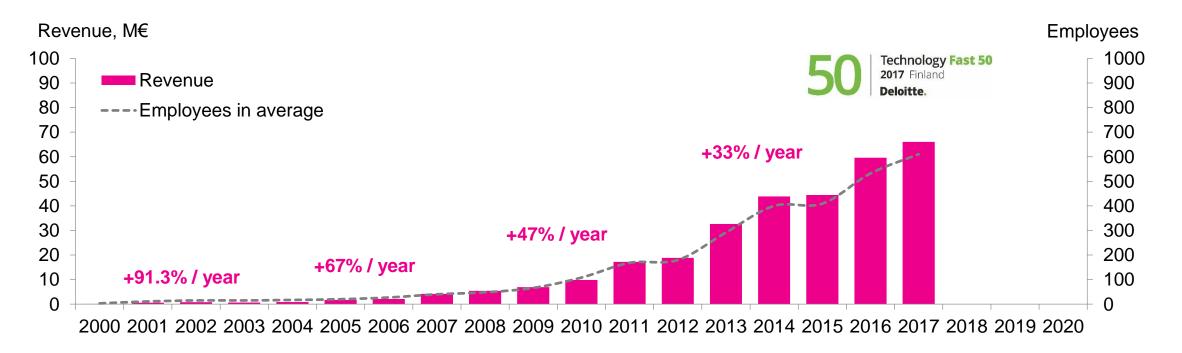




Systematic Growth since 2000



Start Up -**Everything for Everyone**

- Innofactor founded by Sami Ensio in Jan 2000
- · Innofactor's first Microsoftbased product "Prime" released

#1 in Selected **Micro Segments**

- Microsoft SharePoint pioneer
- First M&A activities

enfo TietoEnator[®] E-Business

#1 Microsoft-based **Provider in Finland**

- · CRM, BI and case management included in the offering
- Reverse IPO, NASDAQ Helsinki







the Nordics

- Cloud transition
- Several acquisitions in the Nordic countries



#1 Microsoft-based Provider in #1 Provider of Cloud Solutions and Digital Transformation in the **Nordics**

- Harmonizing offering across the **Nordics**
- 20% growth and 20% EBITDA



Innofactor – Leading Nordic driver of Modern Digital Organization

- 1,500+ customers from commercial, public sector and membership-based organizations
- 15 enterprise-level Microsoft Gold Competencies
- Circa 600 professionals, 1,600+ Microsoft certificates, 10+ MVPs
- Revenue EUR 65,7M (2017), growth 20+% and EBITDA 7.5+% (2013 to 2017 CAGR)
- Listed in NASDAQ Helsinki, 12,000+ shareholders



Gold Application Development Gold Application Integration

Gold Cloud Customer Relationship Management

Gold Cloud Platform

Gold Cloud Productivity

Gold Collaboration and Content

Gold Customer Relationship Management

Gold Data Analytics

Gold Data Platform

Gold Datacenter

Gold Enterprise Mobility Management

Gold Enterprise Resource Planning

Gold Identity and Access

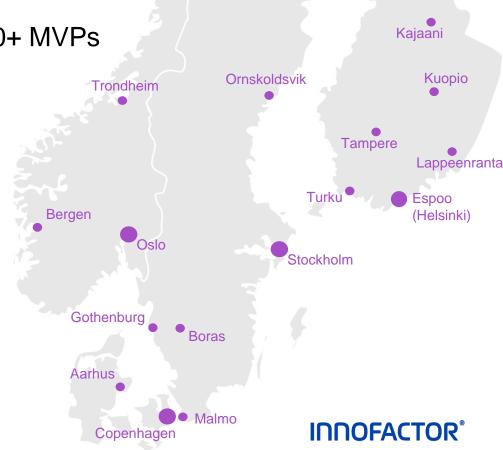
Gold Project and Portfolio Management

Gold Windows and Devices

ORGANISATION CERTIFIED BY Inspecta

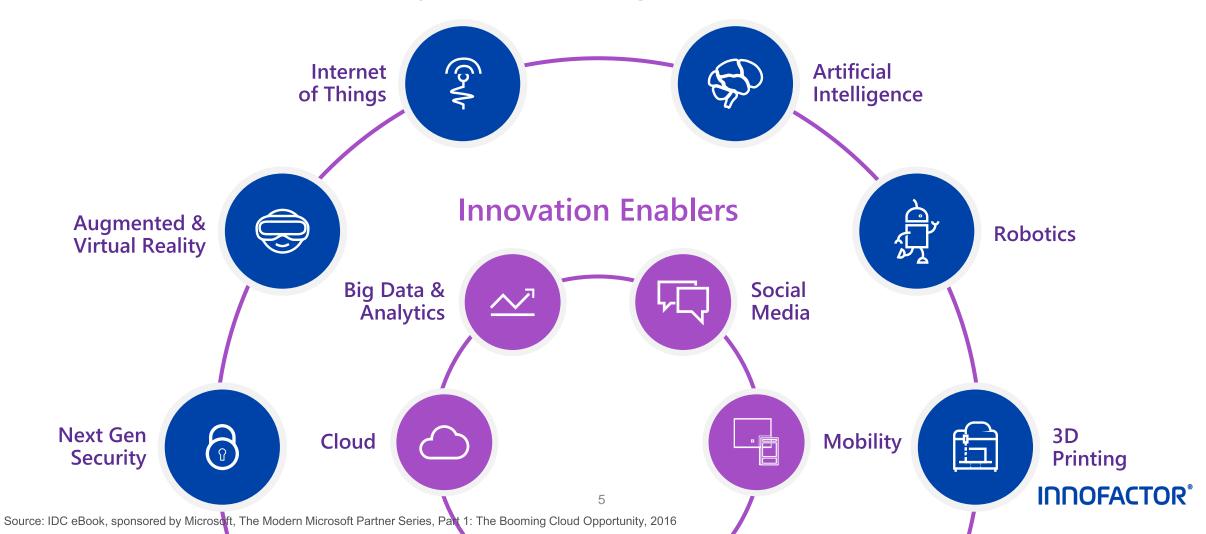
ISO 9001 ISO 13485 ISO/IEC 27001 AQAP-2110



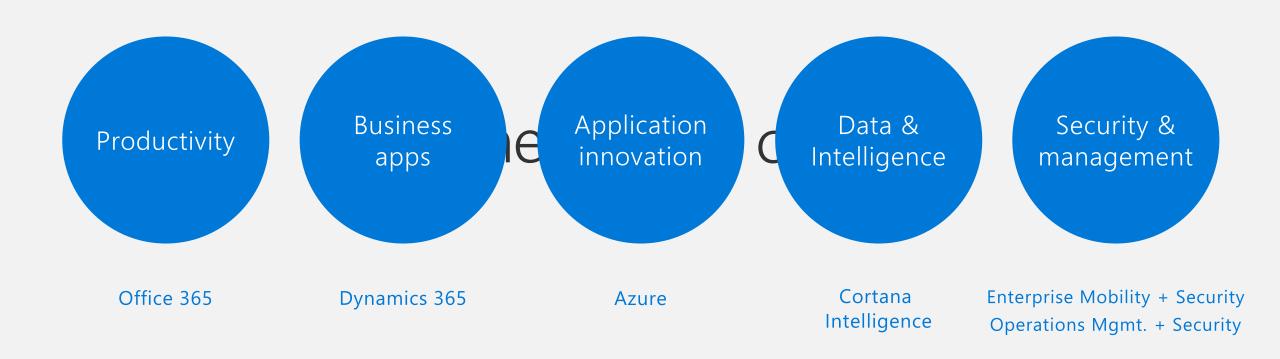


Digital Transformation Changes Our Society

Key Trends Driving Innovation



Journey to the cloud



Source: Microsoft, 2016



Our Solutions for Building a Modern Digital Organization



Modern Digital Organization



More Personal Digital Customer Experience

- Service Design
- Websites & Mobile Apps
- Digital Customer Service & Marketing



Higher Operational Productivity

- Customer Relationship Management (CRM)
- Enterprise Resource Planning (ERP)
- Project & Portfolio Management (PPM)
- Quality & Management Solutions
- Case & Document Management
- HR & Talent Management



Secure Cloud Platform

- Cloud Infrastructure, Governance, Security & GDPR
- Identity & Access Management
- Enterprise Mobility + Security
- Managed Cloud Services



Data-driven Business

- Business Intelligence
- Advanced Analytics, Artificial Intelligence & Machine Learning
- Internet of Things (IoT)



Modern Employee Experience

Digital Collaboration & Modern Work

Modern delivery model guarantees effective implementation and maximum business value

Storyboard

Evaluating the customer's current state and helping them shape the digital vision for their organization

Foundation

Defining the structure and governance needed to implement new solutions

Implementation and Delivery

Developing, tailoring and deploying the solution based on proven concepts and platforms

Adoption

Focusing on ensuring that the organization and users adopt the new solution so that its benefits are fully realized

Managed Services and Continuous Development

Ensuring the solution is continuously managed and developed and meets the organizations future needs

Customer Experience Journey – Engage your customer digitally in a way that's most convenient for them

Digital Operations Journey - Create business value, accelerate innovation and increase productivity by digitalizing your operations

Employee Experience Journey – Empower your employees through personal engagement and modern collaboration tools

Cloud Journey - Successfully design, implement and utilize cloud services and build a secure, scalable cloud platform

Data-Driven Business Journey – Empower your leadership and employees to make better decisions leveraging advanced analytics and Al

Top Nordic customers: 1500+ Commercial, Public Sector and Membership-based Customers



Our Mission:

Driving the #ModernDigitalOrganization

Our Vision:

The leading provider of organizations' digital transformation in each of the Nordic Countries.

Our long-term financial goal is to grow profitably:

- By achieving annual growth of about 20 percent, most of which should be organic
- By achieving about 20 percent EBITDA in relation to the net sales
- By keeping the cash flow positive and securing solid financial standing in all situations

Our Strategy:

Best Nordic professionals in the Microsoft ecosystem

Visionary Nordic customers in defined industries

Leading offering in cloud solutions and digital transformation



Proactive, valueadding and flexible delivery model



Microsoft Has the Leading Ecosystem in Innofactor's Strategic Focus Areas

- Microsoft is the leading global provider in Innofactor's strategic focus areas
- By focusing on the Microsoft ecosystem Innofactor can attract the best talent and know-how and have close relations to Microsoft
- If Microsoft were to lose its leading position in some areas Innofactor could transition to other partners in these areas

Cloud infrastructure* Analytics* CRM* FACILITATOR Condition C



EXPERT

CORE PROVIDE

^{*} Source: Gartner 2016–2017, internet

^{**} Source: Nucleus Research 2016, internet

Innofactor Competitive Positioning in the Nordic EUR 10 Billion Microsoft IT Services Market

Nordic IT services market 25 billion euro*

Nordic Microsoft IT-services market 10 billion euro**

Mid-sized, not in all Nordic
Countries,
several
technologies
- E.g. Siili, Solita,
Digia,
Netcompany and
Precio

Our Competitive Advantage:

leading know-howin Microsoft-basedsolutionsproductized

offering

Large companies, in every Nordic Country, all solution areas, and several technologies

- E.g. Tieto, CGI, Fujitsu and Accenture

Our Competitive Advantage:

- more skilled local professionalsbetter productized offering
- more flexible mode of operation

INNOFACTOR®

Our Competitive Advantage:

- Trustworthiness of a listed company
 - Established processes
 - Strong customer references.

Our Competitive Advantage:

- leading know-how in Microsoft-based solutions
- stronger industry focus & knowledge
- Broader offering

+3–5%

>+5%

Mid-sized, in every Nordic Country, focusing on specific solutions - E.g. Atea, HiQ,

E.g. Atea, HiQ
 Knowit and EG

Small companies, usually only in home market, one solution or one technology - E.g. Sulava, Cloudriven ja Proactive

^{*} Source: IDC, internet

^{**} Estimate Microsoft market share to approx. 40%

Organization Plan

Board of Directors

Pekka Eloholma (Ch.) Sami Ensio Anna Lindén Risto Linturi

Sami Ensio President and CEO

Marko Lehtonen CFO

Vesa Syrjäkari EVP, BizDev & OprExl Sanna Lindner EVP, HR N.N.

PRODUCTS
AND SERVICES
Janne Heikkinen
EVP, Products &
Services

FINLAND Sami Ensio President and CEO, Country Manager, Finland

SWEDEN Viktor Lundqvist Managing Director, Country Manager, Sweden

Digital

Experience

Jyrki Vepsäläinen

Vice President

DENMARK Per Bendix Olsen Managing Director, Country Manager, Denmark

Vice President

NORWAY Vesa Syrjäkari Managing Director, Country Manager, Norway (acting)

Sales
Antti Pohjolainen, Vice President

Business Productized Productivity Solutions

Tom Puusola Mikko Myllys

Mikko Myllys
Vice President

Innofactor's Founder and CEO

Sami Ensio, born 1971, M.Sc. (Tech.)

Founder and CEO of Innofactor. Previously member of the Omnitele Management Team. Several positions of trust in the Federation of Finnish Technology Industries and Confederation of Finnish Industries. Member of Partner Advisory Council in Microsoft Corporation.

Sami Ensio's specialties include solid and comprehensive know-how of the software industry as well as strategic and operational leadership and managing profitable growth. Sami Ensio was, for example, selected Software Entrepreneur of the year by the Finnish Software Entrepreneurs Association.

Education: Master of Science (Technology), technical physics, Helsinki University of Technology (Aalto University), legal studies at the University of Helsinki and general business studies at University of California, Los Angeles UCLA.

Shareholding: about 7.7 million shares (circa 21%)

More information: https://fi.linkedin.com/in/ensio



Other Group Executive Board



Per Bendix MD (acting), Country Manager, Denmark. Employed by Innofactor since 2017. Born in 1958. Ownership: 11,800 shares.



Janne Heikkinen M.Sc. (Tech.) Chief Technology Officer and EVP Products and Services. Employed by Innofactor since 2015. Born in 1974. Ownership: 83,044 shares.



Marko Lehtonen M.Sc. Chief Finance Officer. Employed by Innofactor since 2018. Born in 1972. Ownership: 200 shares.



Sanna Lindner
M.Sc. (Psychology)
EVP, HR. Employed by Innofactor since 2017. Born in 1973.
Ownership: 0 shares.



Viktor Lundqvist
M.Sc. (Computer Engineering)
MD, Country Manager, Sweden.
Employed by Innofactor since 2016.
Born in 1982. Ownership 30 000
shares.



Vesa Syrjäkari
M.Sc. Executive Vice
President, Business
Development and Operational
Excellence. Employed by
Innofactor since 2017. Born in
1960. Ownership:
50,000 shares.

Board of Directors



Pekka Eloholma, Chairman M.Sc. (Tech.) CEO of Nebula 2014–2017. CEO of Affecto 2006–2013. Former management positions in, for example, Setec, Siemens, FinnetCom, and Helsingin Puhelin (current Elisa). Born in 1960. Ownership: 28,690 shares.



Anna Lindén M.A. COO of the Nokia Mobile Networks business group. Several positions at Nokia since 1998. Born in 1973. Ownership with related parties: 21,200 shares.



Sami Ensio
M.Sc. (Tech.) Innofactor's founder and CEO since 2000.
Member of the Microsoft Corporation's Partner Advisory
Council since 2014. Several positions of trust in the
Federation of Finnish Technology Industries and the
Confederation of Finnish Industries since 2013. Born in
1971. Ownership with related parties: 7,716,173 shares.



Risto Linturi
M.Sc. (Tech.) Chairman of the Board of Sovelto. Director of Aalto
University's Radical innovations program 2004–2014. Previously CTO of
Helsingin Puhelin (current Elisa). One of Finland's most acknowledged
researchers of future and has drawn up reports, for example, for the Finnish
Parliament. Born in 1957. Ownership with related parties: 1,256,411 shares.

How to Achieve Long-term Financial Goals

20% Growth:

Focus on selected industries and solution areas (customer journeys) that provide the highest growth opportunities and allow us best to scale existing offering in the Nordics

Focus on current customers and cross sales getting bigger share of wallet of customer's digital transformation budget

Improving modern digital marketing and sales skill to achieve better and more cost-effective sales results

Focus on competence planning, recruiting and resource optimization across Nordics

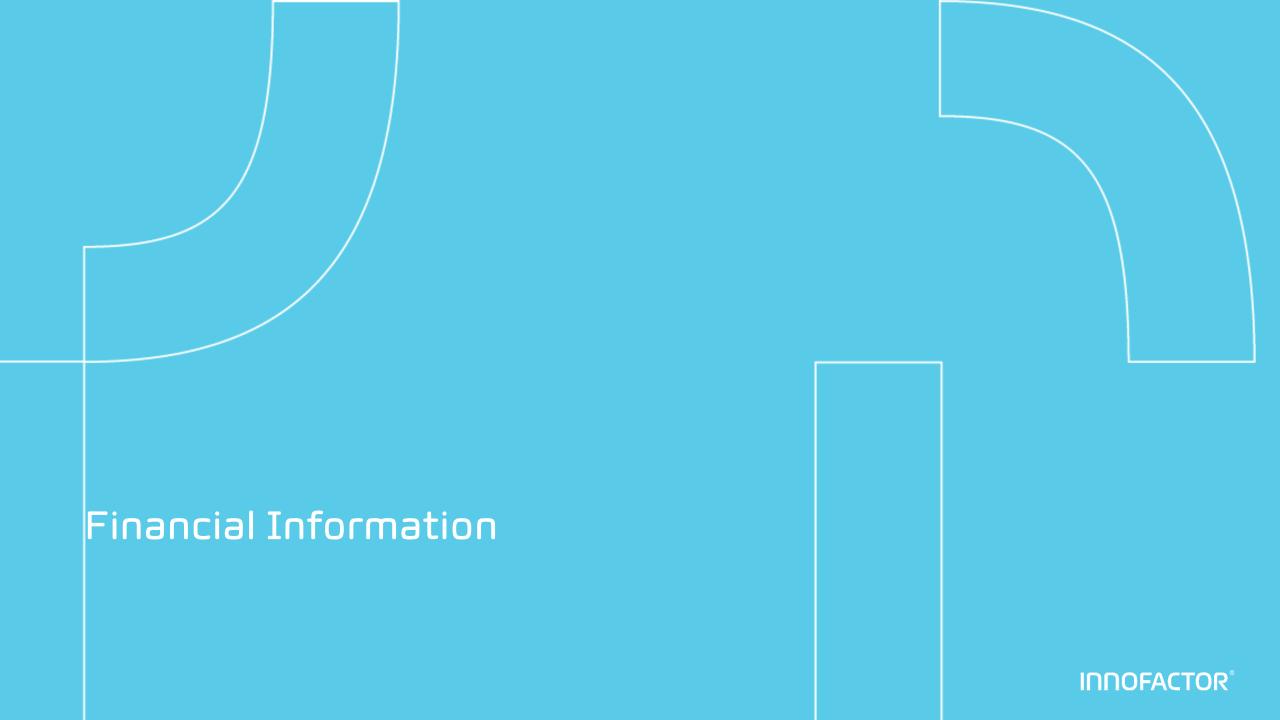
20% EBITDA:

Shifting revenues from projects and professional services toward products, IP-based and continuously managed services that support selected solution areas and industries

Getting increasing hour price because of the best Nordic professionals (seniors and juniors) and leading offering

Reducing organizational layers, creating selforganized teams, better span of control, communication and faster decision making

Continuously improving our flexible valueadding delivery model minimizing number of non-invoiced hours and maximizing customer satisfaction



Q3/2018 Results

In 3rd quarter loss was slightly smaller than in comparison period, though Revenue was behind targets

We revised our strategy, in which our mission is driving modern digital organization #ModernDigitalOrganization

As a result of co-operation negotiations related to strategy and its implementation, we aim to have ca. 2,4 million euros positive impact on EBITDA on annual basis.

Revenue
13.8 M€
-2.5% vs.
Q3/2017

EBITDA

-3.7 %

-0.5 M€

+26.1%

VS.

Q3/2017



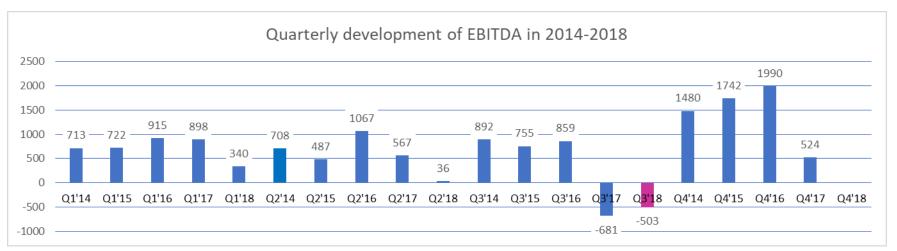
Q1-Q3/2018 Actuals

Selected Key Figures							
	Q1-Q3 /2018	Q1-Q3 /2017	Change (%)	CEO's comment			
Net Sales (kEUR)	47 253	48 527	-2.6%	"Revenue was behind our targets regardless of corrective actions. We received several significant orders, as for example STEA ca. 2.1 million euros and Kuntien Tiera Oy ca. 2.0 million euros. New orders are estimated to have positive impact in revenue development in future"			
EBITDA (kEUR)	-124	784	-115.9%	"In order to achieve strategic targets Innofactor informed about co-operation negotiations 8 th September 2018, which are estimated to have positive annual level impact on EBITDA ca. 2.4 million euros."			
Equity Ratio (%)	41.2%	43.8%		"Due to challenging EBITDA level also cash flow in the period was weaker than targeted and it reduced equity ratio."			



Quarterly Development of Innofactor Group Financials

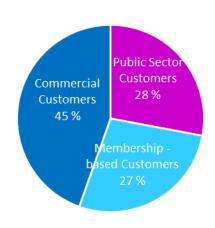




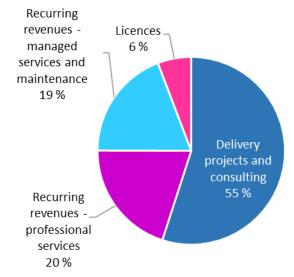


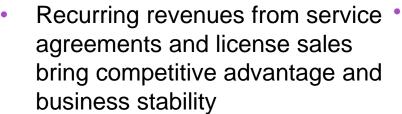
Broad Customer Base, Long-term Contracts and Business Footprint in Nordic Countries Bring Stability

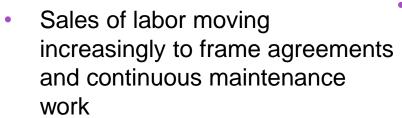
Distribution of net sales July 1 to September 30, 2018

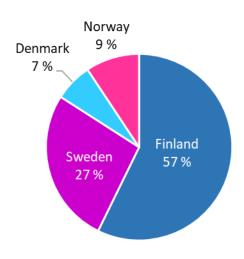


- Strong customers in both public and private sectors bring stability in economic fluctuations
- 10 largest customers account for approximately 25% of net sales









- Sweden, Denmark and Norway represented a significant portion of Innofactor's revenues.
- Innofactor's objective is to create a strong position in all Nordic countries



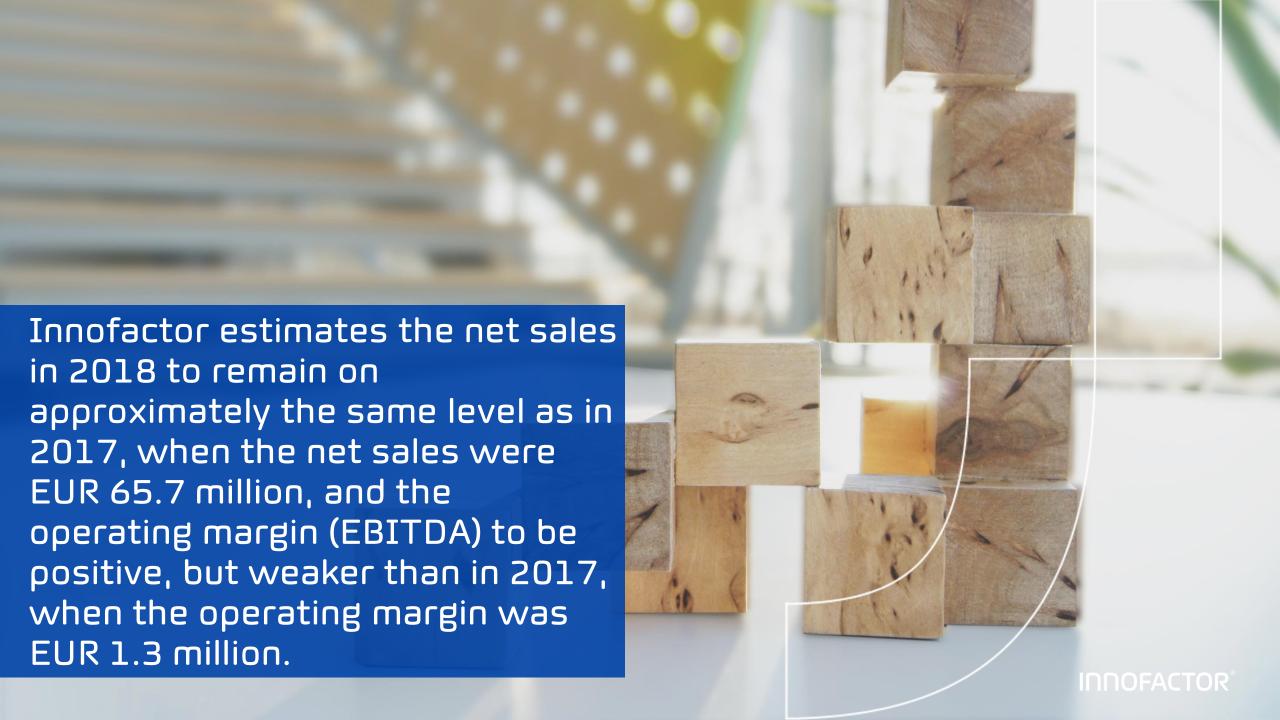
Innofactor Key Financials, IFRS

		Jul 1–Sep		Jan 1– Sep 30,	Jan 1–Sep		Jan 1–Dec
	30, 2018	30, 2017	Change	2018	30, 2017	Change	31, 2017
Net sales, EUR thousand	13,773	14,126	-2.5%	47,253	48,527	-2.6%	65,666
Growth of net sales	-2.5%	19.7%		-2.6%	16.6%		10.1%
Operating profit before depreciation and amortization							
(EBITDA), EUR thousand	-503	-681	26.1%	-124	784	-115.9%	1,308
percentage of net sales*	-3.7%	-4.8%		-0.3%	1.6%		2.0%
Operating profit/loss (EBIT), EUR thousand*	-1,186	-1,348	12.1%	-2,177	-1,229	-77.2%	-1,461
percentage of net sales* Earnings before taxes, EUR	-8.6%	-9.5%		-4.6%	-2.5%		-2.2%
thousand*	-1,223	-1,421	14.0%	-2,480	-1,571	-57.9%	-1,579
percentage of net sales*	-8.9%	-10.1%		-5.2%	-3.2%		-2.4%
Earnings, EUR thousand*	-763	-1,137	32.9%	-2,227	-1,624	-37.1%	-2,007
percentage of net sales*	-5.5%	-8.0%		-4.7%	-3.3%		-3.1%
Net gearing	71.4%	55.7%		71.4%	55.7%		53.8%
Equity ratio	41.2%	43,8%		41.2%	43.8%		43.4%
Active personnel on average during the review period**	591	623	-5.1%	598	609	-1.8%	610
Earnings per share (EUR)	-0.0271	-0.0314	13.8%	-0.0548	-0.0359	-52.9%	-0.0357

^{*)} In accordance with IFRS 3, the operating result for July 1–September 30, 2018, includes EUR 507 thousand (2017: 507) in depreciations related to acquisitions, consisting of allocations of the purchase price to intangible assets. In accordance with IFRS 3, the operating result for January 1–September 30, 2018, includes EUR 1,521 thousand (2017: 1,521) in depreciations related to acquisitions, consisting of allocations of the purchase price to intangible assets.



^{**)} The Innofactor Group monitors the number of active personnel. The number of active personnel does not include employees who are on a leave of over 3 months.





The Most Significant Stock Exchange Releases Q3

- On September 12, 2018, Innofactor announced in a stock exchange release that the Funding Centre for Social Welfare and Health Organisations (STEA) has selected Innofactor in a public procurement competition as the provider of ICT services. The value of the order is about EUR 2.1 million over four years.
- On September 19, 2018, Innofactor announced in a stock exchange release that a private Finnish healthcare company and Innofactor have signed an agreement on September 19, 2018, concerning the delivery of a solution based on Microsoft Dynamics 365 Finance and Operations for the company's financial management. The value of the deal is approximately EUR 0.5 million during 2018 and 2019.
- On September 19, 2018, Innofactor announced in a stock exchange release that Kuntien Tiera Oy has selected Innofactor in a public procurement competition as the primary provider of Microsoft SharePoint and Microsoft Dynamics 365 services. The duration of the framework agreement is four years, and the total value of the services is approximately EUR 2 million.

The Most Significant Stock Exchange Releases after Q3

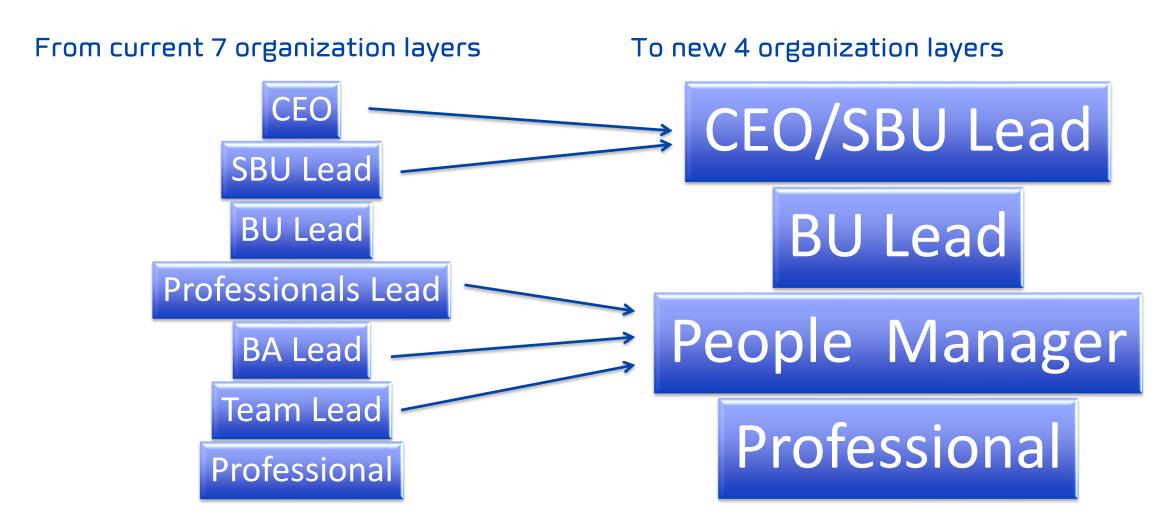
- On October 8, 2018, Innofactor announced in a stock exchange release that it had updated its strategy. The updated strategy is presented in more detail in the section "Strategy and its realization in the review period."
- On October 8, 2018, Innofactor announced in a stock exchange release that it is starting cooperation negotiations based on its updated strategy and related to the development of its organization.
- On October 8, 2018, Innofactor announced in a stock exchange release that it estimates that its result prospects for 2018 will be weaker than previously stated, due to reorganization.
- On October 30, 2018, Innofactor announced in a stock exchange release that cooperation negotiations have been concluded.



Co-operation Negotiations

- Innofactor announced start of negotiations 8.10.2018 and they were concluded 29.10.2018.
- The goal of the negotiations was to achieve, through reorganization of tasks, an operation model that would better support our strategy, and also an annual positive effect of EUR 2.0 million in Innofactor's operating margin starting from 2019.
- Innofactor reduces the number of personnel by a total of 12 or 13, which will result in annual savings of EUR 1.4 million starting from 2019. However, the number of employees laid off does not exceed 8 persons in any of the Innofactor companies. Additionally, tasks are reorganized so that persons, who have previously worked either partially or totally in internal tasks, can be transferred to customer work. This is estimated to improve the operating margin approximately EUR 1.0 million annually. In total, starting from 2019, the current actions are estimated to result in a positive annual effect of EUR 2.4 million in the operating margin
- In the Finnish delivery organization, we manage to remove three levels of organization. This will be achieved by introducing self-organized teams and by replacing the current 50 superiors, most of whom are acting as superiors in addition to their actual tasks, with 16 full-time superiors and line managers, which means that a significant part of current superiors will have much more time for sales and customer work, and also by an arrangement in which the Innofactor Group's CEO Sami Ensio will handle also the tasks of the Finnish Country Manager. From now on in Finland, there will only be two levels of superiors between the professionals and the CEO.

Reduction of Organization Layers in Finland

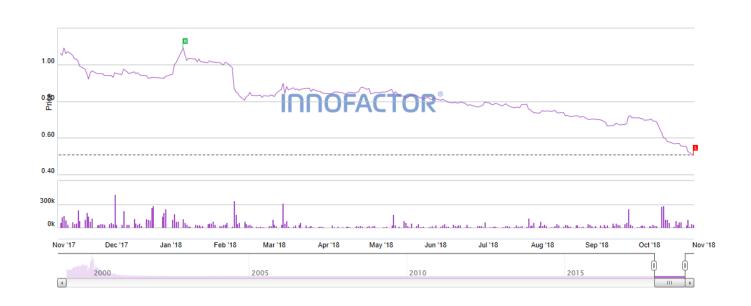


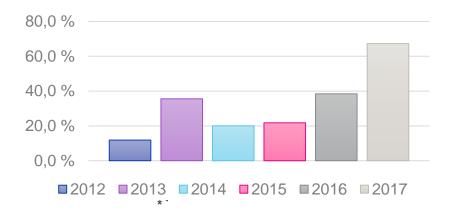
Largest shareholders June 30, 2018

Name	Number of shares	% of share capital
1. Ensio Sami	7,716,173	21.32%
Ensio Sami	5,542,413	15.32%
Minor under guardianship	724,588	2.00%
Minor under guardianship	724,586	2.00%
Minor under guardianship	724,586	2.00%
2. Ilmarinen Mutual Pension Insurance Company	1,800,000	4.97%
3. Tilman Tuomo Tapani	1,530,437	4.23%
4. Laiho Rami Tapani	1,255,159	3.47%
5. Linturi Kaija and Risto	1,256,411	3.47%
R. Linturi Oyj	489,107	1.35%
Linturi Kaija Anneli	430,000	1.19%
Linturi Risto Erkki Olavi	337,304	0.93%
6. Ärje Matias Juhanpoika	882,065	2.44%
7. Mäki Antti-Jussi	877,192	2.42%
8. Muukkonen Teemu Heikki	522,230	1.44%
9. Ingman Finance Oy Ab	500,000	1.38%
10. Järvenpää Janne-Olli	315,211	0.87%
11. Kukkonen Heikki-Harri	286,931	0.79%
12. Rausanne Oy	273,040	0.75%
13. Hellen Stefan Andreas	250,000	0.69%
14. Laiho Jari Olavi	235,000	0.65%
15. Mäkinen Antti Vilho Juhani	159,000	0.44%
16. Heikki Tervonen Oy	153,000	0.42%
17. Mandatum Life	130,359	0.36%
18. Salmela Alpo Jalmari	128,900	0.36%
19. Harju Petteri	126,252	0.35%
20. Muurinen Hannu Olavi	125,750	0.35%



Innofactor Share Price Development and Turnover (Closing October 26th, 2018 at €0.51)





* The high turnover in 2013 is due to the atBusiness acquisition and an option relating to this where Innofactor purchased approx. 4.7 million of its own shares. This constitutes approx. 29 percent of the share turnover in 2013.

Share Price Development

Beginning of 2018 -44,49%
1 year change -51,04%
3 year change -33,89%
5 year change -55,26%

Year highest 1,13EUR Year lowest 0,50EUR In public trading on July 1–September 30, 2018, a total of 2 031 594 shares were traded (2017: 3 925 652 shares), which corresponds to 5,6 percent (2017: 10,8%) of the average number of shares on the said period. The share trading decreased by 48,2 percent compared to the corresponding period in 2017.



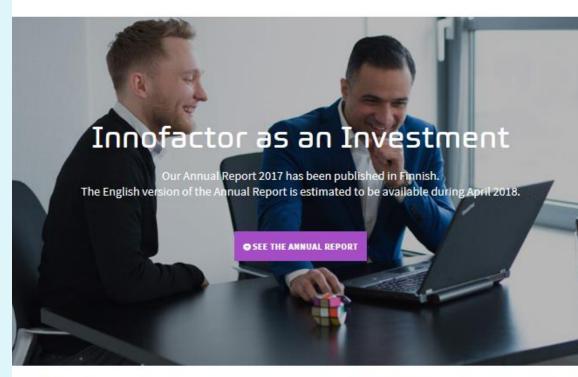
What We Do Customers What's New

For more information

https://www.innofactor.com/invest-in-us/innofactor-as-aninvestment/

Sami Ensio CEO +358 50 584 2029 sami.ensio@innofactor.com

Marko Lehtonen CFO +358 50 575 5006 marko.lehtonen@innofactor.com

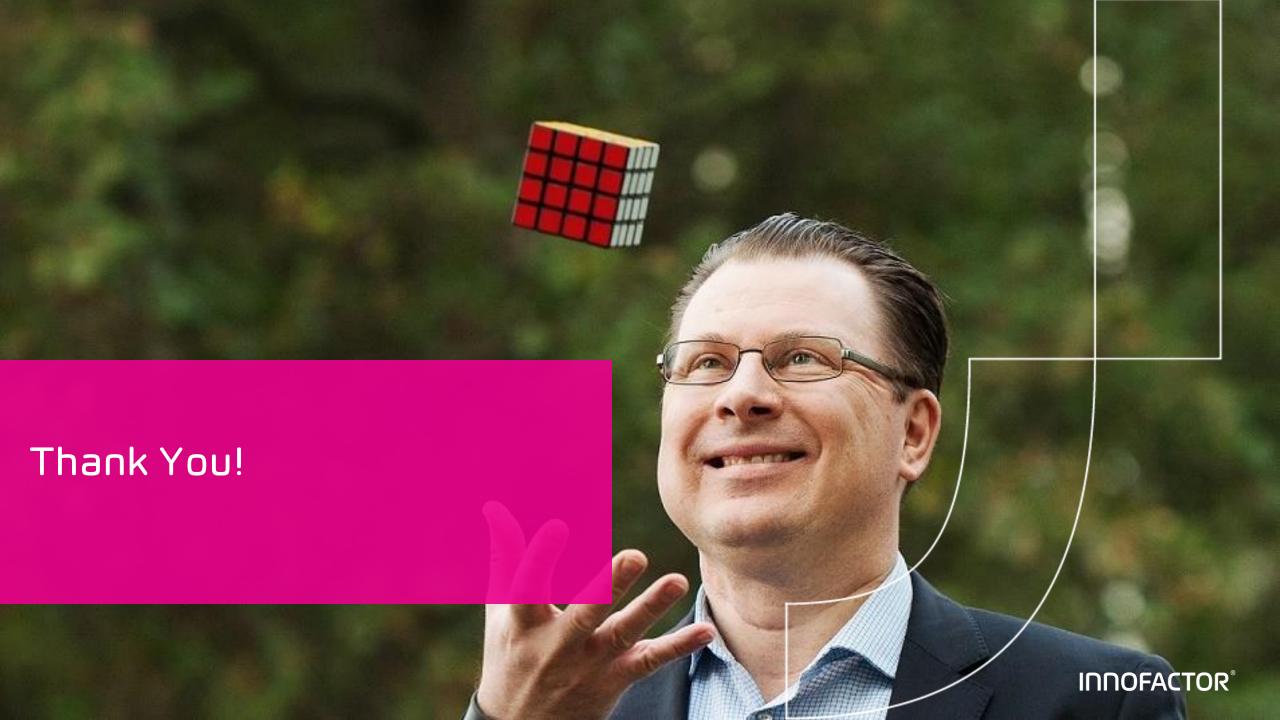


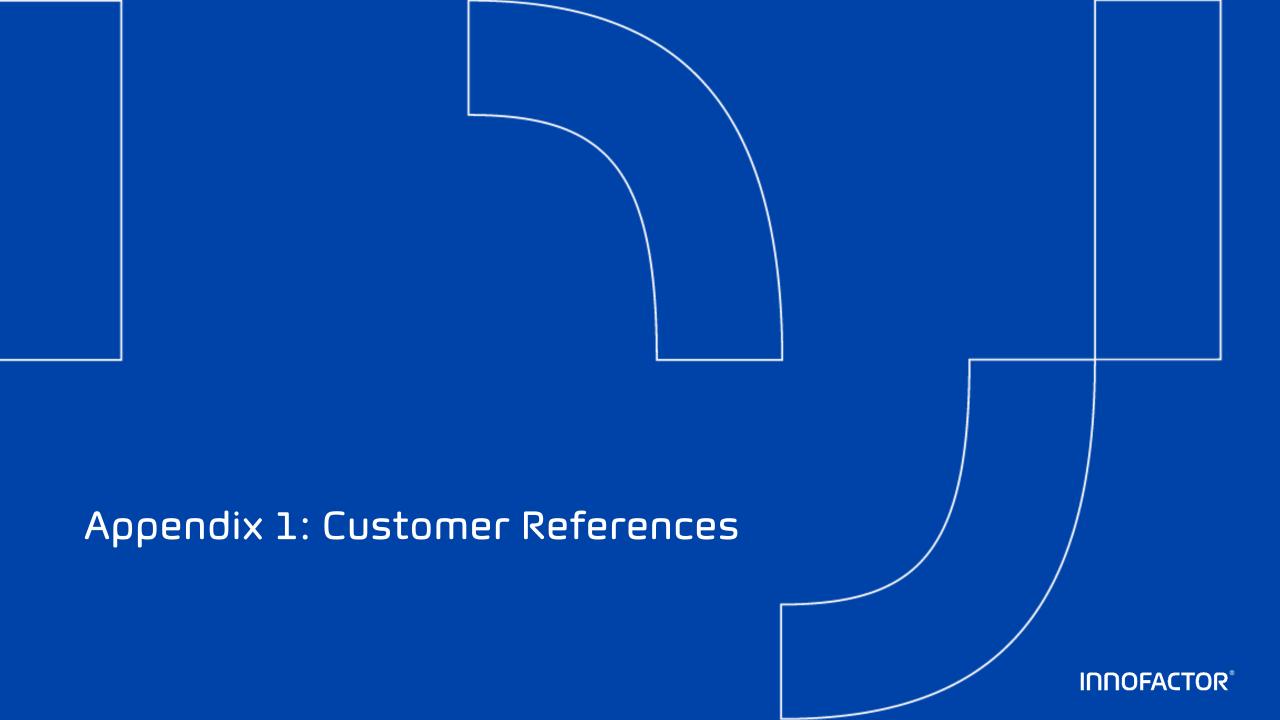
A Leading Nordic Provider of Digitalization and Cloud Solutions

Innofactor is a leading Nordic provider of digitalization and cloud solutions. We have Microsoft Ecosystem's leading expertise, the most comprehensive offering in the Nordics, and over 600 eager and motivated top professionals in Finland, Sweden, Denmark and Norway. We serve over 1,500 commercial, public, and third sector organizations. In 2013 to 2017, the annual growth of our net sales has been approximately over 20%. The Innofactor PIc share is listed in the technology section of the main list of NASDAQ Helsinki Ltd.

Latest Stock Exchange Releases







Hospital District of Helsinki and Uusimaa

Digital Channels in Hospitals – the Health Village Brings Technology to People

"The aim of developing virtual and electronic services that are closely intertwined with patients' service paths is to design customer-focused and multi-channel services, enhance the prevention of illnesses and the efficiency of care, facilitate customers' timely access to treatment and increase the effectiveness of remote appointments. The use of eHealth services makes it possible to allocate human resources to more demanding service areas in which patient counseling and care requires a broader range of competencies."

Sirpa Arvonen

Project Director, HUS Virtual Hospital Project



Finnish Red Cross

My Red Cross – digital tools for volunteering

"The Finnish Red Cross has taken an energetic approach to solving the equation of digitality, volunteering and NGO activity. The success of this project can have a significant impact on Finnish society and the people in Finland. Our development strategy is focused on making volunteering easy. As our local activities are reliant on volunteers, the second key point of the strategy is to build digital services for local key volunteers to make organizing and leadership easier. The starting point for our digital program has been to identify which services are important from the users' perspective. This has helped us establish the foundation on which we are now building together with Innofactor."

Ilpo Kiiskinen

Communications Manager, Finnish Red Cross



Mitsubishi Motors

Better and more personal customer service with Microsoft Dynamics CRM

"We have had the pleasure to work with Innofactor in this business-critical project. It's a major initiative, that will strengthen our customer relationships and dialogue, building lasting and profitable relations between our customers, retailers and garages. Taking into account the significance of the investment, it feels particularly good to be able to trust Innofactor's experience and knowhow."

Karl-Thomas Albinsson CRM Manager Mitsubishi Motors Sweden



Kommunal

Better and More Personalized Services and Communications for Members

"We chose Innofactor because they genuinely understood our needs. They offered a ready-to-use solution customized to the needs of this membership-based organization. We also found that their Microsoft Dynamics CRM expertise was the most comprehensive in all of Sweden."

Hanna Stenholm

Head of Membership Administration, Kommunal



Linco Food Systems A/S

Innofactor QualityFirst helps with updating and sharing the organization's quality documentation

"We chose Innofactor QualityFirst because it met with our requirements, and did not need any further development. The solution was adapted directly into our current process management model"

Mogens From Winther
Quality Manager
Linco Food System A/S



Sparebanken Vest

Using Microsoft Azure to manage growth and operating expenses

"The local infrastructure has now been moved to the cloud. This was made possible by Innofactor's specialists, who have a strong understanding of the big picture as well as in-depth expertise. We had used Innofactor's consultants before, so it was an easy decision to turn to them for assistance and advice. Our cooperation with Innofactor has become even stronger after we selected Microsoft Azure as our solution. Innofactor knows Azure inside and out!"

Jørn Torsvik CIO Sparebanken Vest

