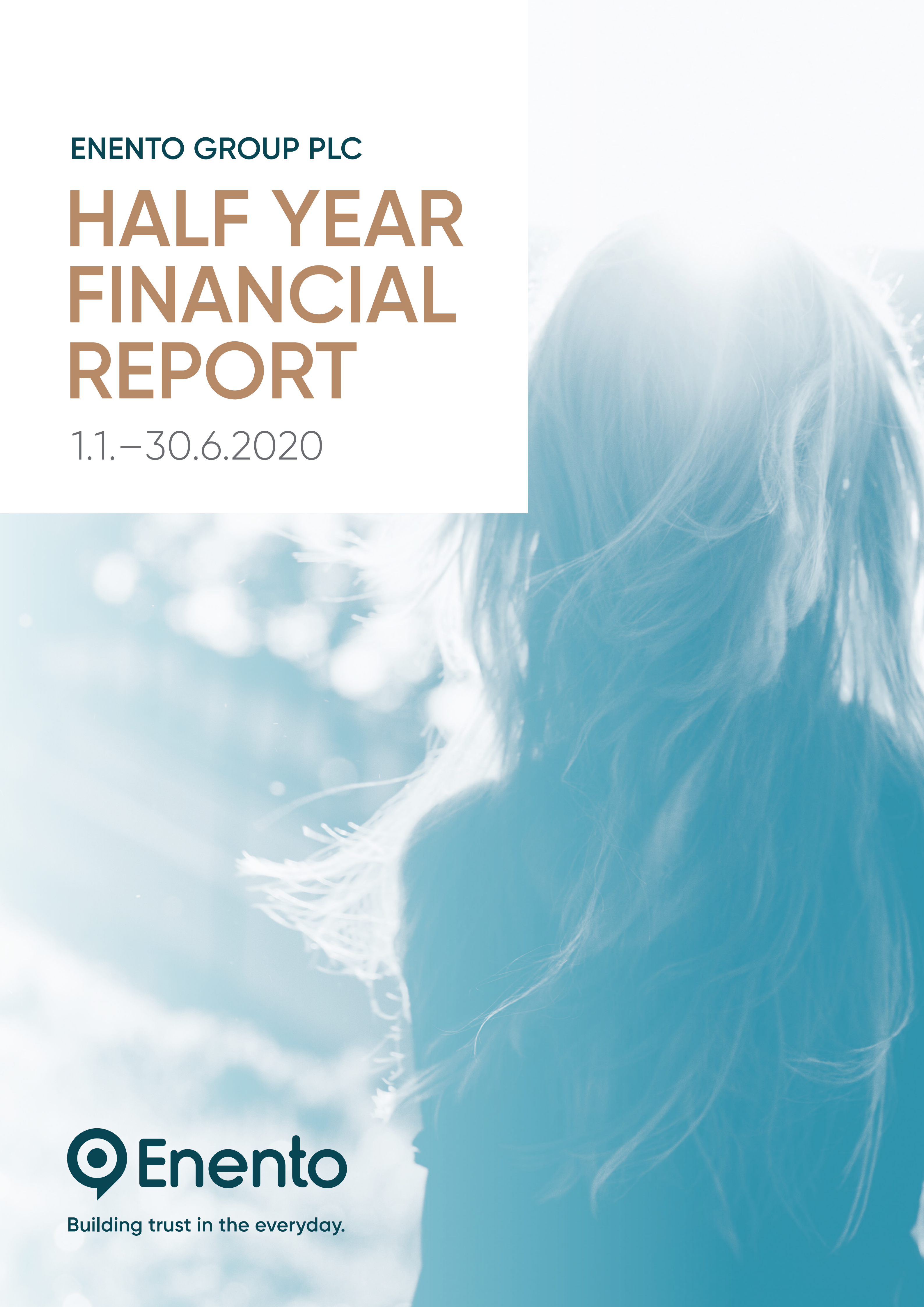
ENENTO GROUP PLC

HALF YEAR FINANCIAL REPORT

1.1.–30.6.2020



Building trust in the everyday.

ENENTO GROUP PLC, STOCK EXCHANGE RELEASE 6 AUGUST 2020 AT 11:00 A.M. EEST

Enento Group's Half Year Financial Report 1.1. – 30.6.2020: Asiakastieto's new brand strengthens its Nordic offering – the business proved its resilience in challenging market environment

SUMMARY

April – June 2020 in brief

- Net sales amounted to EUR 36,7 million (EUR 35,6 million), an increase of 3,3 % (at comparable exchange rates an increase of 3,4 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 12,5 million (EUR 12,2 million), an increase of 2,1 % (at comparable exchange rates an increase of 2,3 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions was EUR 10,2 million (EUR 9,2 million), an increase of 11,2 %.
- Operating profit (EBIT) was EUR 5,4 million (EUR 5,0 million). Operating profit included items affecting comparability of EUR 4,8 million (EUR 4,1 million), mainly arising from amortisation from fair value adjustments of EUR 3,0 million (EUR 2,7 million) related to acquisitions as well as M&A and integration expenses.
- New products and services represented 4,9 % (4,0 %) of net sales.
- Free cash flow amounted to EUR 5,2 million (EUR 5,3 million). The effect of items affecting comparability on free cash flow was EUR -1,3 million (EUR -0,5 million).
- Earnings per share were EUR 0,15 (EUR 0,15).
- Comparable earnings per share were EUR 0,25 (EUR 0,24)[1].
- Enento Group updated its guidance on 6 August 2020.

January – June 2020 in brief

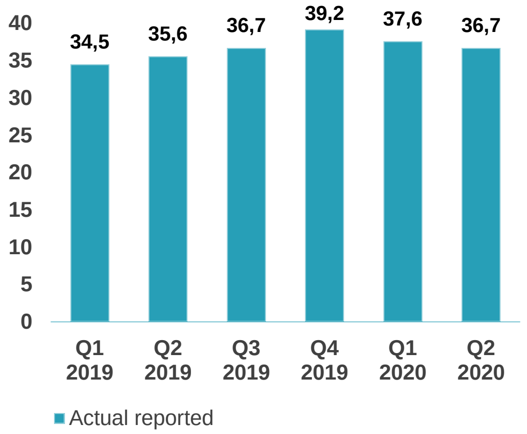
- Net sales amounted to EUR 74,4 million (EUR 70,1 million), an increase of 6,1 % (at comparable exchange rates an increase of 6,9 %).
- Adjusted EBITDA excluding items affecting comparability was EUR 24,9 million (EUR 24,0 million), an increase of 3,8 % (at comparable exchange rates an increase of 4,5 %).
- Adjusted EBIT excluding items affecting comparability and amortisation from fair value adjustments related to acquisitions was EUR 20,6 million (EUR 19,0 million), an increase of 8,7 %.
- Operating profit (EBIT) was EUR 12,5 million (EUR 11,7 million). Operating profit included items affecting comparability of EUR 8,1 million (EUR 7,3 million), mainly arising from amortisation from fair value adjustments of EUR 6,0 million (EUR 5,5 million) related to acquisitions as well as M&A and integration expenses.
- New products and services represented 4,6 % (4,2 %) of net sales.
- Free cash flow amounted to EUR 12,5 million (EUR 12,6 million). The effect of items affecting comparability on free cash flow was EUR -1,4 million (EUR -1,2 million).
- Earnings per share were EUR 0,38 (EUR 0,35).
- Comparable earnings per share were EUR 0,58 (EUR 0,53)[1].

[1] The comparable earnings per share does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

KEY FIGURES

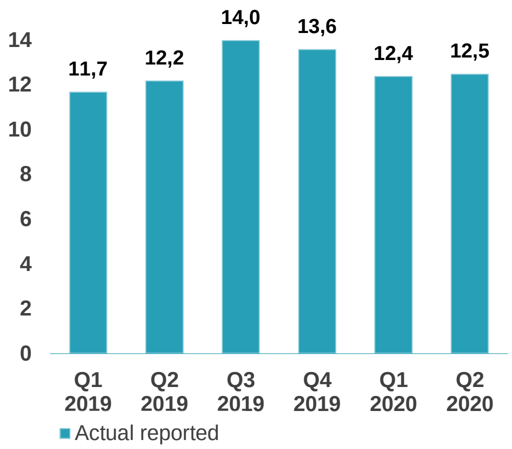
EUR million	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Net sales	36,7	35,6	74,4	70,1	146,0
Net sales growth, %	3,3	126,1	6,1	127,4	48,7
Operating profit (EBIT)	5,4	5,0	12,5	11,7	27,8
EBIT margin, %	14,8	14,1	16,9	16,7	19,0
Adjusted EBITDA	12,5	12,2	24,9	24,0	51,5
Adjusted EBITDA margin, %	33,9	34,3	33,4	34,2	35,3
Adjusted operating profit (EBIT)	10,2	9,2	20,6	19,0	42,6
Adjusted EBIT margin, %	27,8	25,8	27,8	27,1	29,2
New products and services of net sales, %	4,9	4,0	4,6	4,2	4,0
Free cash flow	5,2	5,3	12,5	12,6	32,1
Net debt to adjusted EBITDA, x	3,0	3,2	3,0	3,3	2,9

Net sales, EUR million



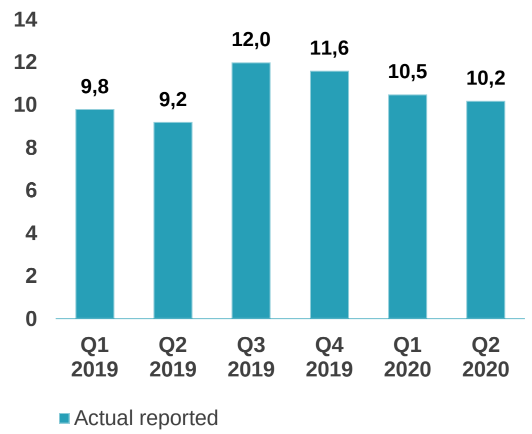
- The growth of net sales in the second quarter of the year was 3,3 % at reported exchange rates and 3,4 % at comparable exchange rates compared with the corresponding quarter of the previous year.
- The Proff acquisition carried out at the beginning of the third quarter of the previous year increased the reported net sales of the SME and Consumers business area year-on-year.
- The Digital Processes business area saw strong growth, particularly due to new services and compliance services.
- The demand for the Risk Decisions business area's consumer-related risk management services declined in the second quarter due to the economic impacts of the coronavirus pandemic and the stricter interest rate ceiling regulations introduced in Finland, and the business area's net sales decreased in both of the Group's main markets of Finland and Sweden.

Adjusted EBITDA, EUR million



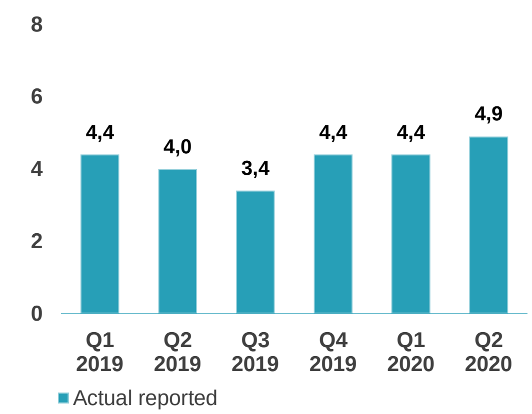
- The growth of adjusted EBITDA in the second quarter was 2,1 % at reported exchange rates and 2,3 % at comparable exchange rates compared with the corresponding quarter of the previous year.
- Adjusted EBITDA was increased year-on-year by synergies and the Proff acquisition. The year-on-year development of EBITDA in the second quarter was tempered by the organic contraction in net sales due to the economic impacts of the coronavirus pandemic.
- Adjusted EBITDA margin was 33,9 % (34,3 %).

Adjusted operating profit (EBIT), EUR million



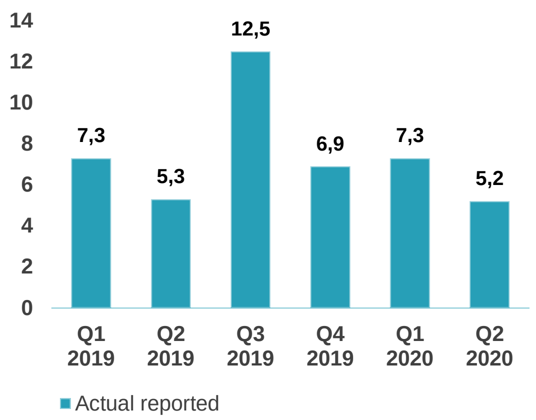
- Compared with the reference period, adjusted operating profit (EBIT) for the second quarter increased by 11,2 % at reported exchange rates and 11,6 % at comparable exchange rates.
- In the corresponding period in the previous year, the Group closed down the UC KYC service and recognised a write-down on capitalised development expenses related to the service, which had an impact of EUR -1,5 million on adjusted operating profit in the reference period.
- Excluding the impact of the UC KYC write-down, amortisation related to capitalised development costs increased from the comparison period (EUR -1,2 million).
- Adjusted EBIT margin was 27,8 % (25,8 %).

New services' share of net sales, %



- New services accounted for 4,9 % of net sales in the second quarter.
- The share of net sales represented by new services has begun to grow in 2020 as planned, and the aim for the full year is to increase their share of net sales compared to the previous year.
- The Group has remained active in making service development investments in spite of the impacts of the coronavirus pandemic.
- A total of 20 new services were launched in the second quarter.

Free cash flow, EUR million



- Free cash flow was affected in the second quarter by the negative development of net working capital and items affecting comparability.
- Items affecting comparability decreased the cash flow from operating activities in the second quarter by EUR 1,3 million (EUR 0,5 million).
- Withholding taxes related to the cash components of payments made under the long-term incentive plan for the management had an impact on operating cash flow of EUR -0,5 million (EUR -1,1 million) during the second quarter.

FUTURE OUTLOOK

Net sales: Enento Group expects its net sales to grow in full year 2020, the growth rate however remaining below the long-term target range of 5–10 %.

EBITDA: Enento Group expects its adjusted EBITDA margin in full year 2020 to remain at the previous year's level.

Capital expenditure: Enento Group expects its capitalised product development and software expenses in full year 2020 to be at the previous year's level.

The outlook is based on the assumption that exchange rates remain at the current level.

JUKKA RUUSKA, CEO

Asiakastieto Group is now Enento Group. The Group has a long history, with its roots going all the way back to 1905. Through acquisitions, the company has grown from a local operator to one of the leading companies specialising in digital business and consumer information services in the Nordic region, with EUR 146 million in net sales in 2019 and 420 employees in eight cities in Finland, Sweden, Norway and Denmark. Enento Group brings together the strengths of Asiakastieto, UC and Proff and helps build trust in daily life. The change of name supports our goals of continuing growth, increasing our service offering in the Nordic region and creating a foundation for strengthening our Nordic presence. The new name makes us an even more cohesive and stronger Nordic operator.

Thanks to our business model – which adapts to exceptional circumstances – and the quick action we have taken, our business has adapted fairly well to the diverse impacts of the coronavirus pandemic. Net sales in the second quarter continued to grow in spite of the pandemic and amounted to EUR 36,7 million, representing year-on-year growth of 3,4 % at comparable exchange rates.

The development of the Group's net sales was particularly influenced by the SME & Consumers business area, where growth was accelerated by the Proff acquisition. The Digital Processes business area grew in both markets. In the Finnish market, growth was boosted by the new housing valuation service and the positive development of Compliance services. In the Swedish market, the Tambur housing transaction service contributed to growth. The net sales of the Risk Decisions business area turned to a decline in both markets as the decrease in economic activity reduced the use of our services. The temporary 10 per cent interest rate ceiling on consumer credit introduced due to the coronavirus crisis also reduced demand in the Finnish market. The net sales of the Customer Data Management business area continued to decline in the Swedish market and remained on a par with the previous year in Finland.

Adjusted EBITDA increased by 2,3 % at comparable exchange rates and amounted to EUR 12,5 million. The development of profitability lagged behind the growth of net sales due to the Proff business acquired in July 2019 having a diluting effect on the EBITDA margin. The Group's IT expenses also increased from the previous year. The Group's adjusted operating profit excluding non-recurring items and other adjustable items grew in the second quarter by 11,6 % and amounted to EUR 10,2 million. The share of net sales represented by new services increased to 4,9 %. Overall, the number of newly launched services was in line with our targets in the second quarter as we continued our determined efforts to provide a service offering that suits customer needs and is continuously developed.

In early May, we announced Enento Group's strategy for 2020–2023. The three main goals for the strategy period are as follows: to retain and strengthen the leading position in the credit information business, to become the number one choice in data-driven business processes as a service, and to become the leader in business information in the Nordic region. We will achieve these goals through service innovation, an organisational structure that corresponds to future challenges and the development of a Nordic IT platform. Our focus areas in future service development will include, for example, the development of Nordic sustainability services and the digitalisation of housing-related processes. The goal for Nordic sustainability services is to develop the sustainability service market and become a leading provider of ESG services with a comprehensive range of sustainability services that are needed by customers for risk management, credit processes and customer management. In the digitalisation of housing-related processes, our focus will be on the development of housing transaction services.

The coronavirus pandemic has affected our business starting from the second quarter. In spite of the global efforts to stop the pandemic, we are prepared for the potential prolongation of the exceptional circumstances and have taken proactive measures to secure our business. We are working in accordance with the requirements of the exceptional situation, in all of our functions. In March, we established four coronavirus working groups that assess the prevailing situation from different perspectives.

The key actions taken by the coronavirus working groups: 1) People: Starting from mid-March, the employees of all of our offices have worked remotely if their duties allow it. The plans and actions concerning the return to the workplace will be confirmed in August. 2) Business Continuity: Comprehensive business continuity plans have been prepared. Back-up mechanisms and procedures ensure our ability to maintain high-quality operations at all times and in all situations. 3) Customers and offering: We want our services to help our customers through this period and respond to special customer needs arising from the present situation. We have quickly launched services related to the coronavirus situation in the market and increased our financial communication. In the spring, we also began to document additional information about the effects of the coronavirus pandemic on companies' payment default entries. This way, the credit information provides a more comprehensive picture of the causes and duration of insolvency. 4) Finance: We have secured our business financially by ensuring the Group's financial sustainability and short-term cash flow. We have also developed various scenarios to understand the potential impacts and various consequences of the situation.

NET SALES

April – June

Enento Group's net sales in the second quarter amounted to EUR 36,7 million (EUR 35,6 million), increasing by 3,3 % at reported exchange rates and 3,4 % at comparable exchange rates from the corresponding quarter of the previous year. Net sales from new products and services were EUR 1,8 million (EUR 1,4 million), which was 4,9 % (4,0 %) of the total net sales for the second quarter. The key drivers of net sales growth in the second quarter were the strong development of the SME and Consumers business area, driven by the Proff acquisition and online consumer services in Sweden, and the strong growth of the Digital Processes business area due to the launch of new services and the high demand for compliance services. The number of banking days with a volume effect was the same as last year in both of the main market areas, Finland and Sweden.

Net sales of the Risk Decisions business area amounted to EUR 22,9 million (EUR 23,9 million) in the second quarter. The business area's net sales decreased by 4,0 % at reported exchange rates and 3,8 % at comparable exchange rates compared with the corresponding quarter in the previous year. The demand for consumer-related risk management services decreased in both of the Group's markets, Finland and Sweden, as the economic impacts of the coronavirus pandemic were reflected in the consumer credit market. The 10 per cent interest rate ceiling on consumer credit introduced in Finland had a negative impact on service demand in the second quarter and led to some operators exiting the market entirely. The scope of positive credit information nevertheless continues to grow in Finland, and positive credit information is being increasingly widely used in granting consumer credit. The development of business information services remained positive in Finland, and service demand was also boosted by the Finnish state's financial support measures for companies to mitigate the economic impacts of the coronavirus pandemic. The development of net sales in the business area was supported by new services, as their share of net sales increased substantially.

Net sales of the SME and Consumers business area amounted to EUR 9,3 million (EUR 7,3 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area increased by 26,6 % at reported exchange rates and 26,8 % at comparable exchange rates. The Proff acquisition strengthened Enento Group's business information service offering aimed at the SME sector, and the consolidation of Proff's net sales into the SME and Consumers business area from the start of the third quarter of the previous year was a key factor in the reported year-on-year growth of the business area in the second quarter. In addition to the growth effect of the Proff acquisition, the development of online consumer services in Sweden remained strong and was supported by service development and successful marketing investments. Online subscription services aimed at SMEs in Sweden and the redesigned omatieto.fi service for consumers in Finland also saw positive development. The negative impacts of the coronavirus pandemic were seen in the business area particularly in the form of a significant contraction in the demand for display advertising.

Net sales of the Customer Data Management business area amounted to EUR 2,0 million (EUR 2,1 million) in the second quarter. The business area's net sales decreased by 7,7 % at reported exchange rates and 7,6 % at comparable exchange rates compared with the corresponding quarter in the previous year. The net sales of B2C customer management services continued to see strong development in Finland in the second quarter thanks to active sales efforts. The volume of Emaileri's electronic communications services continued to decline year-on-year, while the net sales of B2B customer management services in Sweden contracted. The net sales development of subscription-based B2B customer management services was stable in both market areas, but the volumes of ad hoc deliveries declined year-on-year. The business area is continuing its efforts to improve the efficiency of sales, and service development is focused on the Nordic service offering and the utilisation of unstructured data.

Net sales of the Digital Processes business area amounted to EUR 2,5 million (EUR 2,2 million) in the second quarter. Compared with the corresponding quarter in the previous year, net sales of the business area increased by 14,5 % at reported exchange rates and 14,7 % at comparable exchange rates. The business area's growth in the second quarter was driven by new services and the continued strong positive development of the volume of compliance services in Finland. The volumes of the housing price estimation service for banks, launched last year in the Finnish market, saw strong growth and the development of the service is continuing with the aim of further automating banks' collateral management processes and expanding the scope of the price estimation service. In Sweden, the Tambur housing transaction service has achieved a high coverage of the transaction volume in the market, and investments to further develop the service are continuing in close cooperation with key customers.

January – June

Enento Group's net sales in the review period amounted to EUR 74,4 million (EUR 70,1 million), an increase of 6,1 % year-on-year at reported exchange rates and 6,9 % at comparable exchange rates. Net sales from new products and services were EUR 3,5 million (EUR 2,9 million), which was 4,6 % (4,2 %) of the total net sales for the review period. The key drivers of net sales growth in the review period were the strong development of the SME and Consumers business area, driven by the Proff acquisition and online consumer services in Sweden, the strong growth of the Digital Processes business area in both markets and the good development of the Risk Decisions business area's business information services in Finland. The number of banking days with a volume effect was the same as last year in both of the main market areas, Finland and Sweden.

Net sales of the Risk Decisions business area in the review period amounted to EUR 46,6 million (EUR 47,3 million). Compared with the corresponding period in the previous year, net sales of the business area decreased by 1,5 % at reported exchange rates and 0,8 % at comparable exchange rates. The demand for consumer-related risk management services – and positive credit information in particular – developed favourably in Sweden in the first half of the review period, but the net sales for the full review period were ultimately on a par with the previous year due to the negative effect of the economic impacts of the coronavirus pandemic on the consumer credit business. In Finland, demand was negatively affected already in the first half of the review period by the stricter interest rate ceiling regulations on consumer credit introduced in the autumn 2019, and the negative impact of this regulatory change was exacerbated by the economic impacts of the pandemic and increasingly strict regulations on consumer credit in the second quarter. The scope of positive credit information nevertheless continues to grow in Finland, and positive credit information is being increasingly widely used in granting consumer credit. The development of business information services was good in Finland, particularly due to new services, and service demand was also boosted by the Finnish state's financial support measures for companies to mitigate the economic impacts of the coronavirus pandemic, as our decision services were used in the assessment and allocation of financial support. The development of net sales in the business area was supported during the review period by new services, as their share of net sales increased substantially.

Net sales of the SME and Consumers business area during the review period amounted to EUR 19,2 million (EUR 14,5 million). Compared with the corresponding period in the previous year, net sales of the business area increased by 32,3 % at reported exchange rates and 33,5 % at comparable exchange rates. The Proff acquisition strengthened Enento Group's business information service offering aimed at the SME sector, and the consolidation of Proff's net sales into the SME and Consumers business area from the start of the third quarter of the previous year was a key factor in the reported year-on-year growth of the business area in the period under review. In addition to the growth effect of the Proff acquisition, the development of online consumer services in Sweden remained strong during the review period, supported by service development and successful marketing investments. Subscription-based online business information services developed favourably in Sweden, but the demand for display advertising declined substantially towards the end of the review period due to the coronavirus pandemic. In Finland, the redesigned omatieto.fi consumer service was launched at the start of the review period, with experiences of the successful corresponding service in Sweden contributing to the development effort, and the sales of the redesigned service developed positively during the review period, as expected.

Net sales of the Customer Data Management business area in the review period amounted to EUR 3,9 million (EUR 4,2 million). Compared with the corresponding period in the previous year, net sales of the business area decreased by 7,2 % at reported exchange rates and 6,8 % at comparable exchange rates. The net sales of B2C customer management services saw strong development in Finland during the review period thanks to active sales efforts. The volume of Emaileri's electronic communications services and the net sales of B2B customer management services in Sweden contracted. The net sales development of subscription-based B2B customer management services was stable in both market areas, but the volumes of ad hoc deliveries declined year-on-year. The business area is continuing its efforts to improve the efficiency of sales, and service development is focused on the Nordic service offering and the utilisation of unstructured data.

Net sales of the Digital Processes business area in the review period amounted to EUR 4,8 million (EUR 4,2 million). Compared with the corresponding period in the previous year, net sales of the business area increased by 14,5 % at reported exchange rates and 15,0 % at comparable exchange rates. The business area's growth in the review period was driven by new services and the continued strong positive development of the volume of compliance services in Finland. The volumes of the housing price estimation service for banks, launched last year in the Finnish market, saw strong development during the review period, as expected, and the development of the service is continuing with the aim of further automating the collateral management processes of banks. In Sweden, the Tambur housing transaction service has achieved a high coverage of the transaction volume in the market, and investments to further develop the service are continuing in close cooperation with key customers. The business area's service development is focused particularly on the digitalisation of data-intensive processes related to housing transactions and other aspects of housing.

FINANCIAL RESULTS

April – June

Enento Group's operating profit (EBIT) for the second quarter amounted to EUR 5,4 million (EUR 5,0 million). Operating profit included items affecting comparability of EUR 4,8 million (EUR 4,1 million), mainly arising from amortisation from fair value adjustments of EUR 3,0 million (EUR 2,7 million) related to acquisitions as well as M&A and integration expenses.

Second-quarter adjusted EBITDA excluding items affecting comparability was EUR 12,5 million (EUR 12,2 million). Adjusted EBITDA increased by EUR 0,3 million at reported exchange rates and by EUR 0,3 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the second quarter excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions increased by EUR 1,0 million to EUR 10,2 million (EUR 9,2 million). Adjusted EBIT margin for the second quarter increased substantially year-on-year. In the second quarter of the previous year, the adjusted EBIT margin was reduced by a write-down on capitalised development expenses arising from the closure of the UC KYC service (EUR -1,5 million). The growth of profitability was tempered by the acquired Proff business having a diluting effect on the EBIT margin, the low organic growth of net sales combined with increased data acquisition costs due to changes in the product mix and new data sources as well as increased IT expenses due to the Group maintaining a high level of development activity. The Group also continued to invest in marketing and completed its brand renewal process in the second quarter. As announced in March, the Group implemented a programme to adjust the fixed costs planned for the financial year, and this had a positive effect on profitability in the second quarter. Amortisation related to capitalised development costs increased compared with the corresponding quarter in the previous year, excluding the effect of the write-down on the UC KYC service (EUR 1,2 million).

The Group's depreciation and amortisation for the second quarter amounted to EUR 5,3 million (EUR 5,8 million). Of the depreciation and amortisation, EUR 3,0 million (EUR 2,7 million) resulted from amortisation from fair value adjustments related to the acquisitions. The Group's depreciation on right-of-use assets (IFRS 16) in the second quarter amounted to EUR 0,6 million (EUR 0,6 million).

Net financial expenses in the second quarter were EUR 0,7 million (EUR 0,6 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,0 million (0,0 million) in the second quarter, and recognised exchange rate losses amounted to EUR -0,1 million (EUR 0,0 million).

The Group's profit before income taxes for the second quarter was EUR 4,7 million (EUR 4,4 million).

The tax amount booked as expense for the second quarter was EUR -1,0 million (EUR -1,0 million).

The Group's profit for the second quarter was EUR 3,7 million (EUR 3,5 million).

January – June

Enento Group's operating profit (EBIT) for the review period amounted to EUR 12,5 million (EUR 11,7 million). Operating profit included items affecting comparability of EUR 8,1 million (EUR 7,3 million), mainly arising from amortisation from fair value adjustments of EUR 6,0 million (EUR 5,5 million) related to acquisitions as well as M&A and integration expenses.

Adjusted EBITDA for the review period excluding items affecting comparability amounted to EUR 24,9 million (EUR 24,0 million). Adjusted EBITDA increased by EUR 0,9 million at reported exchange rates and by EUR 1,1 million at comparable exchange rates.

Adjusted operating profit (EBIT) for the review period excluding items affecting comparability and amortisation from fair value adjustments related to the acquisitions increased by EUR 1,6 million to EUR 20,6 million (EUR 19,0 million). The adjusted EBIT margin for the review period grew year-on-year. In the reference period, the adjusted EBIT margin was reduced by a write-down on capitalised development expenses arising from the closure of the UC KYC service (EUR -1,5 million). The growth of profitability was tempered by the acquired Proff business having a diluting effect on the EBIT margin, the marketing investments made in growing the sales of continuous subscription services and the Group's brand renewal as well as increased IT expenses. Amortisation related to capitalised development costs increased year-on-year, excluding the effect of the write-down on the UC KYC service (EUR 1,2 million).

The Group's depreciation and amortisation for the review period amounted to EUR 10,3 million (EUR 10,5 million). Of the depreciation and amortisation, EUR 6,0 million (EUR 5,5 million) resulted from amortisation from fair value adjustments related to the acquisitions. The Group's depreciation of right-of-use assets (IFRS 16) during the review period amounted to EUR 1,2 million (EUR 1,1 million).

Net financial expenses during the review period were EUR 1,1 million (EUR 1,4 million). Financial expenses related to lease liabilities (IFRS 16) were EUR 0,1 million (0,1 million) in the review period, and recognised exchange rate gains amounted to EUR 0,2 million (EUR -0,1 million).

The Group's profit before income taxes for the review period was EUR 11,4 million (EUR 10,2 million).

The tax amount booked as expense for the review period was EUR -2,3 million (EUR -1,9 million).

The Group's profit for the review period was EUR 9,1 million (EUR 8,3 million).

CASH FLOW

In the review period, cash flow from operating activities amounted to EUR 16,3 million (EUR 17,1 million). The change in the Group's working capital was EUR -1,9 million (EUR 0,0 million). The impact of items affecting comparability on operating cash flow was EUR -1,4 million (EUR -1,2 million).

The Group paid EUR 1,2 million (EUR 1,4 million) in taxes during the review period.

Cash flow from investing activities for the review period amounted to EUR -4,6 million (EUR -5,7 million). The cash flow from investing activities consisted of acquisitions of property, plant and equipment and intangible assets.

Cash flow from financing activities for the review period amounted to EUR -14,3 million (EUR -23,9 million). The cash flow from financing activities for the review period consisted of an equity repayment and repayments of lease liabilities (IFRS 16).

STATEMENT OF FINANCIAL POSITION

At the end of the review period, the Group's total assets were EUR 535,7 million (EUR 535,1 million). Total equity amounted to EUR 302,6 million (EUR 299,4 million) and total liabilities to EUR 233,0 million (235,6 million). The change in equity mainly consists of the result for the review period and a translation difference included in comprehensive income, largely attributable to the depreciation of the Swedish krona and the repayment of equity. Of the total liabilities, EUR 165,0 million (EUR 176,8 million) were long-term interest-bearing liabilities. Of the total liabilities, EUR 23,1 million (EUR 24,0 million) were deferred tax liabilities, EUR 7.9 million (EUR 4.3) non-current pension liabilities, EUR 2,2 million (EUR 2,1 million) current interest-bearing lease liabilities and EUR 34,8 million (EUR 28,4 million) current non-interest-bearing liabilities. Goodwill amounted to EUR 350,2 million (EUR 343,8 million) at the end of the review period.

Enento Group's cash and cash equivalents at the end of the review period were EUR 17,1 million (EUR 20,2 million), and net debt was EUR 150,2 million (EUR 158,7 million).

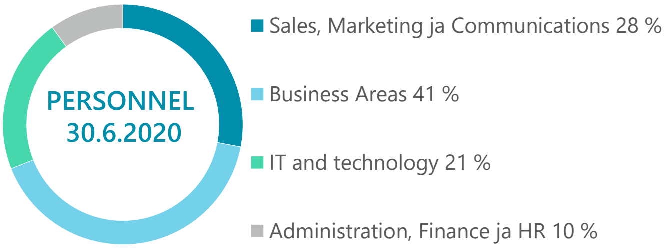
CAPITAL EXPENDITURE

The majority of Enento Group's capital expenditure is related to the development of products and services as well as investments in IT infrastructure. Other capital expenditure mainly comprises purchases of company cars and office equipment. The Group's gross capital expenditure in the review period amounted to EUR 6,0 million (EUR 5,8 million). Capital expenditure on intangible assets was EUR 5,4 million (EUR 5,5 million) and capital expenditure on property, plant and equipment was EUR 0,6 million (EUR 0,3 million).

The product development activities of Enento Group involve development of the product and service offering. During the review period, the capitalised development and software costs of the Group amounted to EUR 5,4 million (EUR 5,5 million). The Group had no material research activities.

PERSONNEL

The average number of personnel employed by Enento Group during the second quarter of the year was 416 (430). At the end of the review period, the number of people employed by Enento Group was 430 (459), of whom 170 (167) worked in the Finnish companies, 215 (292) in the Swedish companies, 43 (0) in the Norwegian company and 2 (0) in the Danish company. The change in the number of personnel in the Swedish subsidiaries is mainly due to the outsourcing of UC Affärsfakta AB's telesales operations, while the change in the Norwegian and Danish subsidiaries is due to the Proff acquisition.



During the review period, the Group's personnel expenses amounted to EUR 17,4 million (EUR 19,2 million) and included an accrued cost of EUR 347 thousand (EUR 450 thousand) from the management's long-term incentive plan. More details on the management's long-term incentive plan are provided in section 2.6. Transactions with related parties in the notes to the condensed interim report.

Key figures describing the Group's personnel:

PERSONNEL	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Average number of personnel	416	430	417	428	428
Full time	408	419	405	419	417
Part time and temporary	8	11	12	9	11
Geographical distribution					
Finland	164	162	165	160	162
Sweden	206	268	206	268	246
Norway	44	-	44	-	19
Denmark	2	-	2	-	1
Wages and salaries for the period (EUR million)	6,9	7,9	13,9	15,2	28,5

OTHER EVENTS DURING THE REVIEW PERIOD

Annual General Meeting of 12 June 2020

The Annual General Meeting held on 12 June 2020 adopted the financial statements for the financial period ended on 31 December 2019 and discharged the members of the Board of Directors and the Chief Executive Officer from liability.

The Annual General Meeting approved the Board of Directors' proposal to distribute funds of EUR 0,61 per share. The equity repayment was paid to shareholders registered in the company's shareholder register maintained by Euroclear Finland Ltd on the record date of the payment on 16 June 2020. The Annual General Meeting set 25 June 2020 as the payment date.

The Annual General Meeting authorised the Board of Directors, at its discretion, to resolve on the distribution of funds to shareholders as equity repayment from the reserve for invested unrestricted shareholders' equity of the company up to a maximum of EUR 0.34 per share. The authorisation is valid until the next Annual General Meeting, however not past 30 June 2021.

The Annual General Meeting resolved to amend the company's articles of association regarding the trade name. The Annual General Meeting resolved to amend the trade name of the company to be Enento Group Oyj.

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting resolved that the Board of Directors will consist of six members. In accordance with the proposal of the Shareholders' Nomination Board, Petri Carpén, Patrick Lapveteläinen, Carl-Magnus Månsson, Martin Johansson and Tiina Kuusisto were re-elected as members of the Board of Directors. Minna Parhiala was elected as a new member of the Board of Directors.

The Annual General Meeting resolved that the Chairperson of the Board of Directors be remunerated EUR 51 000 annually and that the members of the Board of Directors be remunerated EUR 36 000 annually. In addition, an attendance fee of EUR 500 is paid for attending a Board meeting. For attending the Board Committee meetings, the Chairpersons of the Committees will be remunerated EUR 500 per meeting and the Committee members will be remunerated EUR 400 per meeting. No remuneration is paid to the members of the Shareholders' Nomination Board. Reasonable travel expenses for attendance to meetings are paid to Board members and members of the Shareholder's Nomination Board.

Authorised Public Accountants firm PricewaterhouseCoopers Oy was selected as the auditor of the Company, and Authorised Public Accountant Martin Grandell as the auditor in charge. The auditor's fee is paid according to a reasonable invoice approved by the Audit Committee of Board of Directors.

Authorisation for issue of shares

The Annual General Meeting authorised the Board of Directors to resolve on one or more issuances of shares, which include the right to issue new shares in the company or to transfer the company's treasury shares. The authorisation covers up to a total of 1 500 000 shares. The Board of Directors was also authorised to decide on a directed issuance of shares in the company. The authorisation is proposed to be used for material arrangements from the company's point of view, such as financing or implementing business arrangements or investments or for other such purposes determined by the Board of Directors in which case a weighty financial reason for issuing shares would exist.

The Board of Directors was authorised to resolve on all other terms and conditions of the issuance of shares, including the payment period, grounds for the determination of the subscription price and subscription price or allocation of shares free of charge or that the subscription price may be paid, besides in cash, also by other assets either partially or entirely.

The authorisation is effective for 18 months from the close of the Annual General Meeting, until 12 December 2021. The authorisation revoked the share issue authorisation granted to the Board of Directors by the Annual General Meeting on 28 March 2019.

Enento Group Plc's Board of Directors decided on 11 February 2019 on a directed share issue related to the reward payment from the performance period 2015–2018 of the Matching Share Plan 2015 and from the performance period 2016–2018 of the Performance Share Plan 2016. In the share issue, 39 328 new Enento Group Plc shares were issued without consideration to the key employees participating in the Matching Share Plan 2015 and the Performance Share Plan 2016 in accordance with the terms and conditions of each plan. The decision on a directed issue of shares was based on the authorisation given to the Board of Directors by the Annual General Meeting on 22 March 2018.

Enento Group Plc's Board of Directors decided on 10 February 2020 on a directed share issue related to the reward payment from the performance period 2018–2019 of the Matching Share Plan 2018. In the share issue, 13 769 new Enento Group Plc shares were issued without consideration to the key employees participating in the Matching Share Plan 2018 in accordance with the terms and conditions of the plan. The decision on a directed issue of shares was based on the authorisation given to the Board of Directors by the Annual General Meeting on 28 March 2019.

Authorisation for repurchasing own shares

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 1 500 000 of the company's own shares, in one or several instalments. The shares will be repurchased with the Company's unrestricted shareholders' equity, and the repurchases will reduce funds available for the distribution of profits. The shares can be repurchased for example to develop the company's capital structure, carry out or finance potential corporate acquisitions or other business arrangements, to be used as a part of the company's incentive programme or to be otherwise conveyed further, retained as treasury shares, or cancelled.

In accordance with the resolution of the Board of Directors, shares may be repurchased also in a proportion other than that in which shares are owned by the shareholders (directed acquisition) at the market price of the shares at marketplaces on which the company shares are traded or a price otherwise established on the market at the time of the repurchase. The Board of Directors decides how shares are repurchased. Among other means, derivatives may be used in acquiring the shares. According to the authorisation, the Board of Directors decides on any other matters related to the repurchase of shares.

The authorisation is effective for 18 months from the close of the Annual General Meeting, until 12 December 2021. The authorisation revoked the authorisation to repurchase the company's shares granted to the Board of Directors by the Annual General Meeting on 28 March 2019. The authorisation has not been used as of 6 August 2020.

Meeting of the Board of Directors on 12 June 2020

The organisational meeting of the Board of Directors elected from among its members Patrick Lapveteläinen as Chairperson of the Board of Directors.

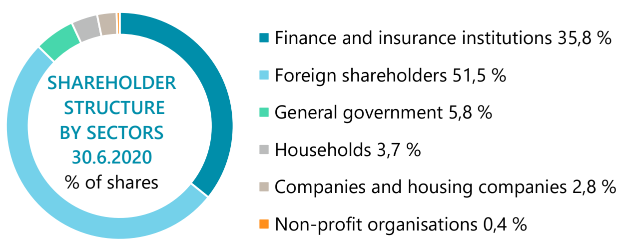
The Board of Directors has in its organisational meeting evaluated the independence of the Directors according to the Finnish Corporate Governance Code. The Board noted that all members of the Board are independent of the company and all except Patrick Lapveteläinen and Martin Johansson are independent of the significant shareholders. The Board of Directors noted the company is in compliance with recommendation 10 of the Corporate Governance Code concerning the independence of Board members.

EVENTS AFTER THE REVIEW PERIOD

There were no reportable events after the end of the review period.

SHARES AND SHAREHOLDERS

The Company has one share class. Each share carries one vote at the General Meeting of shareholders and each share confers equal right to dividends and net assets of the Company. The shares have no nominal value. The shares of the company are incorporated in the book-entry securities system maintained by Euroclear Finland Ltd.



A total of 13 769 new shares were subscribed for in Enento Group Plc's share issue directed to the company key personnel without payment. The shares were registered in the Trade Register on 26 February 2020. After the registration, the company's shares totalled 24 007 061. The new shares produce the right to dividends and other distribution of assets as well as other shareholder rights as of the registration date 26 February 2020. Trading in the new shares commenced on 27 February 2020.

On 30 June 2020, the total number of shares was 24 007 061 (23 993 292), and the share capital of the company amounted to EUR 80 000 (EUR 80 000).

According to the book-entry securities system, the company had 2 961 (2 501) shareholders on 30 June 2020. A list of the largest shareholders is available on the company's investor pages at enento.com/investors/.

SHARE-RELATED KEY FIGURES			
EUR (unless otherwise stated)	**1.1. – 31.6.2020**	**1.1. – 30.6.2019**	**1.1. – 31.12.2019**
Share price development			
Highest price	40,30	29,60	34,70
Lowest price	24,20	22,00	22,00
Average price	30,94	24,67	26,56
Closing price	36,80	28,80	31,50
Market capitalisation, EUR million	883,5	691,0	755,8
Trading volume, pcs	1 172 582	1 236 508	2 509 597
Total exchange value of shares, EUR million	36,3	30,5	66,6

FLAGGING NOTIFICATIONS AND MANAGERS' TRANSACTIONS

Flagging notifications in the review period

There were no flagging notifications during the review period.

Managers' transactions

Transactions by Enento Group's management during the review period have been published as Stock Exchange Releases and they can be read on the company's investor pages at enento.com/investors

RISKS AND UNCERTAINTIES IN THE NEAR FUTURE

The demand for the Group's products and services depends on the activity of the business operations of its customers. Slow economic growth or a declining economy may result in a weakening demand for the services of Enento Group. In addition, regulatory changes that reduce the lending ability of the Group's customers may have a negative effect on the demand for the Group's services and products.

Due to the COVID-19 pandemic, severe and extensive restrictions have been placed at the state level in the Nordic countries. These restrictions have significant impacts on economic activity. The Group has assessed the risks and uncertainties arising from the restrictive measures. Due to the extraordinary situation, the Group's ability to predict the potential effects on the demand for its services has been reduced. The potential business impacts of the pandemic-related risks that affect demand factors are managed by proactive cost adaptation measures and contingency plans. The Group expects the increase in credit risk to be limited because a significant proportion of the Group's customers are financially sound companies in the financial industry, whose credit risk is assessed to be low by the Group. For managing liquidity risk, the Group has unused credit arrangements and the Group does not have any external loans maturing before October 2023.

The exchange rate risk arising from the volatility of the Nordic currencies is primarily managed by operational means. Sales and purchases are mainly generated in the operating currency of each Group company. As a result, the Group is not exposed to significant transaction risk. The Group manages translation risk by financing its business operations outside Finland in the local currency. This means that changes in operating profit arising from the fluctuation of exchange rates can be partly covered by changes in financing costs. The Group's reporting currency is the euro and the Group has significant business operations denominated in the Swedish krona and the Norwegian krone. As a result, changes in exchange rates have an impact on the development of the Group's reported net sales, EBITDA and profit.

A general tendency to seek cost savings in business activities and the tightening competition in the Group's business sector may cause downward pricing pressure, which may have a negative effect on revenue and profit.

Enento Group believes that its continued success will be influenced by its ability to meet customers' needs through the development of products and services that are easy to use and that seek to increase customers' business process efficiency, offer cost savings, and facilitate better business decisions. Potential deficiencies in the management of the product development portfolio, as well as a shortage of development resources, may delay the introduction of new services or enhancements to the market and therefore weaken the Group's results.

Well-functioning information technology and good availability of services are essential conditions for the business operations of Enento Group. Notwithstanding the current solutions for high availability and protection solutions in accordance with best practices, the realisation of external or internal threats can never be completely eliminated. The realisation of risks of this kind could result in misuse, modification or illegal publication of information and could have legal consequences or cause reputational harm, loss of revenue, claims or regulatory actions.

Enento Group Plc has received a claim for additional compensation from Eniro AB (publ.) in relation to Enento's acquisition of Proff companies from Eniro's subsidiaries Eniro Sverige AB, Eniro Holding AS and Eniro Danmark A/S. Eniro presents in its claim that the purchase price set out in the agreement and upon which the transaction was consummated was incorrect due to a "clerical error" on Eniro's side. The claim amounts to SEK 21 530 833,33. Enento Group Plc deems the claim to be without any merit. The matter has been submitted for arbitration.

Helsinki, 6 August 2020

ENENTO GROUP PLC
Board of Directors

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CONDENSED INTERIM FINANCIAL STATEMENTS AND NOTES 1.1. – 30.6.2020

The figures presented in this Half Year Financial Report are unaudited. The amounts presented in the Half Year Financial Report are rounded and the sum of individual figures may differ from the sum reported.

1. Consolidated statement of comprehensive income, financial position, cash flows and changes in equity

CONSOLIDATED STATEMENT OF INCOME					
EUR thousand	**1.4. – 30.6.2020**	**1.4. – 30.6.2019**	**1.1. – 30.6.2020**	**1.1. – 30.6.2019**	**1.1. – 31.12.2019**
Net sales	**36 730**	**35 565**	**74 367**	**70 088**	**145 957**
Other operating income	175	8	361	33	293
Materials and services	-6 532	-6 150	-12 629	-11 759	-24 499
Personnel expenses[1]	-9 171	-10 481	-18 798	-20 310	-38 574
Work performed by the entity and capitalised	709	510	1 398	1 075	2 218
Total personnel expenses	*-8 463*	*-9 971*	*-17 400*	*-19 235*	*-36 356*
Other operating expenses	-11 205	-8 660	-21 893	-16 999	-37 111
Depreciation and amortisation	-5 285	-5 771	-10 263	-10 452	-20 503
Operating profit	**5 420**	**5 021**	**12 542**	**11 677**	**27 782**
Finance income	6	90	256	100	154
Finance expenses	-740	-701	-1 386	-1 529	-3 029
Finance income and expenses	-734	-611	-1 130	-1 429	-2 875
Profit before income tax	**4 686**	**4 410**	**11 412**	**10 248**	**24 906**
Income tax expense	-1 023	-877	-2 331	-1 915	-5 197
Profit for the period	**3 663**	**3 533**	**9 081**	**8 333**	**19 710**
Items that may be reclassified to profit or loss:					
Translation differences on foreign units	13 691	-4 256	-2 546	-8 216	-5 305
Hedging of net investments in foreign units	-3 228	996	290	1 884	1 186
Income tax relating to these items	646	-199	-58	-377	-237
	11 108	**-3 460**	**-2 314**	**-6 709**	**-4 357**
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	-	-	-	-	-3 634
Income tax relating to these items	-	-	-	-	749
	-	**-**	**-**	**-**	**-2 885**
Other comprehensive income for the period, net of tax	**11 108**	**-3 460**	**-2 314**	**-6 709**	**-7 242**
Total comprehensive income for the period	**14 771**	**73**	**6 767**	**1 624**	**12 467**

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Profit attributable to:					
Owners of the parent company	3 663	3 533	9 081	8 333	19 710
Total comprehensive income attributable to:					
Owners of the parent company	14 771	73	6 767	1 624	12 467
Earnings per share attributable to the owners of the parent during the period:					
Basic, EUR	0,15	0,15	0,38	0,35	0,82
Diluted, EUR	0,15	0,15	0,38	0,35	0,82

[1] Personnel expenses include accrued expenses related to the long-term incentive plan to the management in the following amounts: second quarter 1 April–30 June 2020 EUR 63 thousand, the reference period 1 April–30 June 2019 EUR 249 thousand, the review period 1 January–30 June 2020 EUR 347 thousand and the reference period 1 January–30 June 2019 EUR 450 thousand.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	30.6.2020	30.6.2019	31.12.2019
ASSETS			
Non-current assets			
Goodwill	350 242	343 775	351 368
Other intangible assets	131 342	130 748	135 460
Property, plant and equipment	2 318	2 560	2 356
Right-of-use assets	8 528	10 846	9 591
Deferred tax assets	537	922	740
Financial assets and other receivables	85	177	86
Total non-current assets	**493 052**	**489 029**	**499 601**
Current assets			
Account and other receivables	25 582	25 824	23 328
Cash and cash equivalents	17 065	20 202	20 361
Total current assets	**42 646**	**46 025**	**43 688**
Total assets	**535 698**	**535 054**	**543 289**

EUR thousand	30.6.2020	30.6.2019	31.12.2019
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	80	80	80
Invested unrestricted equity reserve	325 529	340 173	340 173
Translation differences	-1 937	-1 946	407
Accumulated losses	-21 023	-38 876	-29 985
Equity attributable to owners of the parent	**302 649**	**299 432**	**310 675**
Share of equity held by non-controlling interest	0	0	0
Total equity	**302 649**	**299 432**	**310 675**
Liabilities			
Non-current liabilities			
Financial liabilities	165 001	176 789	166 225
Pension liabilities	7 873	4 260	7 915
Deferred tax liabilities	23 091	24 009	24 137
Total non-current liabilities	**195 965**	**205 058**	**198 277**
Current liabilities			
Financial liabilities	2 246	2 148	2 276
Advances received	11 609	7 714	10 247
Account and other payables	23 229	20 702	21 814
Total current liabilities	**37 084**	**30 564**	**34 337**
Total liabilities	**233 049**	**235 622**	**232 614**
Total equity and liabilities	**535 698**	**535 054**	**543 289**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interest	Total equity
	Attributable to owners of the parent						
Equity at 1.1.2020	**80**	**340 173**	**407**	**-29 985**	**310 675**	**0**	**310 675**
Profit for the period	-	-	-	9 081	9 081	-	9 081
Other comprehensive income for the period							
Hedging of net investments	-	-	290	-58	232	-	232
Defined benefit plans	-	-	-	-	-		-
Translation differences	-	-	-2 633	58	-2 576	-	-2 576
Total comprehensive income for the period	-	-	-2 344	9 081	-6 737	-	-6 737
Transactions with owners							
Distribution of funds	-	-14 644	-	-	-14 644	-	-14 644
Management's incentive plan	-	-	-	-119	-119	-	-119
Equity at 30.6.2020	**80**	**325 529**	**-1 937**	**-21 023**	**302 649**	**0**	**302 649**

EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Accumulated losses	Total	Share of equity held by non-controlling interest	Total equity
	Attributable to owners of the parent						
Equity at 1.1.2019	**80**	**351 690**	**4 592**	**-35 071**	**321 290**	**0**	**321 290**
Profit for the period	-	-	-	8 333	8 333	-	8 333
Other comprehensive income for the period							
Hedging of net investments	-	-	1 678	-172	1 507	-	1 507
Defined benefit plans	-	-	-	-	-		-
Translation differences	-	-	-8 216	-	-8 216	-	-8 216
Total comprehensive income for the period	-	-	-6 538	8 161	1 623	-	1 623
Transactions with owners							
Distribution of funds	-	-11 517	-	-11 277	-22 794	-	-22 794
Management's incentive plan	-	-	-	-689	-689	-	-689
Equity at 30.6.2019	**80**	**340 173**	**-1 946**	**-38 876**	**299 432**	**0**	**299 432**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Cash flow from operating activities					
Profit before income tax	4 686	4 410	11 412	10 248	24 906
Adjustments:					
Depreciation and amortisation	5 285	5 771	10 263	10 452	20 503
Finance income and expenses	734	611	1 130	1 429	2 875
Profit (-) / loss (+) on disposal of property, plant and equipment	-46	-	-96	-21	-66
Management's incentive plan	-403	-890	-341	-689	-289
Other adjustments	-117	-44	30	-96	-177
Cash flows before change in working capital	10 139	9 858	22 399	21 323	47 752
Change in working capital:					
Increase (-) / decrease (+) in account and other receivables	165	-346	-2 358	-4 137	-618
Increase (+) / decrease (-) in account and other payables	-1 731	404	475	4 168	2 191
Change in working capital	-1 567	58	-1 882	31	1 573
Interest expenses paid	-1 118	-1 393	-1 226	-1 470	-2 755
Interest income received	6	90	26	161	201
Income taxes paid	-1 237	-1 383	-2 980	-2 934	-4 852
Cash flow from operating activities	**6 222**	**7 231**	**16 336**	**17 111**	**41 920**
Cash flows from investing activities					
Purchases of property, plant and equipment	-314	-99	-613	-307	-779
Purchases of intangible assets	-1 802	-3 099	-4 376	-5 482	-11 638
Purchases of subsidiaries, net of cash acquired	-	-	-	-	-7 327
Proceeds from sale of property, plant and equipment	235	-9	380	98	370
Cash flows from investing activities	**-1 881**	**-3 207**	**-4 610**	**-5 691**	**-19 374**
Cash flows from financing activities					
Proceeds from interest-bearing liabilities	-	-	-		-
Repayments of interest-bearing liabilities	-580	-510	-981	-1 090	-12 216
Dividends paid and other profit distribution	-13 295	-22 794	-13 295	-22 794	-22 794
Cash flows from financing activities	**-13 875**	**-23 304**	**-14 276**	**-23 883**	**-35 010**
Net increase / decrease in cash and cash equivalents	**-9 533**	**-19 280**	**-2 549**	**-12 464**	**-12 464**
Cash and cash equivalents at the beginning of the period	20 096	39 630	20 361	33 215	33 215
Net change in cash and cash equivalents	-9 533	-19 280	-2 549	-12 464	-12 464
Translation differences of cash and cash equivalents	501	-148	-747	-550	-390
Cash and cash equivalents at the end of the period	**17 064**	**20 202**	**17 064**	**20 202**	**20 361**

2. Notes

2.1. Accounting policies

This half year report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods applied in the Interim Report are the same as those applied in the financial statements for the financial year ended 31 December 2019.

The preparation of financial statements in accordance with IFRS requires Enento Group's management to use estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the reported amounts of income and expenses for the review period. In addition, it is necessary to exercise judgment in applying the accounting policies. Because estimates and assumptions are based on the understanding as at the end of the interim period, they include risks and uncertainties. The actual results may differ from the estimates and assumptions made. Critical accounting estimates and judgments are disclosed in more detail under Note 3 to the consolidated financial statements for the year 2019.

The foreign subsidiaries' income statements and cash flows have been converted into euro on a monthly basis using the monthly average exchange rate issued by the European Central Bank, and balance sheets have been converted using the exchange rate issued by the European Central Bank on the end date of the period. Conversion of the profit for the period using different exchange rates for the income statement and balance sheet causes a translation difference in the balance sheet recognised in equity.

The change in equity is recognised in other comprehensive income. The amounts presented are rounded, so the sum of individual figures may thus differ from the sum reported. The figures presented in this half year report are unaudited.

Changes in accounting policies

There were no changes in accounting policies during the review period.

New standards and interpretations not yet adopted

Enento Group adopts new and amended standards and interpretations on their effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

The IFRS standards and IFRIC interpretations that have already been published but are not yet in effect are not expected to have a material impact on Enento Group.

2.2. Net sales

NET SALES BY BUSINESS AREA

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Risk Decisions	22 944	23 888	46 565	47 271	95 486
SME and Consumers	9 293	7 338	19 150	14 472	33 931
Customer Data Management	1 982	2 147	3 867	4 166	8 127
Digital Processes	2 510	2 192	4 785	4 180	8 413
Total	**36 730**	**35 565**	**74 367**	**70 088**	**145 957**

Enento Group's organisation consists of two types of units: business areas and functional units.

2.3. Equity

CHANGES IN NUMBER OF SHARES	Number of shares	Total number of shares
1.1.2019		**23 953 964**
Shares issued to the management's incentive system	39 328	23 993 292
30.6.2019		**23 993 292**
1.1.2020		**23 993 292**
Shares issued to the management's incentive system	13 769	24 007 061
30.6.2020		**24 007 061**

A total of 13 769 new shares were subscribed for in Enento Group Plc's share issue directed to the company key personnel without payment. The shares were registered in the Trade Register on 26 February 2020. The new shares produce the right to dividends and other distribution of assets, as well as other shareholder rights, as of the registration date 26 February 2020. Trading in the new shares commenced on 27 February 2020. The issuance of shares related to share-based remuneration is disclosed in the notes to the condensed financial statements, in Note 2.6 Transactions with related parties.

A total of 39 328 new shares were subscribed for in Enento Group Plc's share issue targeted at the company's key personnel without payment. The new shares were registered in the Trade Register on 8 March 2019 and they produced the right to dividends and other distribution of assets, as well as other shareholder rights, as of the registration date. Trading in the new shares commenced on 11 March 2019. The issuance of shares related to share-based remuneration is disclosed in the notes to the condensed interim report, in Note 2.7 Transactions with related parties.

For the financial year 2019, Enento Group Plc distributed EUR 0,61 of funds per share, totalling EUR 14,6 million. The equity repayment was paid on 25 June 2020.

For the financial year 2018, Enento Group Plc distributed EUR 0,95 of funds per share, totalling EUR 22,8 million. The dividend and equity repayment were paid on 11 April 2019.

2.4. Financial liabilities

FINANCIAL LIABILITIES OF THE GROUP EUR thousand	30.6.2020	30.6.2019	31.12.2019
Non-current			
Loans from financial institutions	158 574	168 031	158 797
Lease liabilities	6 427	8 758	7 428
Total	**165 001**	**176 789**	**166 225**
Current			
Lease liabilities	2 246	2 148	2 276
Total	**2 246**	**2 148**	**2 276**
Total financial liabilities	**167 247**	**178 937**	**168 501**

Of the loans from financial institutions, EUR 95,5 million (EUR 105,4 million) were EUR-denominated and EUR 63,0 million (EUR 62.6 million) were SEK-denominated on 30 June 2020.

Enento Group Plc loan agreement consists of a term loan of EUR 160 million and a revolving credit facility of EUR 20 million. The company drew down the term loan partially in euro and partially in

Swedish krona in accordance with the terms of the loan agreement. The loans mature in October 2023. At the end of the financial year, the company had used EUR 0 (EUR 10 million) of its credit facility.

To facilitate efficient cash management in the Group, a multi-currency cash pool arrangement was implemented in 2019 with Danske Bank A/S. An overdraft of EUR 15,0 million was included in the cash pool arrangement. The overdraft had not been utilised on 30 June 2020.

The loans include a financial covenant reviewed on a quarterly basis, which is Net debt to EBITDA calculated in accordance with the financing agreement. The ratio of the Group's net debt, as defined in the financing agreement, to EBITDA adjusted according to the terms of the financing agreement was 2,8 (3,2) on 30 June 2020. The covenant limit in accordance with the financing agreement was 3,5 (4,5) on 30 June 2020.

2.5. Lease agreement commitments

LEASE AGREEMENT COMMITMENTS

EUR thousand	30.6.2020	30.6.2019	31.12.2019
No later than 1 year	-	44	223
Total	**-**	**44**	**223**

Lease agreement commitments are not shown for the interim period, unless the lease period is 12 months or less or the value of the lease agreement is low. Group does not report low value agreements or IT service agreements as minimum rents.

2.6. Transactions with related parties

Related parties of the Group consist of group entities and shareholders having a significant influence over the Group. The shareholders who have had the right to nominate a representative in the Company's Board of Directors are considered as having significant influence in the Company. In addition, the key management persons, including the Board of Directors, CEO and Executive Team, are related parties of the Group, as well as their close family members and companies, where the above mentioned persons exercise controlling power.

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES

1.1. – 30.6.2020 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Shareholders having a significant influence over the Group	5 569	-323	-350
Total	**5 569**	**-323**	**-350**

30.6.2020 EUR thousand	Receivables	Liabilities
Shareholders having a significant influence over the Group	1 727	53 146
Total	**1 727**	**53 146**

1.1. – 30.6.2019 EUR thousand	Sales of goods and services	Purchases of goods and services	Finance income and expenses
Shareholders having a significant influence over the Group	5 596	-348	-404
Total	**5 596**	**-348**	**-404**

30.6.2019 EUR thousand	Receivables	Liabilities
Shareholders having a significant influence over the Group	1 319	56 360
Total	**1 319**	**56 360**

Transactions with related parties have been carried out on an arm's length basis. During the review period, the Group's related party transactions with key persons in management and members of the Board of Directors consisted of normal salaries and fees.

Long-term incentive plans for the management

Long-term incentive plan for the management 2018–2021

The target group of the share-based long-term incentive plan decided on by the Board of Directors in August 2018 includes approximately 40 key persons of Enento Group, including the members of the Executive Team. In order to participate in the plan and receive an award, the participant must purchase Enento Group Plc's shares or allocate previously held Enento shares to the programme in the number determined by the Board of Directors.

The possible award for the commitment period depends on the continuation of employment or service at the time of payment of the award and meeting of the shareholding requirement. The award for the commitment period will be paid after the end of the commitment period in 2020. Furthermore, the possible award for the performance period is based on total shareholder return (TSR) on Enento Group Plc share and the Group's adjusted EBITDA in 2020. The award for the performance period will be paid in two increments in 2021.

Awards payable under the plan will not total more than the value of approximately 300 000 Enento Group Plc shares, including also the amount paid in cash. For the review period, an accrued expense of EUR 236 thousand (EUR 424 thousand) has been recognised in personnel expenses.

Long-term incentive plan for the management 2020–2022

In December 2019, the Board of Directors decided on a new share-based long-term incentive plan for key persons of Enento Group. The target group of the plan includes approximately 35 key persons, including the members of the Executive Team.

The incentive plan consists of one performance period covering the calendar years 2020–2022. The potential rewards from the plan will be paid partly in Enento Group Plc shares and partly in cash after the end of the performance period. The potential rewards are based on the achievement of targets set for the total shareholder return (TSR) of the Enento Group Plc share and the Group's cumulative adjusted EBITDA in 2020–2022. The rewards are also dependent on the continuation of the participants' employment or service contracts at the time of payment.

Awards payable under the plan will not total more than the value of approximately 100 000 Enento Group Plc shares, including also the amount paid in cash. For the financial year, an accrued expense of EUR 111 thousand (EUR 0) has been recognised in personnel expenses.

NOTE 1. KEY FINANCIAL INFORMATION FOR THE GROUP

Enento Group Plc presents alternative performance measures as additional information for key performance measures in the consolidated statements of income, financial position and cash flows prepared according to IFRS to reflect the financial development of its business operations and to enhance comparability from period to period. According to the management's view, alternative performance measures provide substantial supplemental information on the result of the Group's operations, financial position and cash flows to the management and investors, securities analysts and other parties. Alternative performance measures are not, as such, included in the consolidated financial statements prepared according to IFRS, but they are derived from the IFRS consolidated financial statements by adjusting items in the consolidated statements of income, financial position and cash flows and/or by proportioning them to each other. Alternative performance measures should not be considered as a substitute for measures in accordance with IFRS. All companies do not calculate alternative performance measures in a uniform way. Therefore, the company's alternative performance measures are not necessarily comparable with similarly named performance measures of other companies.

The alternative performance measures of this half year report have been calculated applying the same principles as presented in the Board of Directors' Annual Report for 2019.

KEY INCOME STATEMENT AND CASH FLOW FIGURES AND RATIOS

EUR million	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Net sales	36,7	35,6	74,4	70,1	146,0
Net sales growth, %	3,3	126,1	6,1	127,4	48,7
EBITDA	10,7	10,8	22,8	22,1	48,3
EBITDA margin, %	29,1	30,3	30,7	31,6	33,1
Adjusted EBITDA	12,5	12,2	24,9	24,0	51,5
Adjusted EBITDA margin, %	33,9	34,3	33,4	34,2	35,3
Operating profit (EBIT)	5,4	5,0	12,5	11,7	27,8
EBIT margin, %	14,8	14,1	16,9	16,7	19,0
Adjusted operating profit (EBIT)	10,2	9,2	20,6	19,0	42,6
Adjusted EBIT margin, %	27,8	25,8	27,8	27,1	29,2
Free cash flow	5,2	5,3	12,5	12,6	32,1
Cash conversion, %	48,8	49,4	55,0	57,1	66,4
Net sales from new products and services	1,8	1,4	3,5	2,9	5,9
New products and services of net sales, %	4,9	4,0	4,6	4,2	4,0
Earnings per share, basic, EUR	0,15	0,15	0,38	0,35	0,82
Earnings per share, diluted, EUR	0,15	0,15	0,38	0,35	0,82
Earnings per share, comparable, EUR[1]	0,25	0,24	0,58	0,53	1,20

[1] The comparable earnings per share does not contain amortisation from fair value adjustments related to the acquisitions or their tax impact.

KEY BALANCE SHEET RATIOS

EUR million	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Balance sheet total	535,7	535,1	535,7	535,1	543,3
Net debt	150,2	158,7	150,2	158,7	148,1
Net debt to adjusted EBITDA, x	3,0	3,2	3,0	3,3	2,9
Return on equity, %	4,8	4,7	5,9	5,4	6,2
Return on capital employed, %	4,6	4,3	5,4	4,9	5,8
Gearing, %	49,6	53,0	49,6	53,0	47,7
Equity ratio, %	57,7	56,8	57,7	56,8	58,3
Gross investments	3,1	3,2	6,0	5,8	12,4

Matching of alternative key figures to the closest IFRS key figure

EBITDA AND ADJUSTED EBITDA

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Operating profit	**5 420**	**5 021**	**12 542**	**11 677**	**27 782**
Depreciation and amortisation	5 285	5 771	10 263	10 452	20 503
EBITDA	**10 705**	**10 792**	**22 806**	**22 129**	**48 284**
Items affecting comparability					
M&A and integration related expenses	1 710	638	1 899	863	1 961
Redundancy payments	32	782	59	966	1 202
Legal actions	21	-	110	-	99
Total items affecting comparability	1 763	1 402	2 067	1 829	3 263
Adjusted EBITDA	**12 468**	**12 212**	**24 873**	**23 958**	**51 547**

EBIT AND ADJUSTED EBIT

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Operating profit	**5 420**	**5 021**	**12 542**	**11 677**	**27 782**
Amortisation from fair value adjustments related to acquisitions	3 013	2 727	**6 037**	5 497	11 572
Items affecting comparability					
M&A and integration related expenses	1 710	638	1 899	863	1 961
Redundancy payments	32	782	59	966	1 202
Legal actions	21	-	110	-	99
Total items affecting comparability	1 763	1 420	2 067	1 829	3 263
Adjusted operating profit	**10 197**	**9 169**	**20 647**	**19 002**	**42 616**

FREE CASH FLOW

EUR thousand	1.4. – 30.6.2020	1.4. – 30.6.2019	1.1. – 30.6.2020	1.1. – 30.6.2019	1.1. – 31.12.2019
Cash flow from operating activities	**6 222**	**7 321**	**16 336**	**17 111**	**41 920**
Paid interest and other financing expenses	1 118	1 393	1 226	1 470	2 755
Received interest and other financing income	-6	-90	-26	-161	-201
Acquisition of tangible assets and intangible assets	-2 873	-2 116	-4 989	-4 989	-12 417
Free cash flow	**5 219**	**5 336**	**12 547**	**12 631**	**32 057**

Calculation formulas for alternative performance measures

FORMULAS FOR KEY FIGURES

EBITDA	Operating profit + depreciation and amortisation.
Items affecting comparability	Material items outside the ordinary course of business that concern i) M&A and integration-related expenses, ii) redundancy payments, iii) compensations paid for damages, (iv) external expenses arising from significant regulatory changes and (v) legal actions.
Adjusted EBITDA	EBITDA + items affecting comparability.
Adjusted operating profit (EBIT)	Operating profit excluding amortisation from fair value adjustments related to the acquisitions + items affecting comparability.
Net sales from new products and services	Net sales of new products and services is calculated as net sales of those products and services introduced within the past twenty-four months.
Free cash flow	Cash flow from operating activities added by paid interests and other financing expenses, deducted by received interests and other financing income and deducted by acquisition of tangible and intangible assets.
Cash conversion, %	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
Net debt	Interest-bearing liabilities - Cash and cash equivalents.
Net debt to adjusted EBITDA, x	$\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$
Return on equity, %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (average for the period)}} \times 100$
Return on capital employed, %	$\frac{\text{Profit (loss) before taxes + Financial expenses}}{\text{Total assets - Non-interest-bearing liabilities (average for the period)}} \times 100$
Gearing, %	$\frac{\text{Interest -bearing liabilities - cash and cash equivalents}}{\text{Total equity}} \times 100$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$
Earnings per share, basic	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue.

Earnings per share, diluted	Profit for the period attributable to the owners of the parent company divided by weighted average number of shares in issue taken into consideration the possible impact of the Group's management's long-term incentive plan.
Earnings per share, comparable	Profit for the period attributable to the owners of the parent company excluding amortisation from fair value adjustments related to the acquisitions and their tax impact divided by weighted average number of shares in issue.
Gross investments	Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or disposal of business have been deducted. As a general rule, fixed assets comprise tangible assets and intangible assets.

Purpose of use of alternative performance measures

EBITDA, adjusted EBITDA and adjusted EBIT are presented as alternative performance measures, as they, according to the company's view, enhance the understanding of the Group's results of operations and are frequently used by analysts, investors and other parties.

Net sales from new products and services is presented as alternative performance measure, as it, according to the company's view, describes the development and structure of the company's net sales.

Free cash flow, cash conversion and gross investments are presented as alternative performance measures, as they provide, according to the company's view, a good insight into the needs relating to the Group's business cash flow and are frequently used by analysts, investors and other parties.

Net debt, net debt to adjusted EBITDA, return on equity and return on capital employed are presented as alternative performance measures, as they are, according to the company's view, useful measures of the Group's ability to obtain financing and pay its debts, and they are frequently used by analysts, investors and other parties.

Gearing and equity ratio are presented as alternative performance measures, as they, according to the company's view, reflect the level of risk related to financing and help to monitor the level of capital employed in the Group's business.

Comparable earnings per share is presented as an alternative performance measure, as it, according to the Company's view, helps to reflect the profit attributable to the owners.

Quarterly consolidated statements of income

CONSOLIDATED STATEMENT OF INCOME						
EUR thousand	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net sales	**36 730**	**37 638**	**39 188**	**36 681**	**35 565**	**34 522**
Other operating income	175	186	161	99	8	25
Materials and services	-6 532	-6 097	-6 305	-6 435	-6 150	-5 609
Personnel expenses	-9 171	-9 627	-9 486	-8 778	-10 481	-9 828
Work performed by the entity and capitalised	709	689	650	492	510	566
Total personnel expenses	*-8 463*	*-8 938*	*-8 835*	*-8 286*	*-9 972*	*-9 263*
Other operating expenses	-11 205	-10 688	-11 377	-8 735	-8 660	-8 339
Depreciation and amortisation	-5 285	-4 979	-5 070	-4 981	-5 771	-4 681
Operating profit	**5 420**	**7 122**	**7 762**	**8 343**	**5 021**	**6 656**
Finance income	6	250	41	13	90	10
Finance expenses	-740	-646	-808	-692	-701	-827
Finance income and expenses	-734	-396	-767	-679	-611	-818
Profit before income tax	**4 686**	**6 726**	**6 995**	**7 664**	**4 410**	**5 838**
Income tax expense	-1 023	-1 308	-1 596	-1 686	-877	-1 038
Profit for the period	**3 663**	**5 419**	**5 399**	**5 978**	**3 533**	**4 800**
Items that may be reclassified to profit or loss:						
Translation differences on foreign units	13 691	-16 237	6 402	-3 491	-4 256	-3 960
Hedging of net investments in foreign units	-3 228	3 518	-1 474	776	996	888
Income tax relating to these items	646	-704	295	-155	-199	-178
	11 108	**-13 423**	**5 222**	**-2 870**	**-3 460**	**-3 249**
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-	-	-3 634	-	-	-
Income tax relating to these items	-	-	749	-	-	-
	-	**-**	**-2 885**	**-**	**-**	**-**
Other comprehensive income for the period, net of tax	**11 108**	**-13 423**	**2 337**	**-2 870**	**-3 460**	**-3249**
Total comprehensive income for the period	**14 771**	**-8 004**	**7 736**	**3 108**	**73**	**1 551**
Profit attributable to:						
Owners of the parent company	3 663	5 419	5 399	5 978	3 533	4 800
Total comprehensive income attributable to:						
Owners of the parent company	14 771	-8 004	7 736	3 108	73	1 551
Earnings per share attributable to the owners of the parent during the period:						
Basic, EUR	0,15	0,23	0,23	0,25	0,15	0,20
Diluted, EUR	0,15	0,23	0,22	0,25	0,15	0,20

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