



DATA-DRIVEN BUSINESS
TRANSFORMATION

MARCH 27, 2019 ENFO

AGM

CEO'S REVIEW
SEPPÖ KUULA

MISSION

Enfo enables data-driven business transformation.

VISION

For a more intelligent Nordics.

TRANSFORMATION



DATA

CO-CREATION

A WORKPLACE
TO LOVE

COLLABORATIVE
VALUE CREATION

TRUSTED
PARTNER

VALUES

COLLABORATION

TRUST

CONTINUOUS
DEVELOPMENT

EXPERTISE

TOWARDS 2020: ROADMAP

2018

A WORKPLACE
TO LOVE

**SUSTAINABLE
BUSINESS**

2019

COLLABORATIVE VALUE
CREATION

PROFITABILITY

2020

TRUSTED
PARTNER

GROWTH

DATA-DRIVEN

BUSINESS TRANSFORMATION

ANNUAL REPORT 2018

enfo

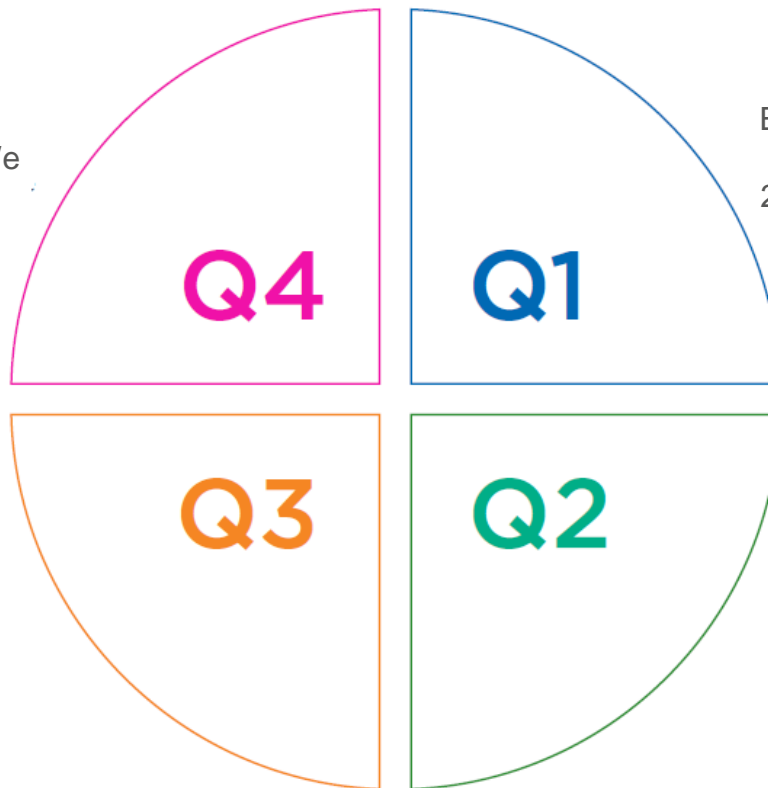
2018: SUSTAINABLE BUSINESS FOUNDATION

TOOLS

We put focus on developing a competence management tool. We brought back our financial processes and tools in-house, a necessary step towards common tools and processes at Enfo.

STRUCTURE SUPPORTING STORY

We implemented a new structure to support our story. Our four business areas are Data platforms, Information management, Applications and Care.



VALUES AND CULTURE

Enfo's four values were set based on the Enfo identity process in 2016–2017: collaboration, trust, continuous development and expertise. We put effort into strengthening a unified culture and defined the Enfo leadership philosophy.

STORY AND OFFERING

Our story, with data at the core, evolved and was anchored internally and presented externally. We developed our offering further towards a competitive position.

KEY FIGURES AND HIGHLIGHTS 2018

In 2018, Enfo focused on profitability and a sustainable business foundation. EBITDA excluding non-recurring items was at a moderate level. The profit was affected by non-recurring items.

KEY FIGURES

	IFRS 2018	IFRS 2017
Turnover (EUR million)	125.6	131.7
Operating profit (EUR million)	-2.5	-5.1
Profit for the period (EUR million)	-4.5	-7.2
Return on equity %	-5.6	-9.2
Equity ratio %	43.8	46.6
Net gearing %	69.5	57.4
Interest-bearing net liabilities (EUR million)	32.0	30.1
Balance sheet total (EUR million)	105.5	112.9

HIGHLIGHTS

Seppo Kuula starts as Enfo's **CEO** and Enfo begins the execution of its **sharpened strategy**.

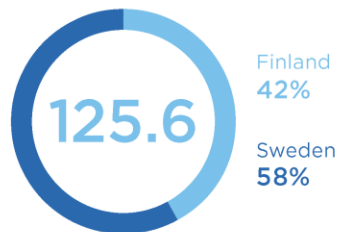
Enfo launches its **Cloud Care** concept at the AWS summit in Sweden and becomes an AWS Managed Service Partner. During the year Enfo develops Cloud Care capability for SAP.

In a market that is rapidly moving towards cloud-based solutions, Enfo decides to **end classical outsourcing operations in Sweden** and to close down the business unit Care Transform Karlskrona. Earlier in the year Enfo decided to close down the data center in Karlskrona.

Enfo implements a **new structure** and during the fall **simplifies its legal structure** in Sweden.

NET SALES

EUR million, total



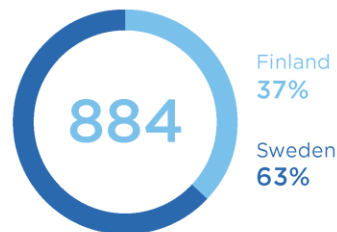
EBITDA EXCL. NON-RECURRING ITEMS

EUR million



EXPERTS

total

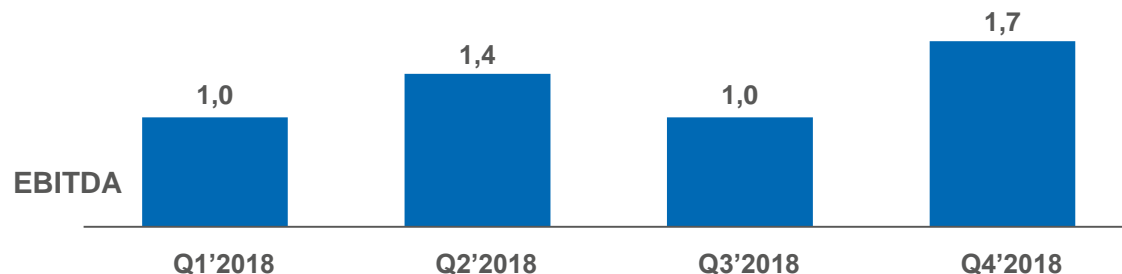


CUSTOMERS

(approx.)



THE PROFIT WAS AFFECTED BY NON-RECURRING ITEMS



- EBITDA excluding non-recurring items was moderate at EUR 5.1 million (6.4), however not fully in line with the target.
- The profit was affected by non-recurring items related to closing down the business unit Care Transform Karlskrona in Sweden as well ending the outsourcing project related to financial processes and tools. Both measures were needed for a sustainable business foundation.
- There were no substantial deviations in the development of profitability and the direction was right over the year, even if monthly volatility was a challenge.



OUR VALUES



COLLABORATION



TRUST



**CONTINUOUS
DEVELOPMENT**



EXPERTISE

OUR VALUE PROPOSITION



MASTERING COMPLEXITY

We both build and run digital solutions – supporting our customers in mastering the complex scene of hybrid platforms, business applications and new digital services.



CONFIDENCE IN CLOUD

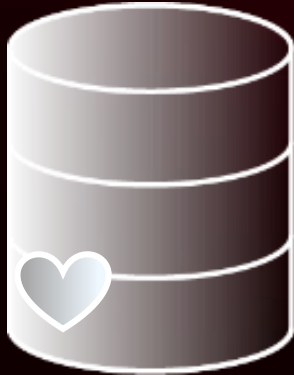
We pride ourselves in our comprehensive cross-platform expertise. With our steadfast confidence in the cloud, our aim is to be the leading cloud service provider in the Nordics by 2020.



GENUINE CARE

We believe it's not just about what you do – it's about how you do it. We take ownership of our customers' business transformation as if it were our own. This is our craft and our prime focus.

ONLY IN THE CLOUD CAN DATA GENUINLY BE BROUGHT TOGETHER



80%

of business-critical
apps in **data centers**

DISRUPTION IN **5** YEARS

- Cost
- Security
- **Ecosystem data**

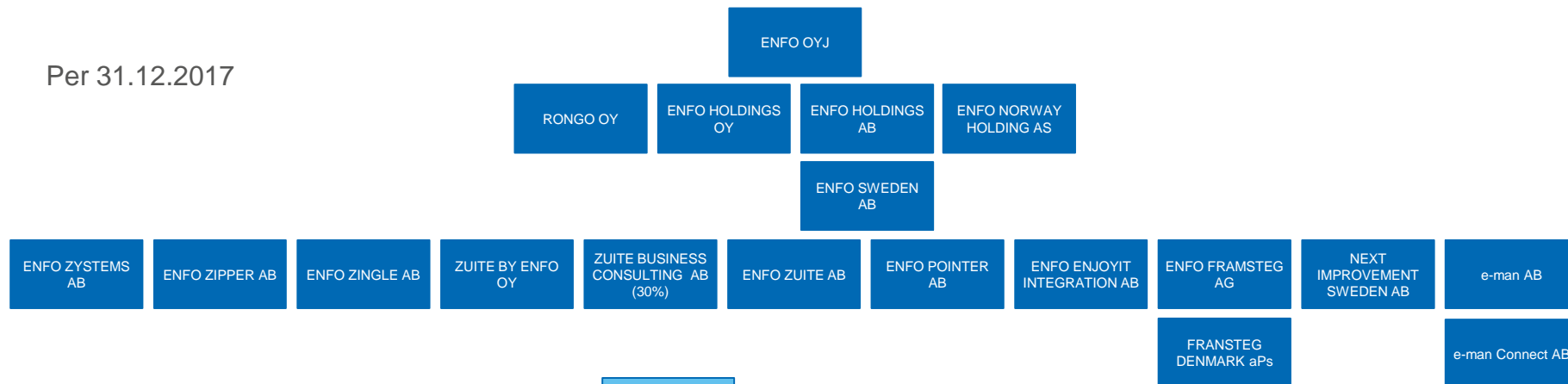


80%

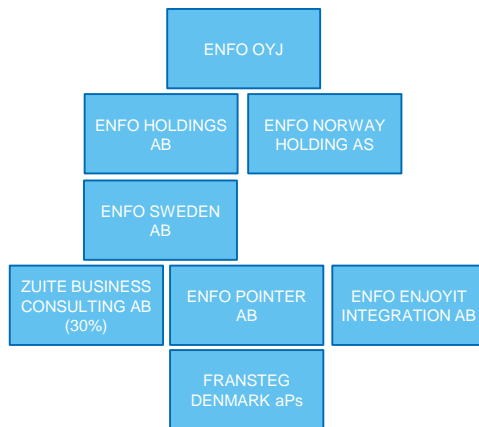
of business-critical
apps **in cloud**

LEGAL STRUCTURE SIMPLIFIED

Per 31.12.2017



Per 31.12.2018



Business area

APPLICATIONS

From resourcing to co-creation

Applications, digital services and integration with all leading technologies

Key market drivers

- Capability to handle data in and between applications and digital services
- Capability to bring together data through integrations
- Data security

Business area

INFORMATION MANAGEMENT

From application to system to governance

Information as a strategic asset: how to master exponentially growing amounts of data

Key market drivers

- Digitalization: control, govern, share and exploit data
- Visibility to current operations, capability to predict the future
- Performance and productivity as well as new business opportunities with data, the analysis and visualization of data as well as robotics and AI

Business area

DATA PLATFORMS

From data center to hybrid to public cloud

Versatile platforms for the management of data

Key market drivers

- Speed requirements in all operations and services
- B2B customer experience moving towards B2C
- Bringing together data in the company's ecosystem for value and new opportunities

Business area

CARE

From outsourcing to enabling our customers' journey to a cross-platform environment

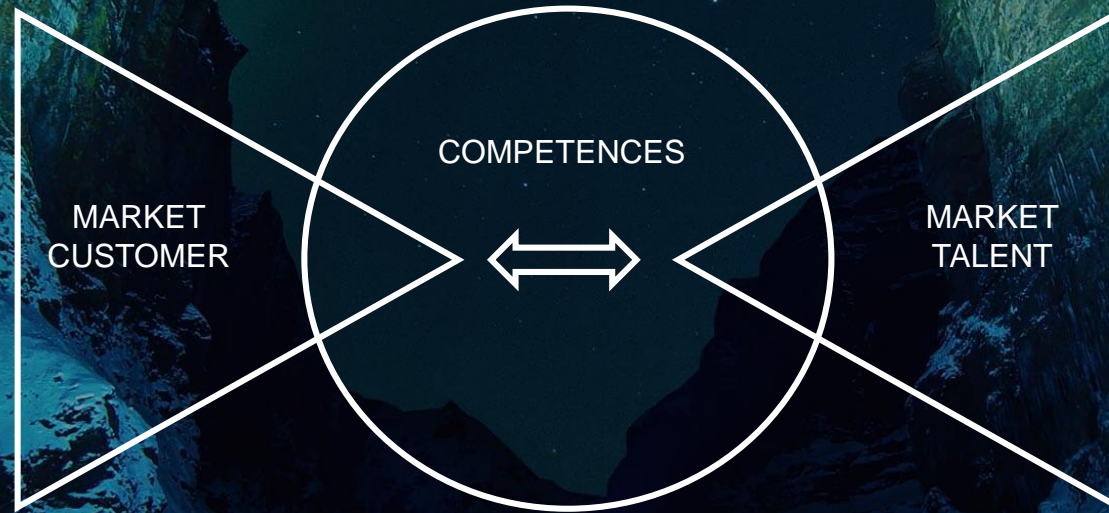
Genuine care for our customers and their solutions through a co-creational approach

Key market drivers

- Life cycle approach to solutions
- IT enabling smooth business operations
- Workplace services for enhancing the employee experience provided by the customers
- Need of IT advice in mergers and acquisitions and other business structuring

TIGER TEAM

COMPETENCE MANAGEMENT



2019

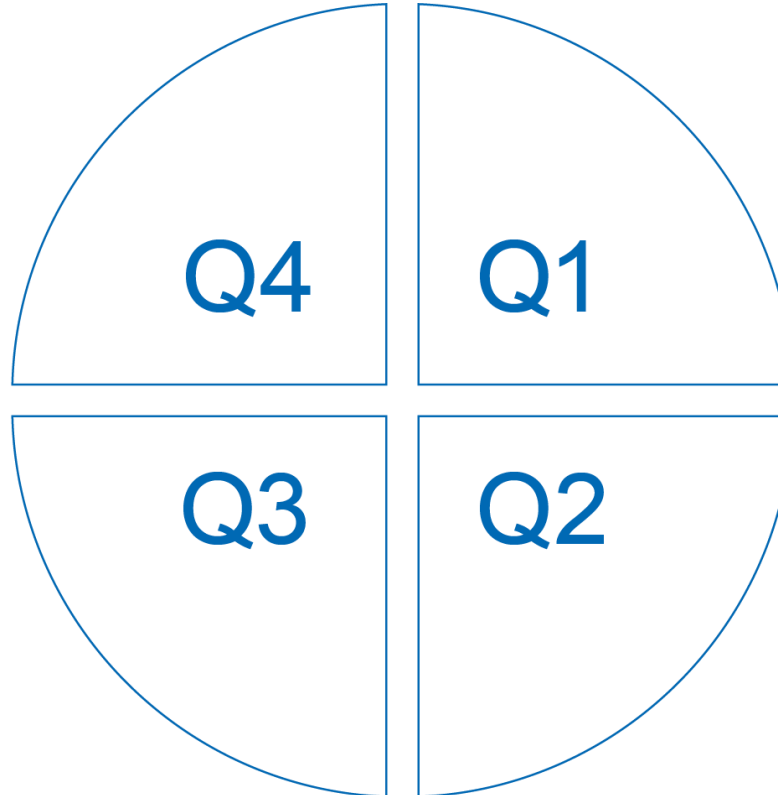
2019: COLLABORATIVE VALUE CREATION

CLOUD AND INFORMATION MANAGEMENT

We increase business operations related to cloud and information management. Trusted partnership is the target in customer relations.

COMPETENCE MANAGEMENT

We develop a competence management solution, that will enable us to manage our business and competence acquisition based on market demand, providing competitive advantage.



COOPERATION

We align Sales, Marketing & BA's and continue to strengthen common culture and anchor story and values.

OWNERSHIP, INTERNAL STEERING MECHANISMS

We develop ownership in BU's as well as financial processes and tools to enhance proactive transparency and maneuverability.

FOCUS ON PROFITABILITY

- Utilization rate in consultancy business to higher level, alignment Sales and Business Areas
- Employee turnover rate at appropriate level
- Sales increased in information management and cloud services
- Further investments in offshoring
- Advancing competence management: embracing market opportunities, recruitment efficiency
- Centralizing administration activities for improved efficiency



THANK YOU

Seppo Kuula

CEO

+358 40 370 0032

seppo.kuula@enfogroup.com



enfogroup.com

enfo