to drive profitable growth in 2022-2024: Engaged employees, Efficiency in operations, Evergreen services, and Expanding as One Enfo. The Accelerators are all linked to Enfo's corporate responsibility approach with company values at the core. Enfo's aim is to put even more focus on customer satisfaction.

In line with the new strategy, Enfo identified a new employee value promise which emphasizes development, work-life balance and good leadership in an inclusive culture. Enfo also decided to initiate a Diversity, equity and inclusion plan.

In the second quarter 2021, Enfo and Norwegian Pearl Group AS signed an agreement according to which Enfo divested its 30% ownership in the Swedish SAP consultancy company Zuite Business Consulting AB to Pearl. The divestment was in line with our strategy as we aim to become a leading data integrator in the Nordics and to focus even more intensively on cloud-related services.

Outlook

The IT services market is expected to continue growing, with digitalization driving customer demand. The impact of the corona pandemic on investment decisions and purchasing behavior may still affect market growth. Also, the war in Ukraine might increase volatility in the market.

The Group's net sales and EBITDA are expected to grow in 2022 compared to 2021.

Risks and uncertainties

For the short and medium term, Enfo has identified risks related to skilled personnel, information security and data privacy, as well as market changes. The corona pandemic continues to be a risk and may affect decisions on IT investments and availability of personnel and the rate of absence due to illness. Also, expected uncertainties in the market due to the war in Ukraine may limit customers' investments.

Enfo's success in customer deliveries depends on skilled personnel. The rapid advance of technology in the ICT industry requires the continuous expansion and renewal of competencies. The availability of certain human resources is limited in the Finnish and Swedish markets, which poses a risk to the development of Enfo's business. To manage this risk, Enfo strives to maintain a positive employer brand and retain highly competent personnel by investing in the continuous development of its personnel and keeping employee satisfaction high.

The company's operations involve risks related to information security and data privacy. At Enfo, information security is managed centrally, and operations are based on risk management and responsibilities, roles and documentation approved by the management. The confidentiality, integrity and availability of our customers' data are ensured with multi-level controls.

The IT services market is expected to continue growing, with digitalization driving customer demand. However, any slowdown in market growth and increased price competition could have an adverse impact on market conditions and thus increase risking profitable growth. This could affect Enfo's operations, financial position and cash flows.

In 2020, Enfo was granted financial support by the Swedish Agency for Economic and Regional Growth for short-time work, a support being provided to enable employers to retain their personnel during the pandemic and quickly get back to full speed again after the pandemic. The financial support received covered the period from May 2020 to October 2020 and amounted to EUR 1.1 million. Enfo also applied for financial support for the period from November 2020 to March 2021 amounting to EUR 0.5 million, after which temporary short-time work time has no longer been applied at Enfo. Of the total amount of EUR 1.6 million, EUR 1.3 million has been recognized as reduced salary costs in 2020 and EUR 0.3 million in 2021. In September 2021, the Swedish Agency for Economic and Regional Growth withdrew their decision for the financial support already paid and have requested its repayment. Similarly, the Agency has given a negative



decision regarding the application for the period November 2020 to March 2021. Enfo has filed an appeal to the Administrative Court in Stockholm and the case is pending. Enfo has also requested an oral hearing on the matter. Enfo has not recognized the EUR 1.6 million on the balance sheet as a liability but has reported the amount as contingent liability. The Group is continuously evaluating the timing and likely outcome of the appeal.

In the long term, Enfo's growth will be influenced by its customers' willingness and ability to migrate and manage solutions in cloud environments, as well as customers' investments in data and analytics, digital trust, integrations, and application development.

Proposal of the Board of Directors for dividend distribution

On December 31, 2021, the parent company's distributable funds totaled EUR 63,174,601.43. The Board of Directors proposed to the Annual General Meeting that no dividends be distributed for the financial year 2021.

Timetable for financial reporting in 2022

The financial statement bulletin for 2021 will be published on Enfo's website on March 17, 2022. The Annual Report 2021 will be published on March 31, 2022. Enfo Oyj's Annual General Meeting will be held on April 22, 2022. The interim report for H1 2022 will be published on August 20.

Basis of presentation

This financial statement bulletin has been prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS) and the accounting principles published in the 2021 financial statements.

The figures in the tables have been rounded to the nearest million euros, so they may not add up to precise totals. The figures presented in the tables are unaudited.

Consolidated statement of income

EUR million

| | 1.10-31.12.2021 | 1.10-31.12.2020* | 1.1.-31.12.2021 | 1.1.-31.12.2020* |
|--|-----------------|------------------|-----------------|------------------|
| Net sales | 27.5 | 26.8 | 103.9 | 101.5 |
| Other operating income | 0.1 | 0.0 | 0.2 | 1.2 |
| Materials and services | -6.2 | -5.8 | -23.3 | -23.0 |
| Employee benefit expenses | -17.0 | -16.4 | -66.3 | -64.3 |
| Depreciation, amortization and impairment | -2.1 | -2.4 | -9.7 | -9.2 |
| Other operating expenses | -2.3 | -1.9 | -7.1 | -7.6 |
| Operating profit | 0.0 | 0.3 | -2.3 | -1.5 |
| Financial income | -0.4 | 0.3 | 0.1 | 1.1 |
| Financial expenses | -0.2 | -0.5 | -1.8 | -2.4 |
| Profit before taxes | -0.5 | 0.1 | -4.0 | -2.8 |
| Income taxes | 0.0 | 0.0 | 0.1 | 0.0 |
| Profit for the period for continuing operations | -0.5 | 0.1 | -3.9 | -2.7 |
| Profit for the period for discontinued operations | 0.0 | 0.8 | -2.7 | 2.7 |
| Attributable to | | | | |
| Owners of the parent company | 0.0 | 0.2 | -3.8 | 0.8 |
| Non-controlling interests | 0.0 | 0.6 | 1.2 | 1.9 |
| Profit for the period | -0.5 | 0.9 | -6.6 | 0.0 |
| Attributable to | | | | |
| Owners of the parent company | -0.5 | -0.9 | -7.8 | -1.9 |
| Non-controlling interests | 0.0 | 0.4 | 1.2 | 1.9 |
| Earnings per share, continuing operations EUR | -0.6 | -1.5 | -5.2 | -3.7 |
| Earnings per share, EUR | -0.6 | -1.2 | -10.4 | -2.6 |

* The figures for the comparison period have been updated with the changes presented in the accounting principles

Consolidated statement of comprehensive income including discontinued operations

EUR million

| | 1.10-31.12.2021 | 1.10-31.12.2020 | 1.1.-31.12.2021 | 1.1.-31.12.2020 |
|---|-----------------|-----------------|-----------------|-----------------|
| Profit for the period | -0.5 | 0.9 | -6.6 | 0.0 |
| Exchange rate differences caused by net investments in foreign subsidiaries | 0.0 | 0.0 | 0.0 | 0.0 |
| Other translation differences | -0.4 | -0.3 | -0.7 | 1.6 |
| Comprehensive income for the period | -0.9 | 0.6 | -7.2 | 1.6 |
| Attributable to | | | | |
| Owners of the parent company | -0.9 | 0.2 | -8.4 | -0.4 |
| Non-controlling interests | 0.0 | 0.4 | 1.2 | 2.0 |

Consolidated statement of financial position

EUR million

| | 12/31/2021 | 31.12.2020* |
|--|-------------|--------------|
| Assets | | |
| Non-current assets | | |
| Tangible assets | 9.1 | 10.9 |
| Goodwill | 57.0 | 68.4 |
| Other intangible assets | 6.4 | 9.2 |
| Available-for-sale investments | 0.2 | 0.1 |
| Receivables | 0.8 | 1.1 |
| Deferred tax assets | 1.5 | 1.5 |
| Total non-current assets | 75.0 | 91.2 |
| Current assets | | |
| Trade receivables | 18.8 | 21.2 |
| Other receivables | 3.4 | 5.2 |
| Cash and cash equivalents | 1.3 | 0.2 |
| Total current assets | 23.6 | 26.6 |
| Total assets | 98.6 | 117.8 |
| Equity and liabilities | | |
| Equity | | |
| Share capital | 0.3 | 0.3 |
| Other reserves | 31.1 | 31.0 |
| Translation differences | -0.8 | -0.2 |
| Retained earnings | 6.5 | 14.3 |
| Total equity attributable to owners of the parent company | 37.1 | 45.4 |
| Non-controlling interests | 0.0 | 2.0 |
| Total equity | 37.1 | 47.4 |
| Non-current liabilities | | |
| Interest-bearing liabilities | 30.7 | 28.0 |
| Provisions | 0.1 | 0.1 |
| Deferred tax liabilities | 0.4 | 0.5 |
| Total non-current liabilities | 31.2 | 28.6 |
| Current liabilities | | |
| Interest-bearing liabilities | 4.9 | 13.1 |
| Trade payables | 4.8 | 5.8 |
| Other liabilities | 19.9 | 22.2 |
| Tax liabilities based on the period's taxable income | 0.0 | 0.4 |
| Provisions | 0.6 | 0.3 |
| Total current liabilities | 30.3 | 41.8 |
| Total liabilities | 61.5 | 70.4 |
| Total equity and liabilities | 98.5 | 117.8 |

* Includes the assets and liabilities of Zuite Business Consulting AB divested in June 2021.

Condensed statement of cash flows including discontinued operations*

EUR million

| | 1.1.–31.12.2021 | 1.1.–31.12.2020 |
|--|-----------------|-----------------|
| Cash flow from operations | | |
| Profit for the period | -6.6 | 0.0 |
| Adjustments to the profit for the period | 16.0 | 10.5 |
| Change in working capital | 0.9 | 1.7 |
| Interest paid and received | -1.7 | -1.1 |
| Taxes paid | -0.7 | -0.6 |
| Net cash flow from operations | 7.9 | 10.5 |
| Cash flow from investments | | |
| Investments in tangible and intangible fixed assets | -2.1 | -3.6 |
| Sales of tangible and intangible fixed assets | 0.2 | 0.2 |
| Business acquisitions | 0.0 | -4.1 |
| Disposal of business | 7.1 | 0.0 |
| Net cash flow from investment activities | 5.2 | -7.5 |
| Cash flow from financing activities | | |
| Changes in loans | -3.8 | -0.5 |
| Rights issue | 0.1 | 4.2 |
| Other changes in equity | -2.0 | -1.7 |
| Repayment of lease liabilities | -6.4 | -5.5 |
| Net cash flow from financing activities | -12.0 | -3.6 |
| Changes in cash and cash equivalents | 1.0 | -0.6 |
| Net foreign exchange difference on cash and cash equivalents | 0.0 | -0.1 |
| Cash and cash equivalents at the beginning of the period | 0.2 | 1.0 |
| Cash and cash equivalents at the end of the period | 1.3 | 0.2 |

*) Includes net cash flow from the divested Zuite Business Consulting AB until 30 June 2021.

Changes in shareholders' equity

EUR million

| | Share capital | Treasury shares | Translation differences | Value change and other funds | Retained earnings | Total | Non-controlling interests | Total equity |
|--|---------------|-----------------|-------------------------|------------------------------|-------------------|-------------|---------------------------|--------------|
| Equity on Jan 1, 2020 | 0.3 | -1.1 | -1.7 | 26.8 | 17.4 | 41.7 | 1.7 | 43.4 |
| Profit/loss for the period | | | | | -1.9 | -1.9 | 1.9 | 0.0 |
| Comprehensive income | | | | | | | | |
| Other comprehensive income items | | | | | | | | |
| Exchange rate differences caused by net investment in foreign subsidiaries | | | 0.0 | | | 0.0 | | 0.0 |
| Other translation differences | | | 1.5 | | 0.0 | 1.5 | 0.1 | 1.6 |
| Other comprehensive income items for the period after taxes | 0.0 | 0.0 | 1.5 | 0.0 | 0.0 | 1.5 | 0.1 | 1.6 |
| Comprehensive income for the period | 0.0 | 0.0 | 1.5 | 0.0 | -1.9 | -0.4 | 2.0 | 1.6 |
| Transactions with owners | | | | | | | | |
| Distributed dividends | | | | | | 0.0 | -1.7 | -1.7 |
| Share issue | | | | 4.2 | | 4.2 | | 4.2 |
| Acquisition of treasury shares | | 0.0 | | | | 0.0 | | 0.0 |
| Cancellation of treasury shares | | 1.1 | | | -1.1 | 0.0 | | 0.0 |
| Total transactions with owners | 0.0 | 1.1 | 0.0 | 4.2 | -1.1 | 4.2 | -1.7 | 2.5 |
| Other adjustments | | | | | -0.1 | -0.1 | | -0.1 |
| Equity on December 31, 2020 | 0.3 | 0.0 | -0.2 | 31.0 | 14.3 | 45.4 | 2.0 | 47.4 |

Changes in shareholders' equity

EUR million

| | Share capital | Translation differences | Value change and other funds | Retained earnings | Total | Non-controlling interests | Total equity |
|---|---------------|-------------------------|------------------------------|-------------------|-------------|---------------------------|--------------|
| Equity on Jan 1, 2021 | 0.3 | -0.2 | 31.0 | 14.3 | 45.4 | 2.0 | 47.4 |
| Profit/loss for the period | | | | -7.9 | -7.9 | 1.2 | -6.7 |
| Comprehensive income | | | | | | | |
| Other comprehensive income items | | | | | | | |
| Other translation differences | | -0.7 | | | -0.7 | | -0.7 |
| Other comprehensive income items for the period after taxes | | -0.7 | 0.0 | 0.0 | -0.7 | 0.0 | -0.7 |
| Comprehensive income for the period | 0.0 | -0.7 | 0.0 | -7.9 | -8.6 | 1.2 | -7.4 |
| Transactions with owners | | | | | | | |
| Dividend distribution | | | | | 0.0 | -2.0 | -2.0 |
| Share issue | | | 0.1 | | 0.1 | | 0.1 |
| Disposal of subsidiary | | | | 0.1 | 0.1 | -1.2 | -1.1 |
| Total transactions with owners | 0.0 | 0.0 | 0.1 | 0.1 | 0.3 | -3.2 | -2.9 |
| Other adjustments | | | | 0.0 | 0.0 | | |
| Equity on December 31, 2021 | 0.3 | -0.8 | 31.1 | 6.5 | 37.1 | 0.0 | 37.1 |

Commitments and contingencies

EUR million

| | 12/31/2021 | 12/31/2020 |
|--------------------------------|------------|------------|
| Leasing liabilities | 0.4 | 0.3 |
| Other rental liabilities | 0.0 | 1.9 |
| Bank guarantees | 0.1 | 0.1 |
| Other contingent liability | 1.6 | 0.0 |
| Total other liabilities | 2.1 | 2.2 |

In 2020, Enfo was granted financial support by the Swedish Agency for Economic and Regional Growth for short-time working, a support being provided to enable employers to retain their personnel during the pandemic and quickly get back to full speed again after the pandemic. The financial support received covers the period from May 2020 to October 2020 and amounts to EUR 1.1 million. Enfo has also applied for financial support for the period from November 2020 to March 2021 amounting to EUR 0.5 million, after which temporary short-time working time has no longer been applied at Enfo. Of the total amount of EUR 1.6 million, EUR 1.3 million has been recognized as reduced salary costs in 2020 and EUR 0.3 million in 2021. In September 2021, the Swedish Agency for Economic and Regional Growth withdrew their decision for the financial support already paid and requested its repayment. Similarly, the Agency has given a negative decision regarding the application for the period November 2020 to March 2021. Enfo has filed an appeal to the Administrative Court in Stockholm, but the timing of the handling of the case is uncertain. Enfo has not recognized the EUR 1.6 million on the balance sheet as a liability but has reported the amount as a contingent liability. The Group is continuously evaluating the timing and likely outcome of the appeal.

Discontinued operations

Enfo divested its 30% ownership in the Swedish SAP consultancy business Zuite Business Consulting AB at the end of the second quarter 2021. The divested business has been treated as a discontinued operation under IFRS.

| | 1.10-31.12.2021 | 1.10-31.12.2020 | 1.1.-31.12.2021 | 1.1.-31.12.2020 |
|--|-----------------|-----------------|-----------------|-----------------|
| Net sales | 0.0 | 2.3 | 6.5 | 10.9 |
| Operating profit | 0.0 | 0.7 | 2.1 | 3.5 |
| Profit before taxes | 0.0 | 0.7 | 2.1 | 3.5 |
| Income taxes | 0.0 | -0.2 | -0.4 | -0.8 |
| Capital gain/loss from subsidiaries after taxes | 0.0 | 0.0 | -4.3 | 0.0 |
| Profit for the period for discontinued operations | 0.0 | 0.6 | -2.7 | 2.7 |

Details of the divestment

EUR million

| | 12/31/2022 |
|--|-------------|
| Consideration received | 6.7 |
| Carrying amount of the divested net assets | -1.7 |
| Minority share | 1.2 |
| Goodwill | -10.5 |
| Loss before tax | -4.3 |
| Capital gains tax | 0.0 |
| Loss on sale after tax | -4.3 |

Cash flow from divested business

EUR million

| | 1.10-31.12.2021 | 1.10-31.12.2020 | 1.1.-31.12.2021 | 1.1.-31.12.2020 |
|---|-----------------|-----------------|-----------------|-----------------|
| Cash flow from operations | 0.0 | 0.8 | 1.9 | 3.1 |
| Cash flow from investment activities | 0.0 | -0.1 | 6.2 | -0.1 |
| Cash flow from financing activities | 0.0 | -1.6 | -2.4 | -1.8 |
| Cash flow from discontinued operations | 0.0 | -1.0 | 5.7 | 1.2 |

Additional information



Mikko Valorinta, CEO from March 1, 2021

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Enfo Oyj Business ID:

2081212-9

Enfo

Data-driven business

Enfo is a family of more than 800 digital experts. With our knowledge in digital trust, data and analytics, applications, integration, and managed services, we both build and run IT solutions on cloud. We prioritize a collaborative approach and responsibility in everything we do. We work for a more sustainable and intelligent world where technology empowers people, businesses, and societies and accelerates their progress.

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