

CEO Jukka Ruuska and CFO Elina Stråhlman
8 May 2020

ASIAKASTIETO GROUP PLC

INTERIM REPORT

1.1.–31.3.2020

Intelligent decisions.
Bigger dreams.



Content



- Asiakastieto Group in brief
 - Asiakastieto - in business for 115 years
 - Nordic company with strong local brands
 - Four business areas
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- COVID-19 Readiness and resilience



A leading Nordic
company in digital
services and data
innovations.



Asiakastieto - in business for 115 years

- In **1905**, Suomen Luotonantajyhdistys and in **1912** Liikemiesten Tiedonantoyhdistys (since 1933 Luottotieto ry) were founded.
- In **1961**, Luottokontrolli Oy, a data distributor on hire purchase agreements and payment defaults, was established.
- In **1973**, UC AB was established.
- in **1987**, Luottokontrolli Oy (since 1988 Suomen Asiakastieto Oy) acquired Maksutieto Oy, a supplier of credit default information.
- In **1995**, Suomen Asiakastieto Oy acquired Suomen Luottotieto-osuuskunta (SLOK), which was formed as a result of merger between Suomen Luotonantaja-yhdistys and Luottotieto ry in 1992.
- In **2006 / 2008**, Suomen Asiakastieto Oy was sold to private equity.
- In **2013**, UC acquired Ljungqvist fastighetsinformation (renamed to UC Bostadsvärdering).
- On **30 of March 2015**, Asiakastieto Group listed on Nasdaq Helsinki.
- In **2016**, UC gained full ownership of allabolag.se.
- In **2016 / 2017**, Asiakastieto acquired Intellia Oy and Emaileri Oy.
- In June **2018**, UC and Asiakastieto combined.
- Since July **2019**, Proff has been part of Asiakastieto Group.



Asiakastieto Group

Asiakastieto and UC AB joined forces in 2018. In Finland we operate under the brand Suomen Asiakastieto Oy and in Sweden under UC AB. Since July 2019 Proff has been part of the Group.



LISTED ON
NASDAQ HELSINKI

NUMBER OF EMPLOYEES 31.3.2020

173
FINLAND

213
SWEDEN

46
NORWAY
DENMARK

432
TOGETHER



PROFF
The Business Finder
Since 2011

PROFF
The Business Finder
Since 2006

UC
Since 1977

PROFF
The Business Finder
Since 2011

asiakastieto
Since 1905



Intelligent decisions.
Bigger dreams.

MARKET CAPITALISATION

31.3.2020

615 MEUR



Partners in
Nordic region
and in Europe.

Approximately 55 000
corporate customers
within banking, finance,
retail, public sector and
small companies.



Almost
500 000
consumer
customers

In the front within digitalisation and data innovation



Asiakastieto's four business areas



DIGITAL PROCESSES

Services and solutions

- Real estate and apartment information
- Information about buildings and their valuation
- Solutions that help customers to automate their collateral management processes.
- For compliance purposes; for example to identify companies' beneficial owners and politically exposed persons.

SME AND CONSUMERS

Services for small and micro companies

- Easy to use applications and user interfaces for the evaluation of risks and sales potential
- Acquisition of other relevant information on customers and business partners and proof of own creditworthiness.

Services for consumers

- Help consumers to understand and better manage their finances, while simultaneously protecting them from identity theft and fraud.

CUSTOMER DATA MANAGEMENT

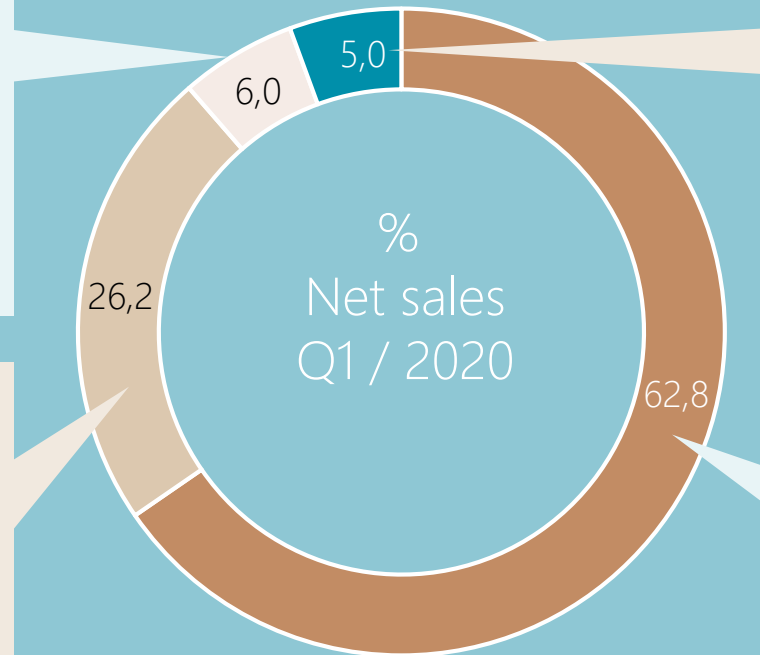
Services and solutions

- Target group tools for surveying potential customers
- Register updates and maintenance
- Target group extractions
- GDPR Service (outsourcing of customer registers)
- Consumer behaviour analytics and forecasting models

RISK DECISIONS

Services and solutions for

- General risk management
- Credit risk management
- Financial management
- Decision making
- Fraud and credit loss prevention
- Gaining knowledge of and identifying customers



Key figures Q1 / 2020



Net Sales

37,6
MEUR

Net sales growth at
comparable FX

10,4
%

Net Debt to
Adjusted EBITDA

2,8
X

Number of Personnel
31.3.2020

432

Adjusted
EBITDA

12,4
MEUR

Adjusted
EBITDA Margin

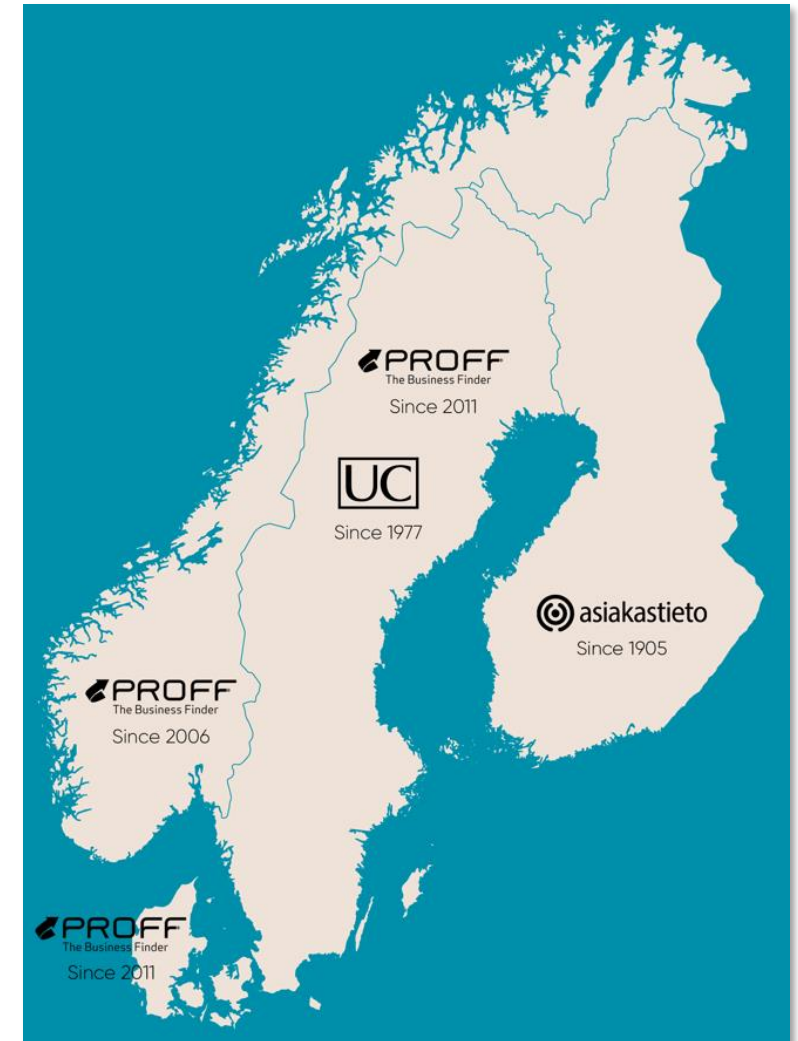
33,0
%

Nordic integration progress



Integration proceeding according to plan

- At the end of 2019 we disclosed that half of the synergy benefits of EUR 17,8 million in total from the combination of Asiakastiето, UC and Proff have been realised.
- During Q1, the integration work has continued and proceeded according to the plan.



Nordic business development

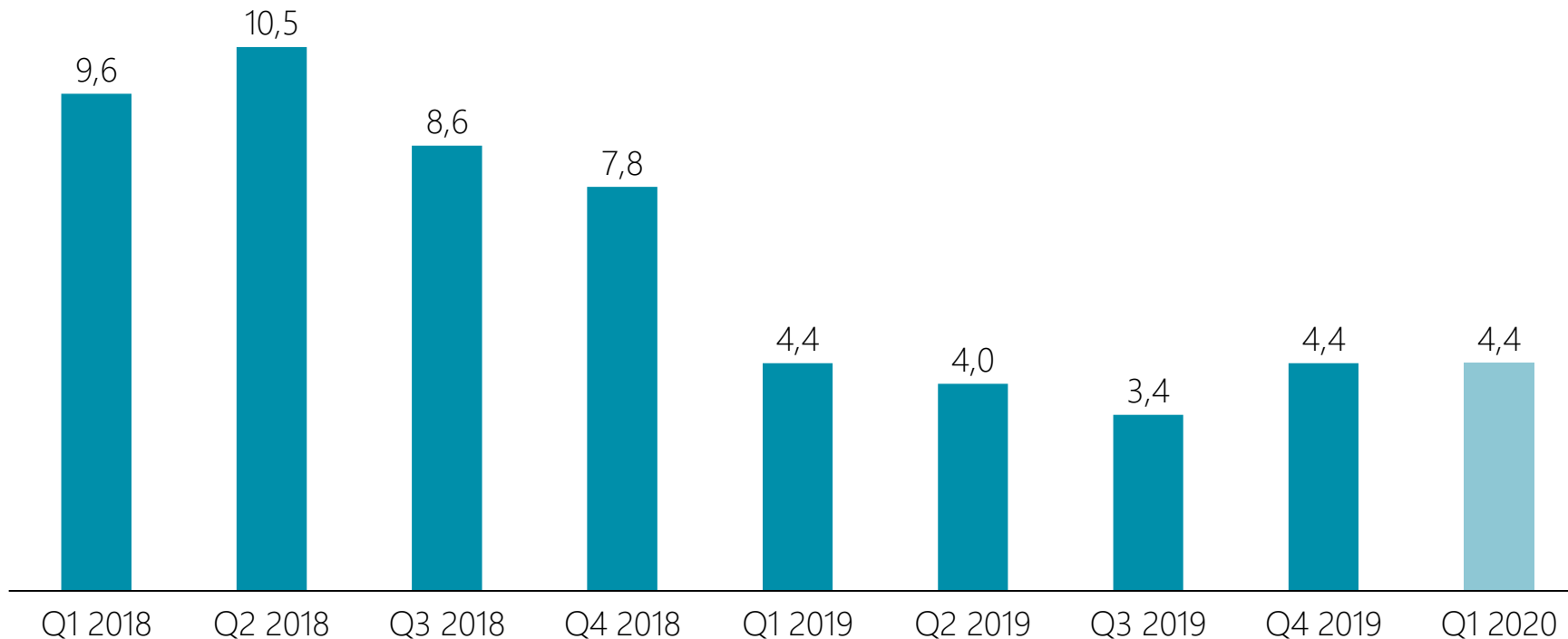


New services share of net sales



COMMENTS

■ New services, % of net sales



- Share of new services was 4,4 %.
- Seventeen new services launched during the first quarter.
- Activity in service development has remained high, and the aim is to increase new services net sales contribution during the year.

Examples of new services Q1 / 2020



Corporate Radar alerts to check (FI)

Corporate radar			Help
Alert data has not been used for credit rating due to the Credit Information Act. The following section introduces alerts for abnormal business activities. It is up to the user to assess their importance.			
We recommend to take into account in addition to credit rating			Additional report
Financial statement copied	Other companies have also almost the same financial statement. Check the financial statements of the following companies: 22314764.		Financial statement and key ratios €
Data of persons in charge is not taken into account	Due to limitations imposed by the Credit Information Act, the rating does not utilize the background data of persons in charge. If necessary, check personal payment defaults of persons in charge separately.		Corporate links of persons in charge €
Links to companies with payment defaults	Persons in charge have links to companies with payment defaults. Check Corporate links of persons in charge.		Corporate links of persons in charge €

BENEFITS

- ❑ It provides alerts for abnormal activities and data that could not be used in company ratings
- ❑ It could show potential fraud companies
- ❑ It redirects to additional information
- ❑ It is an additional service to ratings
- ❑ Alerts concern at the moment:
 - Rise in inquiries and inquirers
 - Validity of financial statements
 - Backgrounds of persons in charge (e.g. court rulings)
- ❑ Reactivating company operations

ID Protection for companies (SE)



A full insight
into the
registered
company
information

Enables you to gain a full insight into the information which is registered about your company. This means you can rest assured your business contacts gain a fair and accurate impression of your enterprise.

An alert
every time
information is
updated

You receive an alert every time information about your company is updated, which means you can avoid unpleasant surprises and take action in the event of incorrect data, thereby maintaining an accurate impression of your company.

Changes in
credit-
worthiness
and other
inaccurate
data

Notification every time new data is registered, allowing you to act immediately if you notice inaccuracies or anything else that requires attention. Examples include applications for injunctions to pay or outstanding taxes and contributions.

Minun Omatietoni

Palvelun avulla valvot luottotietojasi ja huomaat heti, kun niitä käytetään väärin. Lisäksi autamme, jos epäilet joutuneesi identiteettivarkauden uhriksi.

- ✓ Varaudu identiteettivarkauden varalta
- ✓ Palveluun sisältyvät myös reaaliaikaiset raportit: luottotietoraportti, luottoluokkaraportti ja mahdolliset yritysytteytesi
- ✓ Tilaa palvelu jatkuvana kuukausitilauksena tai edullisena vuositilauksena

Tutustu ja osta



Luottotietoni 24/7

Selvitä helposti omat luottotietosi, mahdolliset maksuhäiriömerkinnät sekä niiden vanhenemisajat. Hae ajantasalla oleva raportti aina, kun sitä tarvitset.

- ✓ Edullinen tapa selvittää ja todistaa omat luottotiedot
- ✓ Reaaliaikaiset raportit aina saatavillasi: luottotietoraportti, luottoluokkaraportti ja mahdolliset yritysytteytesi
- ✓ Tilaa palvelu jatkuvana kuukausitilauksena tai edullisena vuositilauksena. Voit perua kuukausitilauksen milloin vain

Tutustu ja osta



Luetuimmat artikkelimme

Identiteettivarkaus: Tonnin lasku ja raskas selvitystyö

Niko Norisalo joutui identiteettivarkauden uhriksi, vaikka oli pyrkinyt hoitamaan tietoturva-asiat aina huolella.

Älä anna rikollisten käyttää poikkeusoloja hyväkseen

Koronavirus on sekoittanut monen arjen Suomessa ja maailmalla.

Henkilötietosi kiinnostavat rikollisia - ole varovainen, kun tuntematon tarjoaa apua

Koronaviruksen tartuntariskin ollessa nyt erityisen korkea moni meistä tarvitsee apua arkiasioiden...

New
Omatieto.fi
design
released
15.1.2020



What was included in the release?

- ❑ New design, fresh images and articles
- ❑ Continuous subscription with credit card in packages
- ❑ New package My Credit information 24/7, unlimited access to credit related reports

The goals for the release

- ❑ To bring continuous revenue stream from the subscriptions
- ❑ To attract more users and increase product selection with the new package
- ❑ Educate audiences to service related topics, for example Identity thefts for new product releases to come in 2020

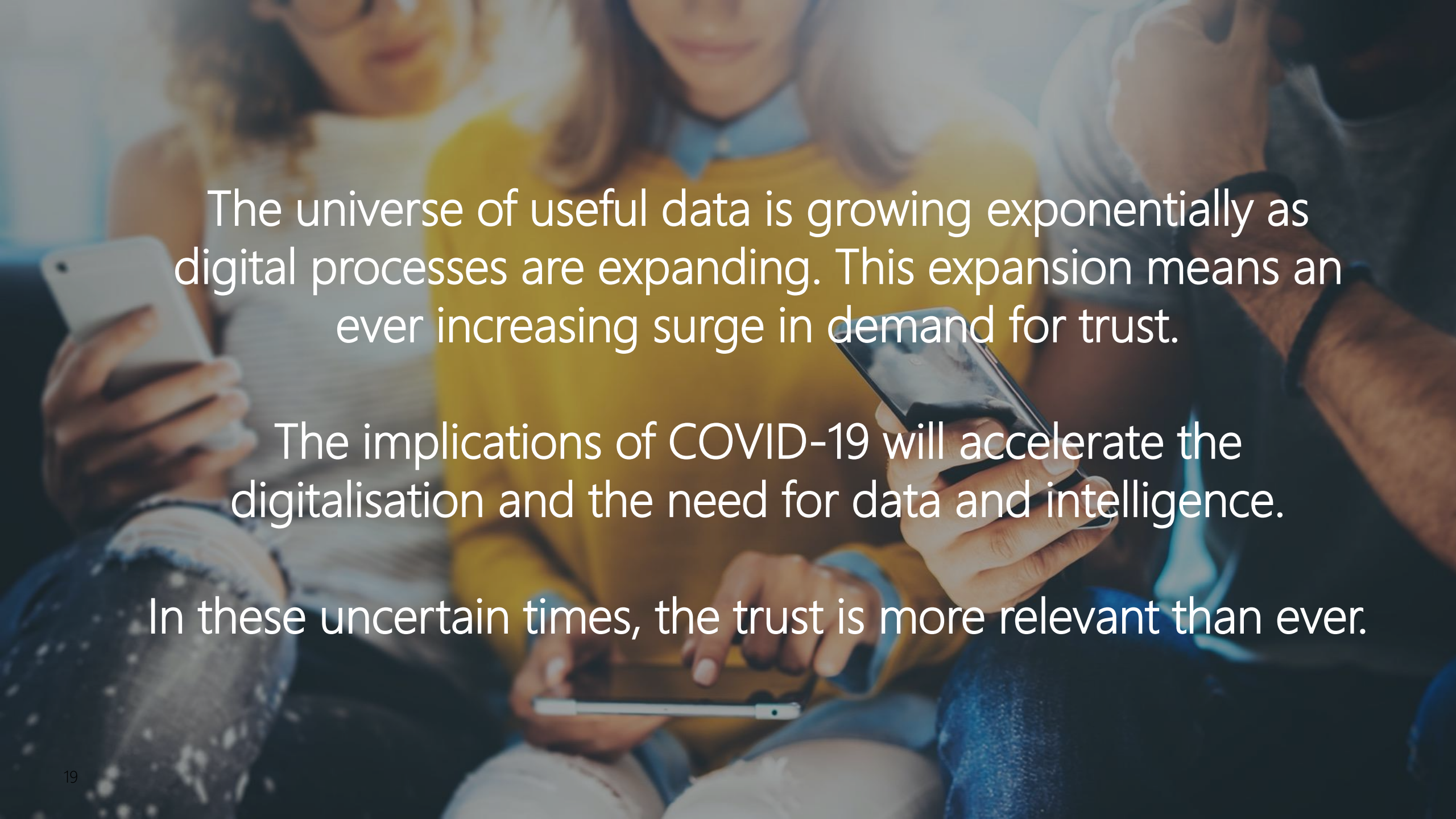
Utilized the experience of the Swedish market from almost half a million consumer customers.

New strategy - summary

The Board of Directors has today approved a new strategy for the Group.

More details will be presented in the Capital Markets Day, to be held at autumn.




A group of people, mostly young adults, are sitting together and looking at their smartphones. The image is slightly blurred and has a dark, moody overlay. The text is centered over the image.

The universe of useful data is growing exponentially as digital processes are expanding. This expansion means an ever increasing surge in demand for trust.

The implications of COVID-19 will accelerate the digitalisation and the need for data and intelligence.

In these uncertain times, the trust is more relevant than ever.



We operate in the Nordics with more than 400 employees and have market capitalization of more than 700M*.

Our purpose:

We build trust in the everyday.

We collect and transform data to intelligence and knowledge which are used in interactions between people, businesses and society. When our data based services are used it builds trust in the everyday between people, businesses and society.

A wide-angle photograph of a city street during the golden hour of sunset. The scene is bathed in warm, orange light. In the foreground, a paved sidewalk leads towards the street. To the left, a group of people are walking away from the camera. In the middle ground, a man in a dark jacket is walking towards the camera on the right side of the frame. The street is lined with modern buildings, and a large fountain with multiple water jets is visible in the background. Traffic lights and street lamps are also visible, adding to the urban atmosphere.

**As the Nordic knowledge company,
we power society with intelligence.**

We transform data to knowledge and intelligence
that we share with people and businesses through
our solutions and products.

Our strategic offering goals and enablers



1.
Retain and
strengthen our
leading position in
credit information
business

2.
No 1 Choice in
data-driven
business processes
as a service

3.
Become the leader
within business
information

Growth Opportunities

Fraud

Machine Learning

Analytics

New Data

API's

GUI's

Compliance

Sustainability

BRF

E-ID

Procurement

Ownership

Enablers



Future fit and innovative organisation



Nordic Future Platform

Reaching strategic goals will enable strong growth and profitability despite economic downturn



Ambitions

Strategic offering goals

Strengthen our leading position within our credit information business.

Become a leader within business information (non-credit).

No 1 Choice in data-driven business processes as a service.

Nordic multilocal approach

Build true Nordic presence to serve our Nordic customers with highest quality services in each country.

Enablers

Future fit & innovative organisation

Nordic Future Platform

5 – 10 %

Revenue growth

Profitable growth

Adjusted EBITDA growth rate exceeding net sales growth rate

< 3x

Net Debt to Adjusted EBITDA

New Services

Share of net sales from new services growing annually

Zero net emissions

By 2023

Optimized capital allocation to drive growth and deliver shareholder value



Key ratios

Q1 / 2020



Overview of Q1 / 2020



EUR million (unless stated otherwise)	Q1 / 2020	Q1 / 2019	FY 2019
Net Sales	37,6	34,5	146,0
Growth (year-on-year)	9,0 %	128,8 %	48,7 %
Adjusted EBITDA	12,4	11,7	51,5
Adjusted EBITDA margin	33,0 %	34,0 %	35,3 %
Adjusted EBIT	10,5	9,8	42,6
Adjusted EBIT margin	27,8 %	28,5 %	29,2 %
New products and services (% of Net sales)	4,4 %	4,4 %	4,0 %
EBITDA	12,1	11,3	48,3
EBIT	7,1	6,7	27,8

COMMENTS

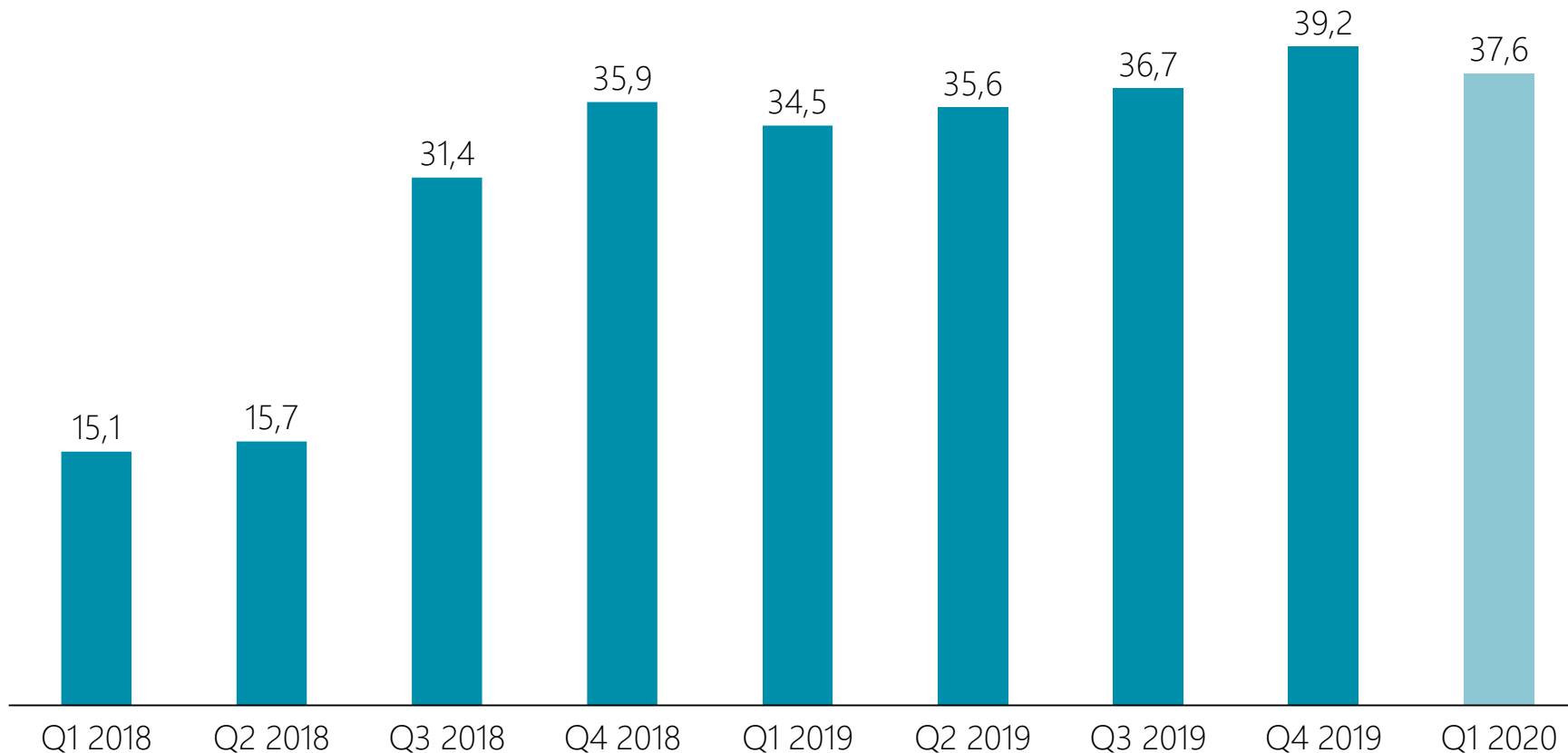
- Net sales growth was +9,0 % at reported FX rates and +10,4 % at comparable FX rates.
- Adjusted EBITDA increased by +5,6 % at reported FX rates and +6,8 % at comparable FX rates.
- Adjusted EBITDA increased year-on-year by the good development of net sales, the cost-efficiency effect of actions taken to leverage synergies, and the Proff acquisition.
- Adjusted EBITDA margin slightly weakened due to marketing and IT investments, as well as the margin dilution impact of the acquired Proff business.

Quarterly net sales



COMMENTS

■ Net sales, EUR million

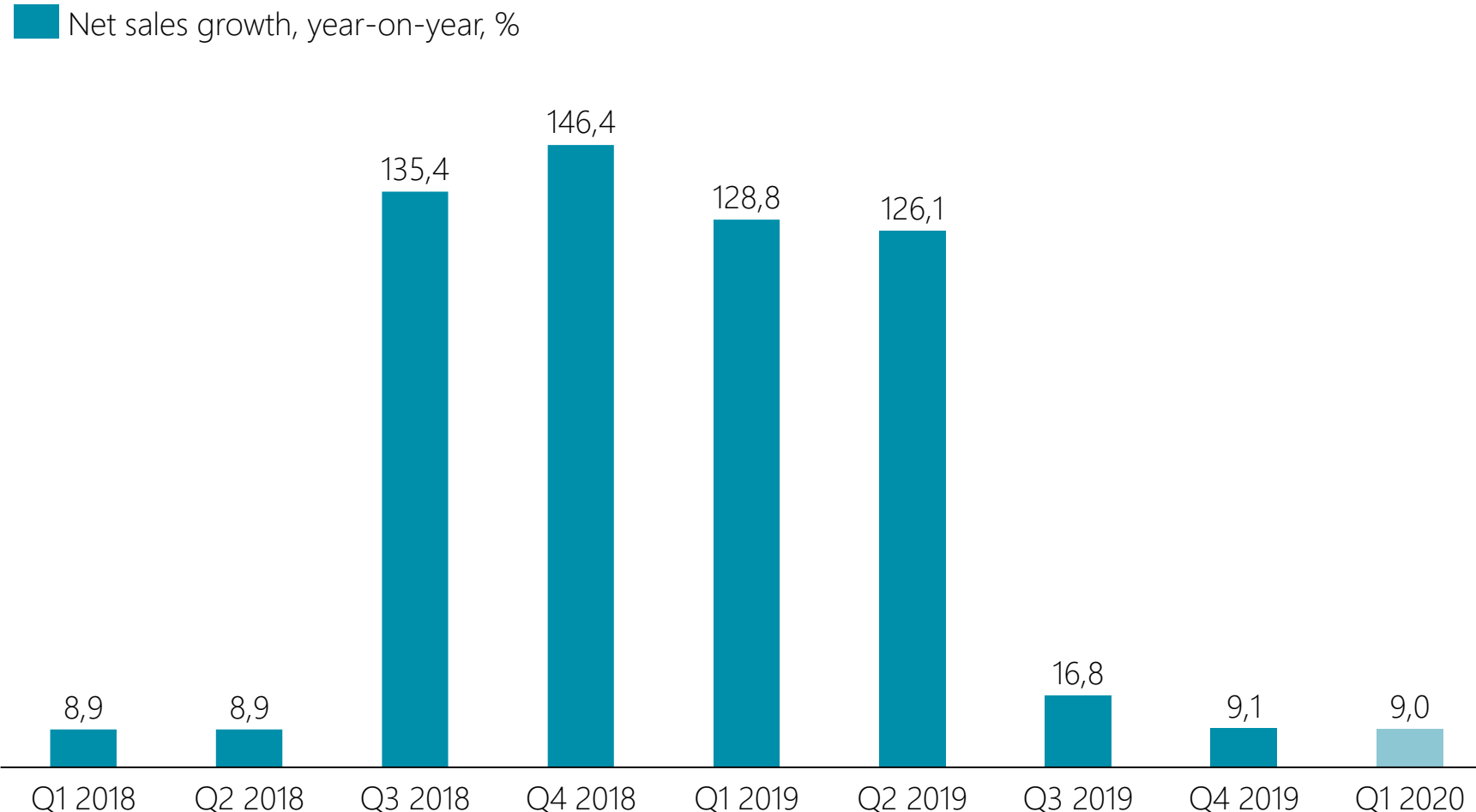


- Q4/2018 – Q1/2020 with UC AB results consolidated to Asiakastieto Group.
- Q3/2019 – Q1/2020 with Proff companies' results consolidated to Asiakastieto Group.

Net sales growth



COMMENTS



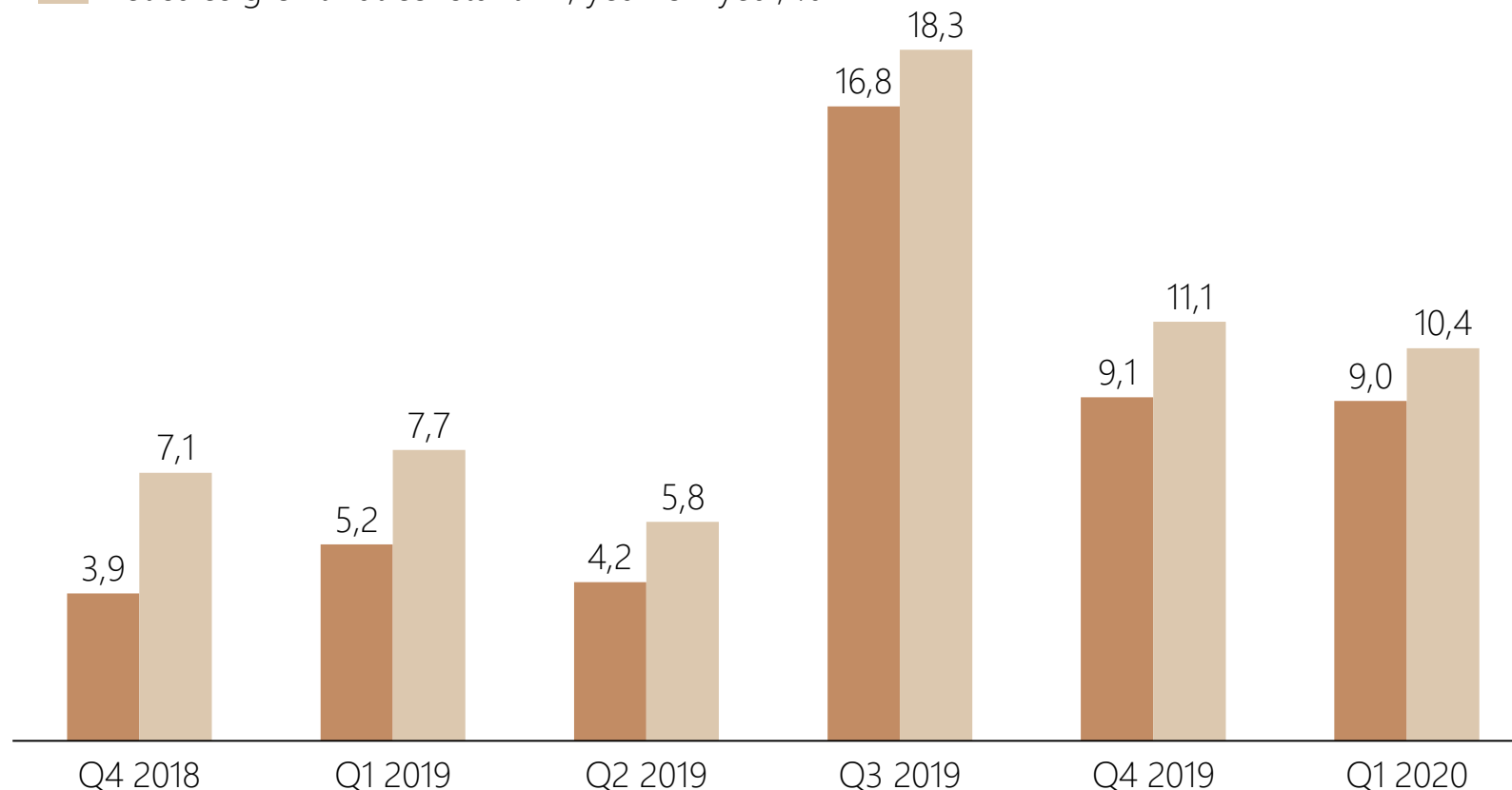
- Q4/2018 – Q1/2020 with UC AB results consolidated to Asiakastieto Group.
- Q3/2019 – Q1/2020 with Proff companies' results consolidated to Asiakastieto Group.

Net sales growth

pro forma



- Net sales growth at reported FX, year-on-year, %
- Net sales growth at constant FX, year-on-year, %



COMMENTS

- FX comparable growth rate +10,4 %.
- Risk Decisions consumer risk management solutions continued their good net sales development in the first quarter in Sweden, although the growth rate was more moderate compared to the very strong development over the preceding quarters.
- Finnish market impacted in Q1 by the interest rate cap regulation on consumer credit, which moderated the growth rate. Risk Decisions business information services developed strongly in the first quarter in Finland.
- Proff companies consolidated to Group from the beginning of Q3.
- Same amount of banking days in both markets year-on-year.

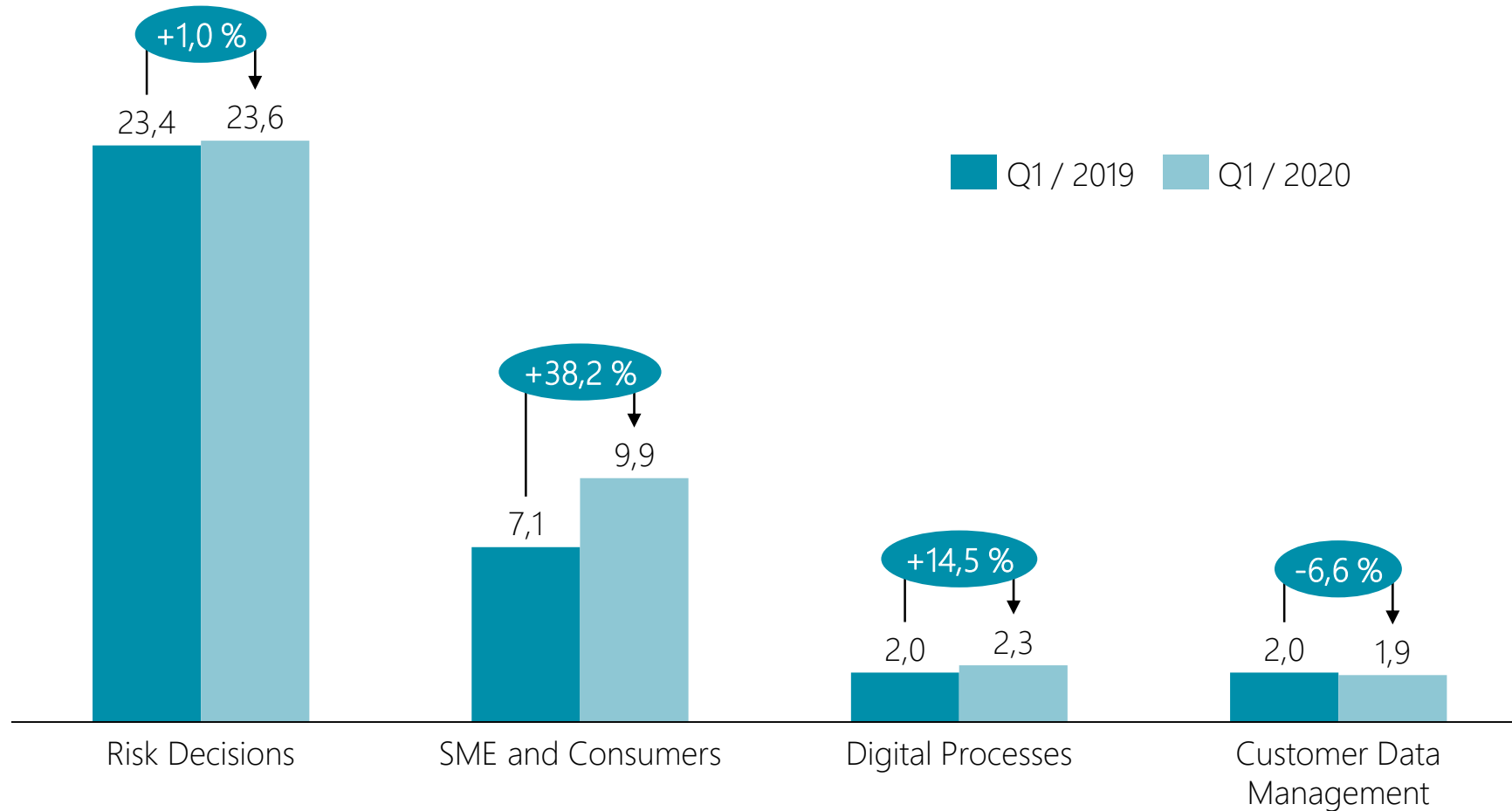
Revenue by business area

at reported FX rates



COMMENTS

→ Reported net sales growth negatively impacted by FX rate changes year-on-year.

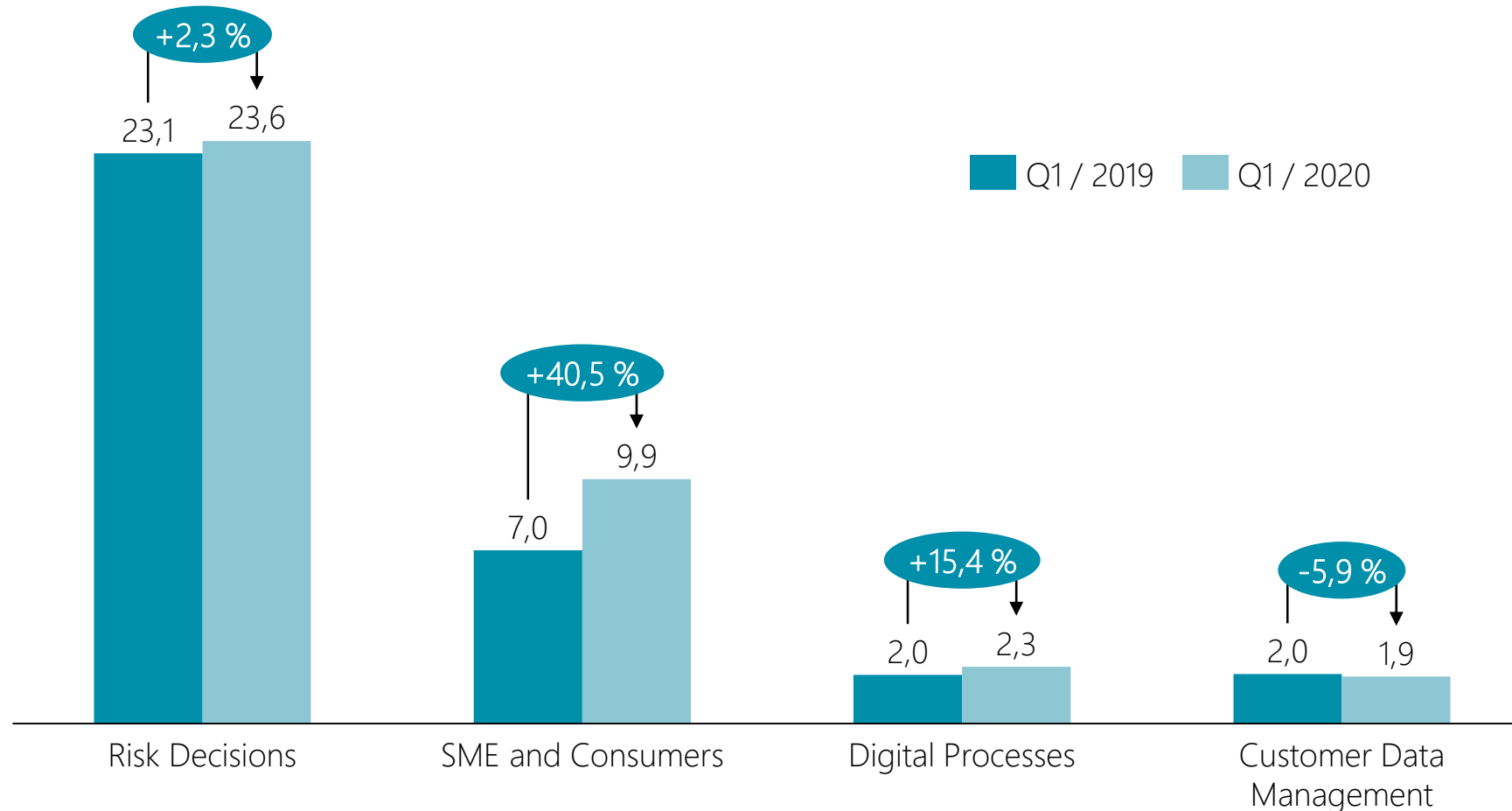


Revenue by business area

at comparable FX rates

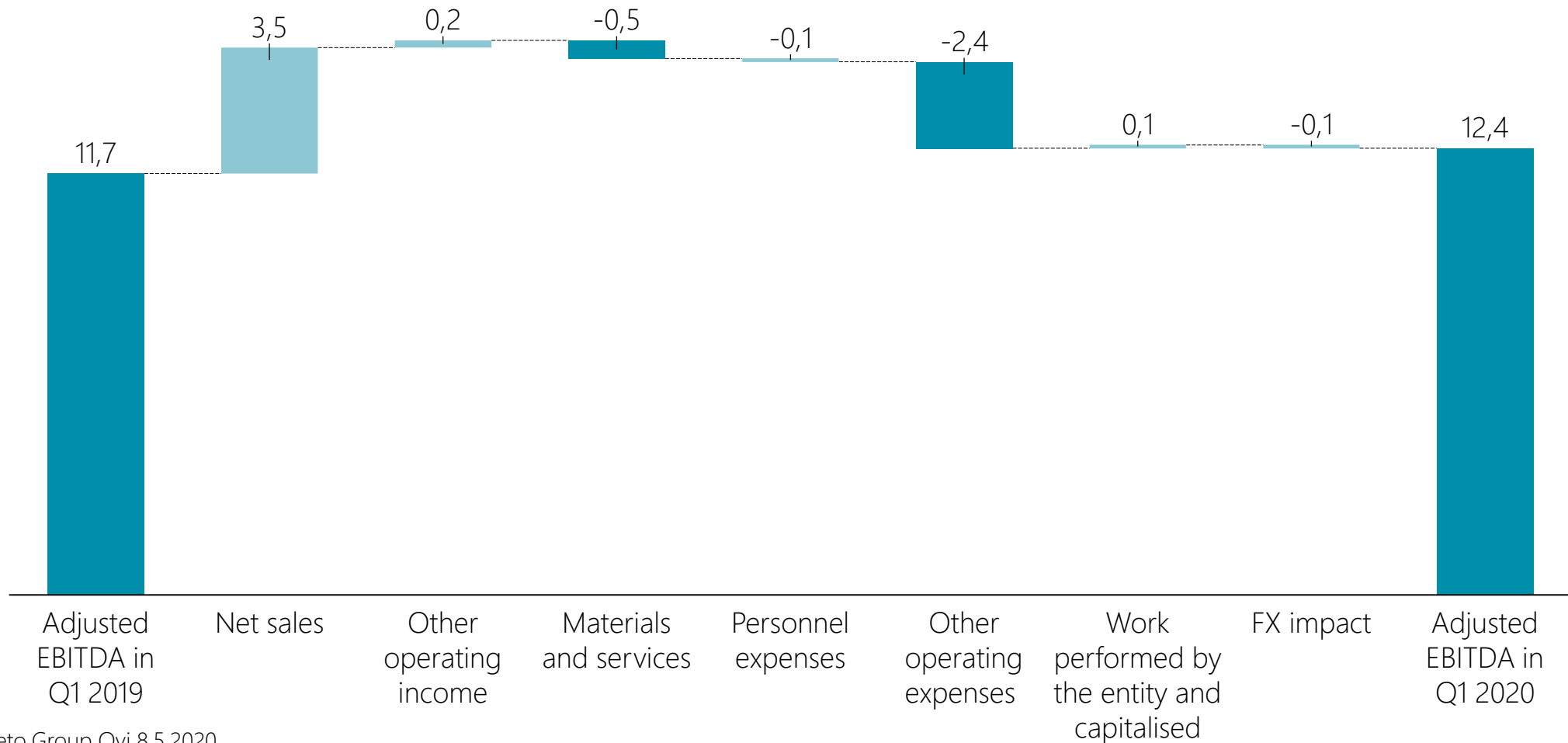


COMMENTS



- Risk Decisions consumer risk management solutions continued their positive, although more moderate compared to last year's very strong, net sales development in the first quarter in Sweden. Finnish market demand was impacted negatively by the interest rate cap regulation on consumer credit.
- SME and Consumers growth driven by the acquisition of Proff as well as continued good development of online consumer services in Sweden.
- Digital Processes driven by good development in the sales of real estate and collateral management services in both markets, and strong development of compliance services in the Finnish market.
- Customer Data Management negative growth is impacted by the decline in the sales volumes of Emaileri electronic communication services as well as B2B services in Sweden. Positive development in B2C services in Finland.

Adjusted EBITDA impacted by Proff as well as marketing and IT costs; 5,6 % increase y-on-y in Q1 / 2020

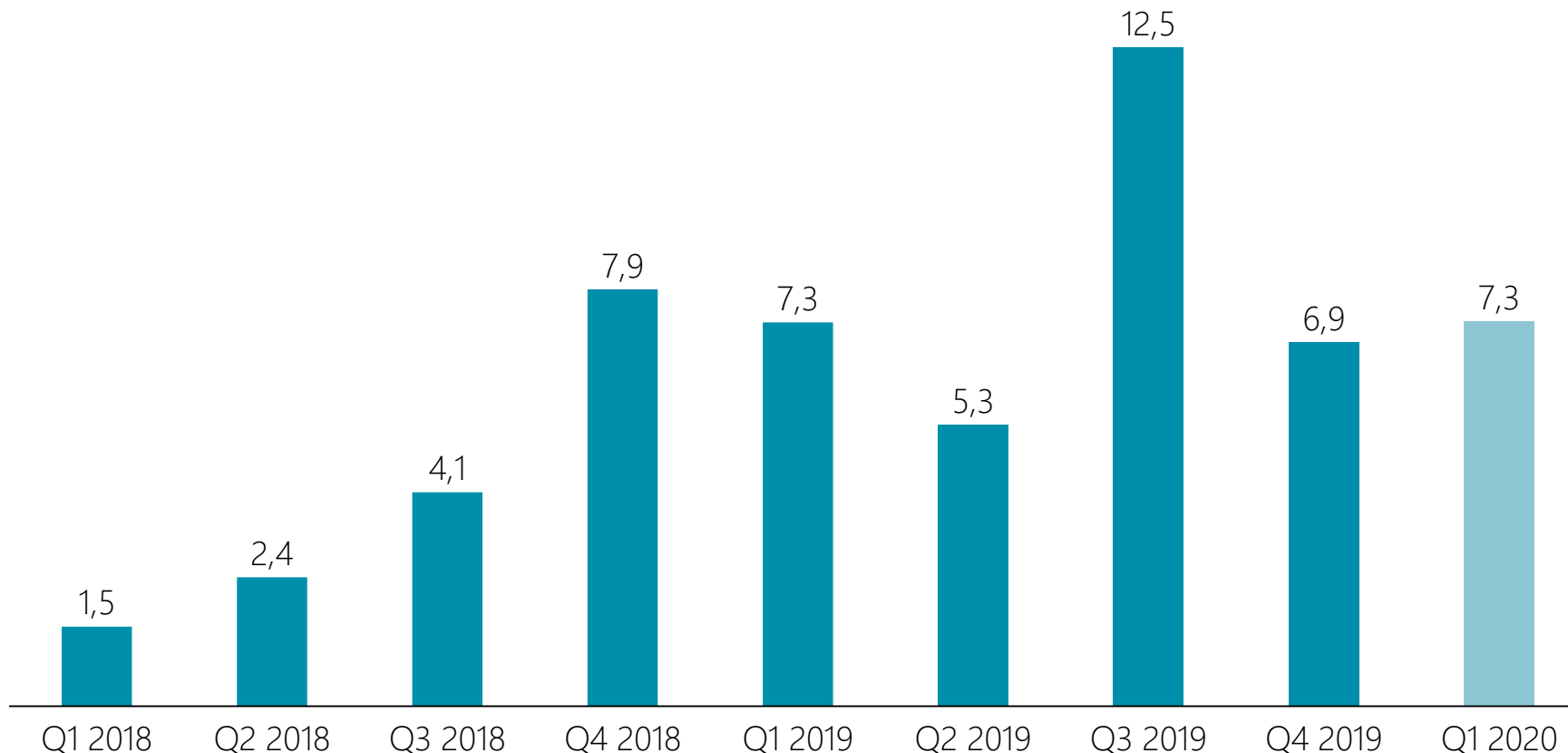


Free cash flow



COMMENTS

Free cash flow, EUR million



- Free cash flow impacted by high investment activity in the first quarter.
- Items affecting comparability impacted the free cash flow by EUR -0,1 million (EUR -0,6 million). The items affecting comparability consisted primarily of payments related to termination of employment.

Key indicators



EUR million (unless stated otherwise)	Q1 / 2020	Q1 / 2019	FY 2019
Net debt	138,3	140,9	148,1
Net debt / adjusted EBITDA	2,8	3,0	2,9
Gearing, %	45,7	47,1	47,7
Equity ratio, %	58,2	54,0	58,3
Free cash flow	7,3	7,3	32,1
Cash conversion, %	60,6	64,4	66,4
Gross investments	2,9	2,6	12,4

COMMENTS

- Cash position of EUR 26,1 million (committed EUR 20 million facility remains fully unutilized).
- Net debt / adjusted EBITDA at 2,8x.
- Free cash flow containing EUR -0,1 million (EUR -0,6 million) impact from items affecting comparability.
- Gross investments EUR 2,9 million (EUR 2,6 million).

COVID-19 Readiness and resilience



□ Process and readiness

- Four Corona action streams established - People, Business continuity, Customers and offering and Finance
- Health and safety of personnel number one priority
- Contingency plans in place

□ Financial impacts

- Both positive and negative drivers but the visibility for the future continues to be poor – guidance withdrawn, new will be given when outlook more clear
- Rapid changes in regulatory environment increases uncertainty in loan markets
- We see new opportunities to support our customers

□ Securing financials: Cost savings and other actions

- EUR 5 million savings on budgeted fixed costs for 2020
- Re-prioritized service development and marketing activities
- We are ready to quickly respond to new customer needs

□ Financial position

- Net debt to Adjusted EBITDA at 2,8x
- Liquidity at a strong level
- No loans maturing before 2023

Guidance 2020 withdrawn temporarily due to COVID-10 pandemic



Asiakastieto Group cancelled its guidance for 2020 due to potential COVID-19 impacts and economic uncertainty (27th March 2020)

Once visibility on the development of economic activity in the main markets of Asiakastieto Group improves and the significant uncertainties have cleared, Asiakastieto will update the outlook and issue a new guidance.

Long term financial targets unchanged despite economic downturn



Growth

5-10 percent annual average net sales growth.

Profitability

Adjusted EBITDA growth rate exceeding net sales growth rate.

Balance sheet structure

Net debt to Adjusted EBITDA below 3x.

New dividend proposal from the Board of Directors

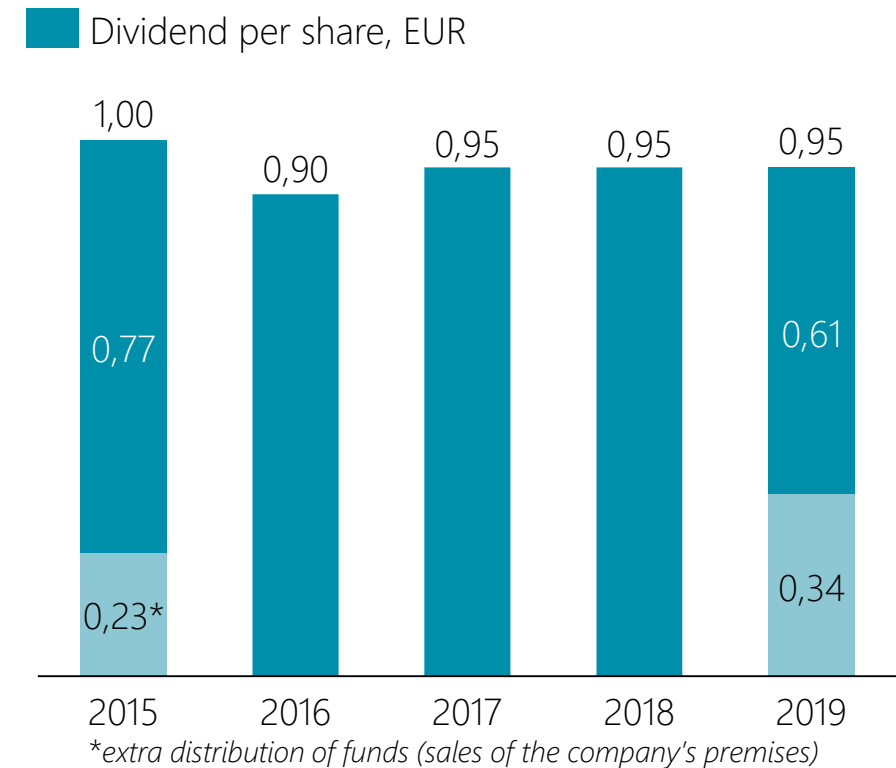


Resolution on the use of the profit shown on the balance sheet and the distribution of funds

The Board of Directors **proposes** that the profit for the financial year is carried forward to the retained earnings and that from the financial year. The Board of Directors **has decided** to change the proposal to the Annual General Meeting that funds amounting to EUR 0.61 per share, totaling EUR 14.644.307,21, which represents half of the profit for the period, based on the company's registered total number of shares at the time of the proposal, be distributed for the financial year that ended on 31 December 2019. Original proposal amounted to EUR 0.95 per share. The funds shall be paid to those who are recorded as shareholder in the shareholder register kept by Euroclear Finland Oy on the clearing day.

The Board of Directors also **proposes** that the Annual General Meeting authorise the Board, at its discretion, to resolve the distribution of funds to shareholders as capital repayment from the reserve for invested unrestricted equity of no more than EUR 0.34 per share, i.e. EUR 8.162.400,74 in total. Funds would be distributed at a later stage when it is possible to make a more reliable estimate on the impacts of the COVID-19 pandemic on Asiakastieto Group's business and liquidity.

The Board can also decide not to use this authorisation. The Board of Directors proposes that the authorisation includes the right for the Board of Directors to decide on all other terms and conditions related to the capital repayment. The authorisation is proposed to remain in effect until the start of the subsequent Annual General Meeting, but not past 30 June 2021.



Financials Q1 / 2020 summary



Q1 / 2020 Income statement



EUR million	Q1 / 2020	Q1 / 2019	FY 2019
Net sales	37,6	34,5	146,0
Other operating income	0,2	0,0	0,3
Materials and services	-6,1	-5,6	-24,5
Personnel expenses	-9,6	-9,8	-38,6
Work performed by the entity and capitalised	0,7	0,6	2,2
Other operating expenses	-10,7	-8,3	-37,1
Depreciation and amortisation	-5,0	-4,7	-20,5
Operating profit	7,1	6,7	27,8
Finance income and expenses	-0,4	-0,8	-2,9
Profit before income tax	6,7	5,8	24,9
Income tax expense	-1,3	-1,0	-5,2
Profit for the period	5,4	4,8	19,7
Earnings per share attributable to the owners of the parent during the period:			
Basic earnings per share (EUR)	0,23	0,20	0,82
Diluted earnings per share (EUR)	0,23	0,2	0,82

Q1 / 2020 Cash flow



EUR million	Q1 / 2020	Q1 / 2019	FY 2019
Cash flows from operating activities			
Cash flows before change in working capital	12,3	11,5	47,8
Change in working capital	-0,3	0,0	1,6
Net interests and other financing items	-0,1	0,0	-2,6
Income taxes paid	-1,7	-1,6	-4,9
Net cash from operating activities	10,1	9,9	41,9
Cash flows from investing activities			
Net cash used in investing activities	-2,7	-2,5	-19,4
Cash flows from financing activities			
Net cash used in financing activities	-0,4	-0,6	-35,0
Cash and cash equivalents at beginning of the period	20,4	33,2	33,2
Cash and cash equivalents at end of the period	26,1	39,6	20,4

Upcoming events



Date TBC

June 2020

AGM
in Helsinki

6 August

2020

Half Year Financial
Report 2020

Autumn

2020

Capital Markets Day
in Helsinki

6 Nov

2020

Q3 / 2020
Interim Report

Thank you!

Further information

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