

ENENTO GROUP PLC

HALF YEAR FINANCIAL REPORT

1.1.–30.6.2020

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CFO Elina Stråhlman
6 August 2020



Building trust in the everyday.



Content



- Enento Group in brief
 - Asiakastieto Group is now Enento Group
 - Nordic company with strong local brands
 - Enento in business for 115 years
- Enento Group's offering
- Nordic integration progress and business development
- Key ratios Q2 / 2020
- COVID-19 Readiness and resilience
- Group strategy 2020 - 2023
- Sustainability at Enento Group



Enento Group

We operate in Finland under the brands Asiakastieto and Emaileri, in Sweden under the brands UC, Allabolag and Proff. In Denmark and Norway we run our business under the brand Proff.



LISTED ON
NASDAQ HELSINKI

NUMBER OF EMPLOYEES 30.6.2020

170
FINLAND

215
SWEDEN

45
NORWAY &
DENMARK

430
TOGETHER



We build trust
in the everyday.

MARKET CAPITALISATION
30.6.2020

883 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

Enento - in business for 115 years

- In **1905**, the first company to create Enento Group was established in Finland.
- In **1977**, UC AB was established in Sweden.
- 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 Enento Group.



The core of the Enento brand

FROM 15 JUNE ONWARDS



**BUILDING TRUST IN
THE EVERYDAY.**



WHY DO WE EXIST

We collect and transform data into intelligence which is used in interactions between people, businesses and society. When our data is used – it builds trust in the everyday between people, businesses and society.

Our purpose is to build trust in the everyday.



WHAT IS OUR POSITION AND AMBITION

We transform data into knowledge and intelligence that are used by people, businesses and society through our solutions and services.

As the Nordic knowledge company we power society with intelligence.

A low-angle, close-up shot of a person's legs and feet as they walk on a gravel path. The person is wearing dark blue jeans and white sneakers with black soles. The background is a blurred forest with bare trees, suggesting an autumn or winter setting. The entire image has a light blue tint. Overlaid in the center is the text "WHAT DO WE OFFER" in a white, bold, sans-serif font.

WHAT DO WE OFFER

We operate in a scalable and digital business with intelligence at the core



Enento's competitive advantages



Data sourcing

- Known and reliable brand
- Advanced data processing capabilities
- Experience in scraping data from unstructured sources.



Database

- Database built on granularity
- Great quality data.



Production

- High service availability and quality
- High security and privacy standards.



Service development

- Excellence in combining different data universes
- Excellent capabilities to build models (also predictive) and algorithms
- Excellent dialogue with our customers
- Ability to launch world scale unique services (e.g. ESG Report).



Distribution and sales

- Services integrated into customers business processes
- Our freemium business information websites have more than 6 million unique visitors per month.

Enento's offering is divided in four business areas



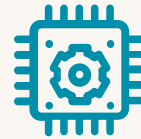
RISK DECISIONS

62,6% of net sales
H1 2020



SME & CONSUMERS

25,8% of net sales
H1 2020



DIGITAL PROCESSES

6,4% of net sales
H1 2020



CUSTOMER DATA MANAGEMENT

5,2% of net sales
H1 2020

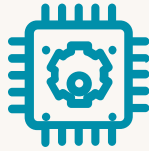
Services for companies and consumers



Services for efficient decision-making

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
- Sustainability offering.



Services for housing related processes and compliance purposes

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.



Services for small and micro companies and consumers

Services and solutions

- 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 to show the value of the company.
- Services to help consumers to understand and better manage their finances, while simultaneously protecting them from identity theft and fraud.



Services to increase sales and boost marketing

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.

Key figures Q2 / 2020



Net sales

36,7
MEUR

Net sales growth at
comparable FX

3,4
%

Net debt to
Adjusted EBITDA

3,0
X

Number of personnel
30.6.2020

430

Adjusted
EBITDA

12,5
MEUR

Adjusted
EBITDA margin

33,9
%

A high-angle, top-down photograph of a group of people gathered around a wooden table. Their hands are stacked in the center of the table, symbolizing teamwork and collaboration. The image is overlaid with a semi-transparent blue filter. Various items are visible on the table, including a laptop, a smartphone, a bowl of snacks, a cup of coffee, and some papers. The text "NORDIC INTEGRATION PROGRESS AND BUSINESS DEVELOPMENT" is written in large, white, sans-serif capital letters across the middle of the image.

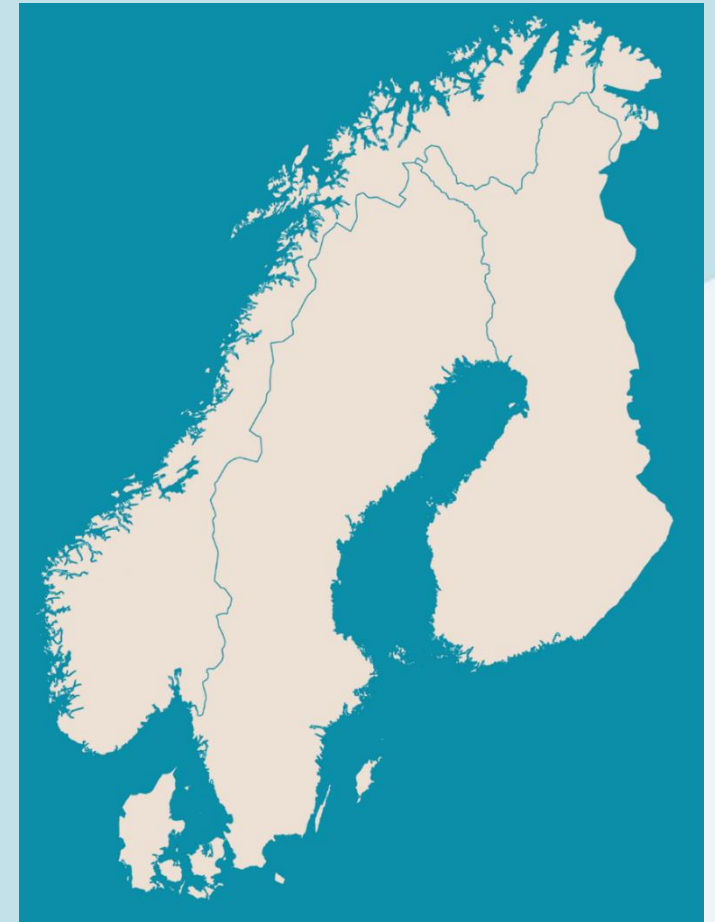
NORDIC INTEGRATION PROGRESS AND BUSINESS DEVELOPMENT

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 Asiakastieto, UC and Proff have been realised. During H1, the integration work has continued and proceeded according to the plan.

Revenue synergy initiatives (new services and cross-utilisation of existing services) are in implementation and planning phases in all Business areas. One successful example of a cross-border service is **Finnish Housing Valuation Service**, which is delivering growth despite economic downturn.

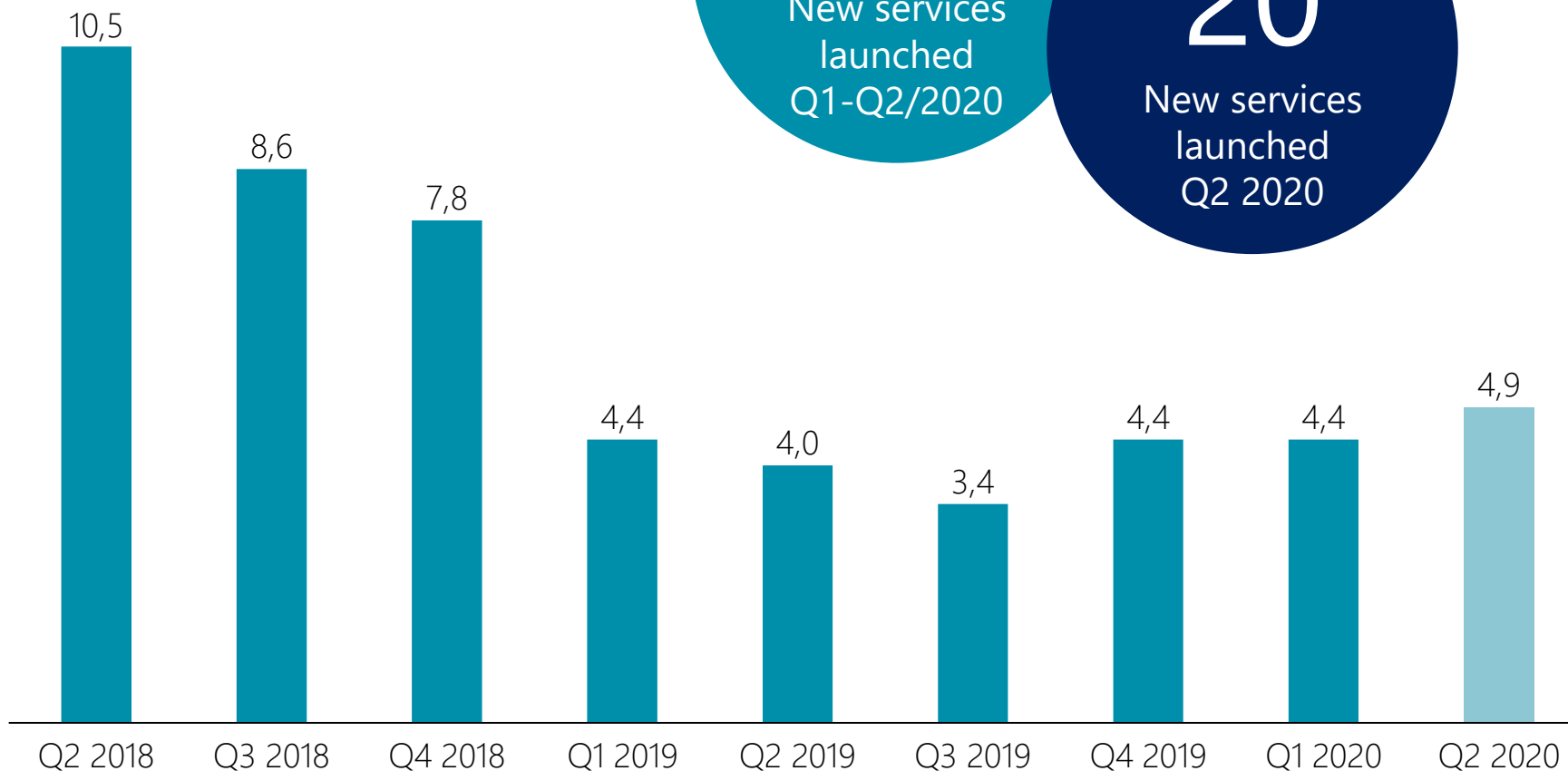
Delivering strategy well in line and supporting Nordic integration. Synergy benefits expected from strategic initiatives such as **Nordic sustainability offering and digitalisation of housing processes.**



New services



■ New services, % of net sales



COMMENTS

- Share of new services was 4,9 %.
- Twenty new services launched during the second quarter.
- Share of new services has increased as planned during the first half, and the aim is to increase new services net sales contribution year-on-year during 2020.

Examples of new services Q2 / 2020



Corona Company Report

Company basics, Risk
Indicator, Payment
defaults and payments,
Collection data, Key
ratios and News.

FI

Housing Society Service web application

To get an indication of
the financial state of the
housing company.

SWE

Online Monitoring service within ID Protection

Monitors the customer
information on open web.

SWE

A photograph of three business professionals in a meeting. A man with a beard and glasses stands in the center, leaning over a desk. Two women are seated at the desk; one is writing in a notebook and the other is looking at a laptop. The scene is set in a modern office with large windows in the background. The entire image is overlaid with a semi-transparent blue filter.

KEY RATIOS Q2 / 2020

Overview of Q2 / 2020



EUR million (unless stated otherwise)	Q2 / 2020	Q2 / 2019	FY 2019
Net Sales	36,7	35,6	146,0
Growth (year-on-year)	3,3 %	126,1 %	48,7 %
Adjusted EBITDA	12,5	12,2	51,5
Adjusted EBITDA margin	33,9 %	34,3 %	35,3 %
Adjusted EBIT	10,2	9,2	42,6
Adjusted EBIT margin	27,8 %	25,8 %	29,2 %
New products and services (% of Net sales)	4,9 %	4,0 %	4,0 %
EBITDA	10,7	10,8	48,3
EBIT	5,4	5,0	27,8

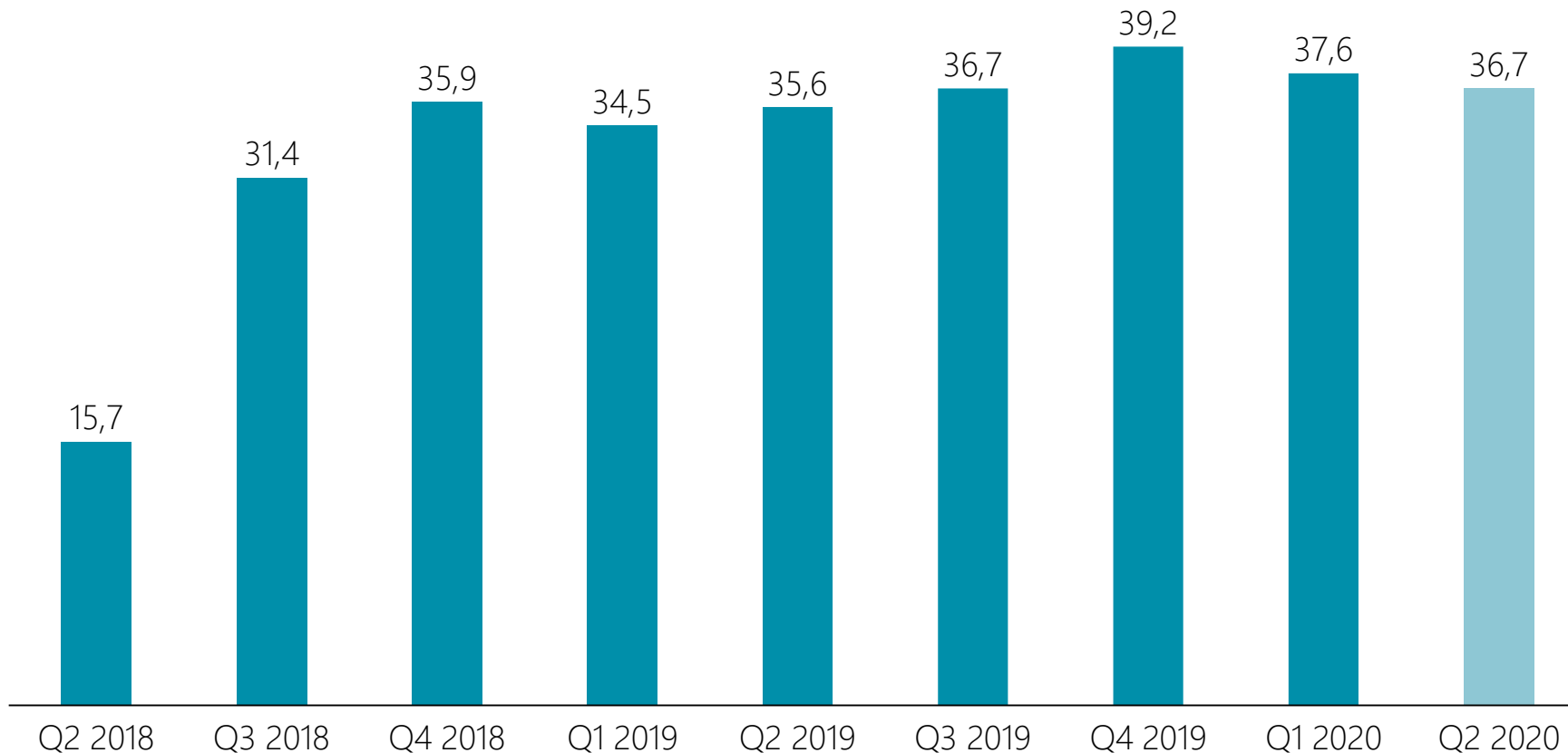
COMMENTS

- Net sales growth was +3,3 % at reported FX rates and +3,4 % at comparable FX rates.
- Adjusted EBITDA increased by +2,1 % at reported FX rates and +2,3 % at comparable FX rates.
- Adjusted EBITDA increased year-on-year due to the Proff acquisition as well as realized synergies.
- Adjusted EBITDA margin slightly weakened due to low organic development of net sales and negative impact of product mix, IT investments, as well as margin dilution impact of the acquired Proff business.

Net sales by quarter



■ Net sales, EUR million



COMMENTS

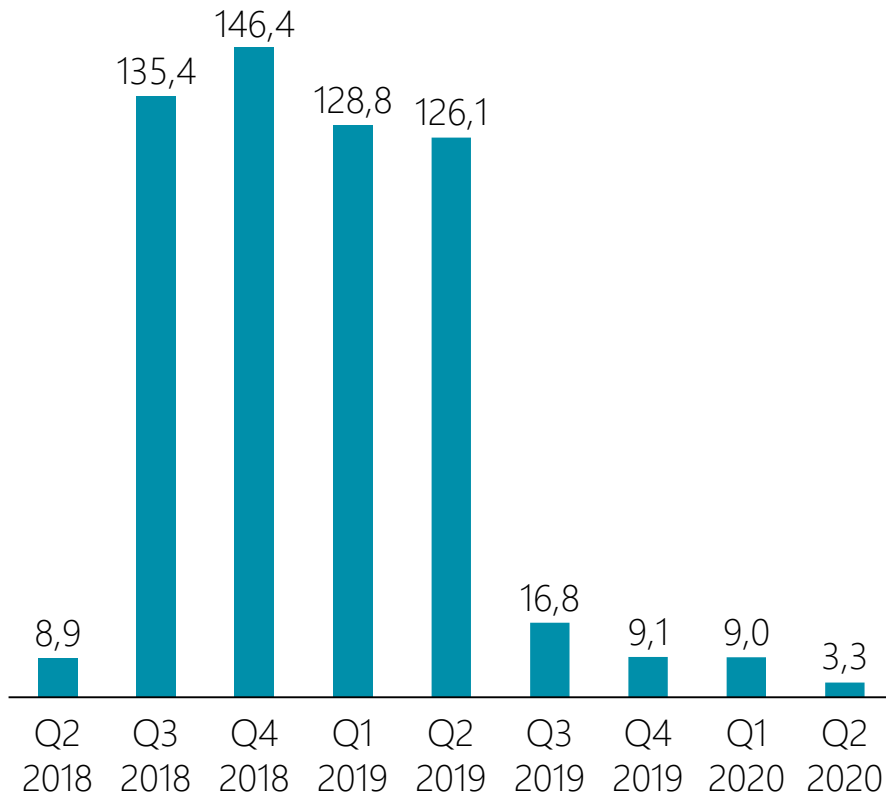
- Q3/2018 – Q2/2020 with UC AB results consolidated to Enento Group.
- Q3/2019 – Q2/2020 with Proff companies' results consolidated to Enento Group.



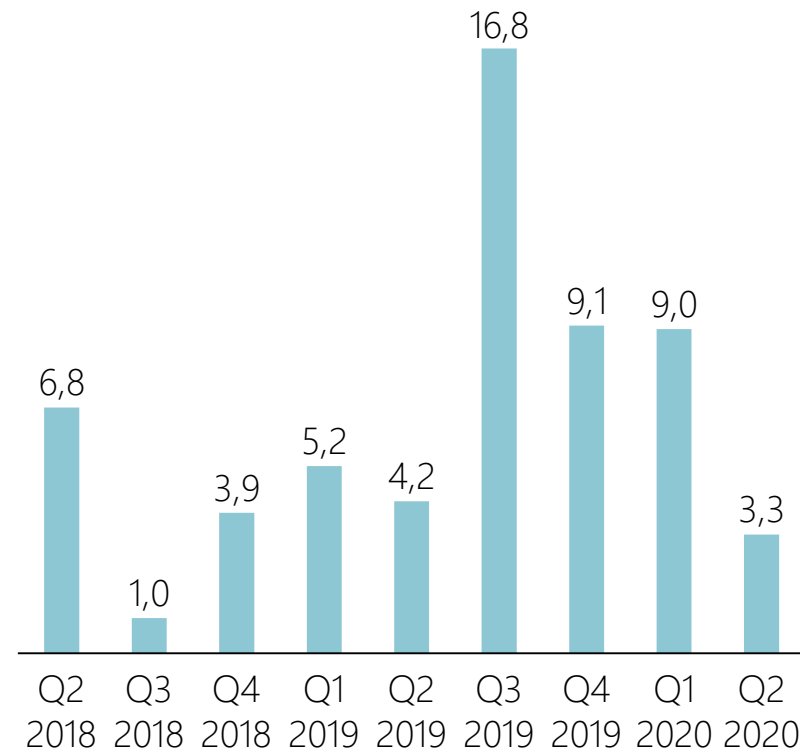
Net sales growth

REPORTED AND PRO FORMA

Net sales growth, year-on-year, reported, %



Net sales growth, year-on-year, pro forma, %



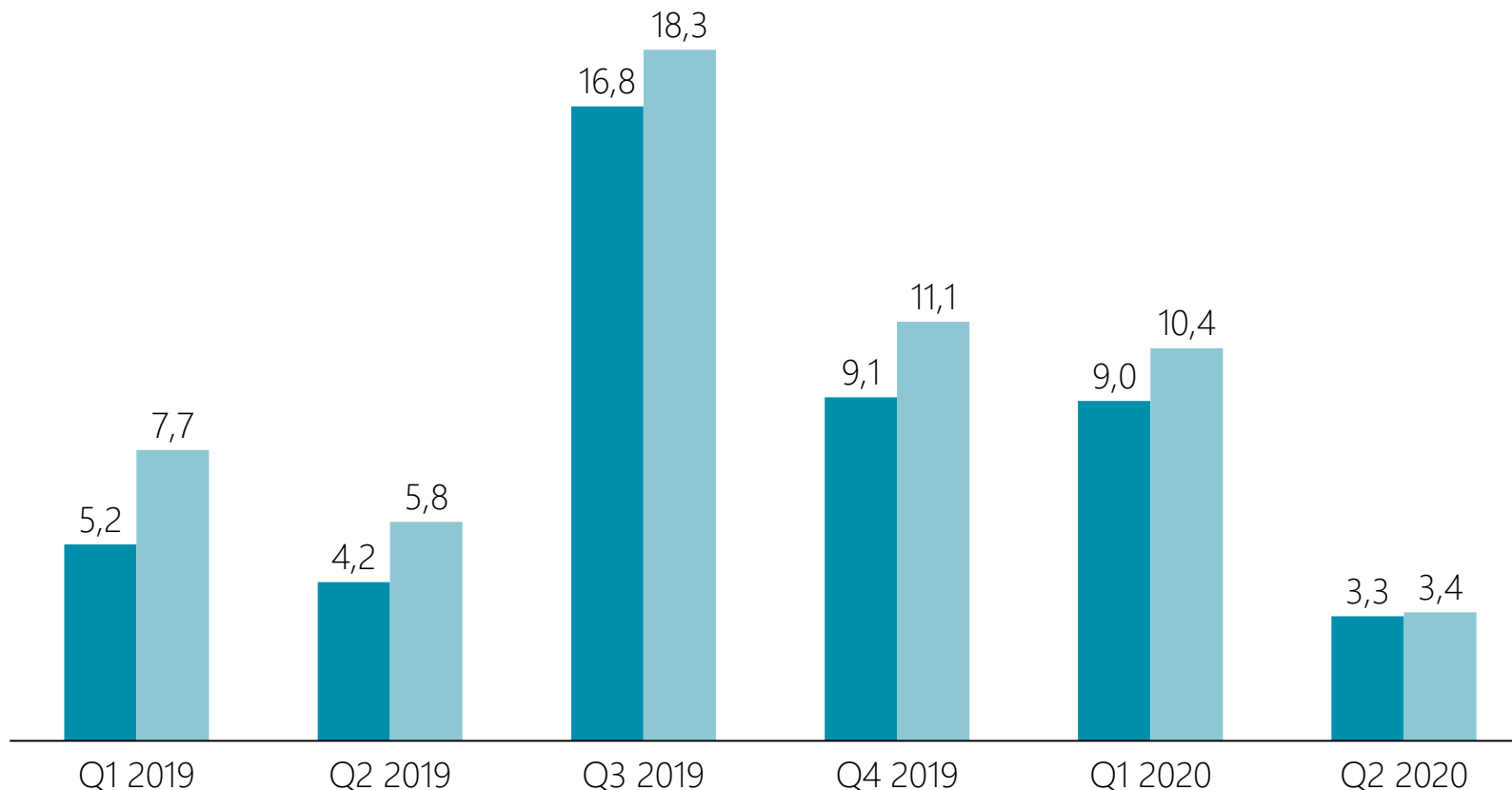
COMMENTS

- Q3/2018 – Q2/2020 with UC AB results consolidated to Enento Group.
- Q3/2019 – Q2/2020 with Proff companies' results consolidated to Enento Group.

Net sales growth

PRO FORMA

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



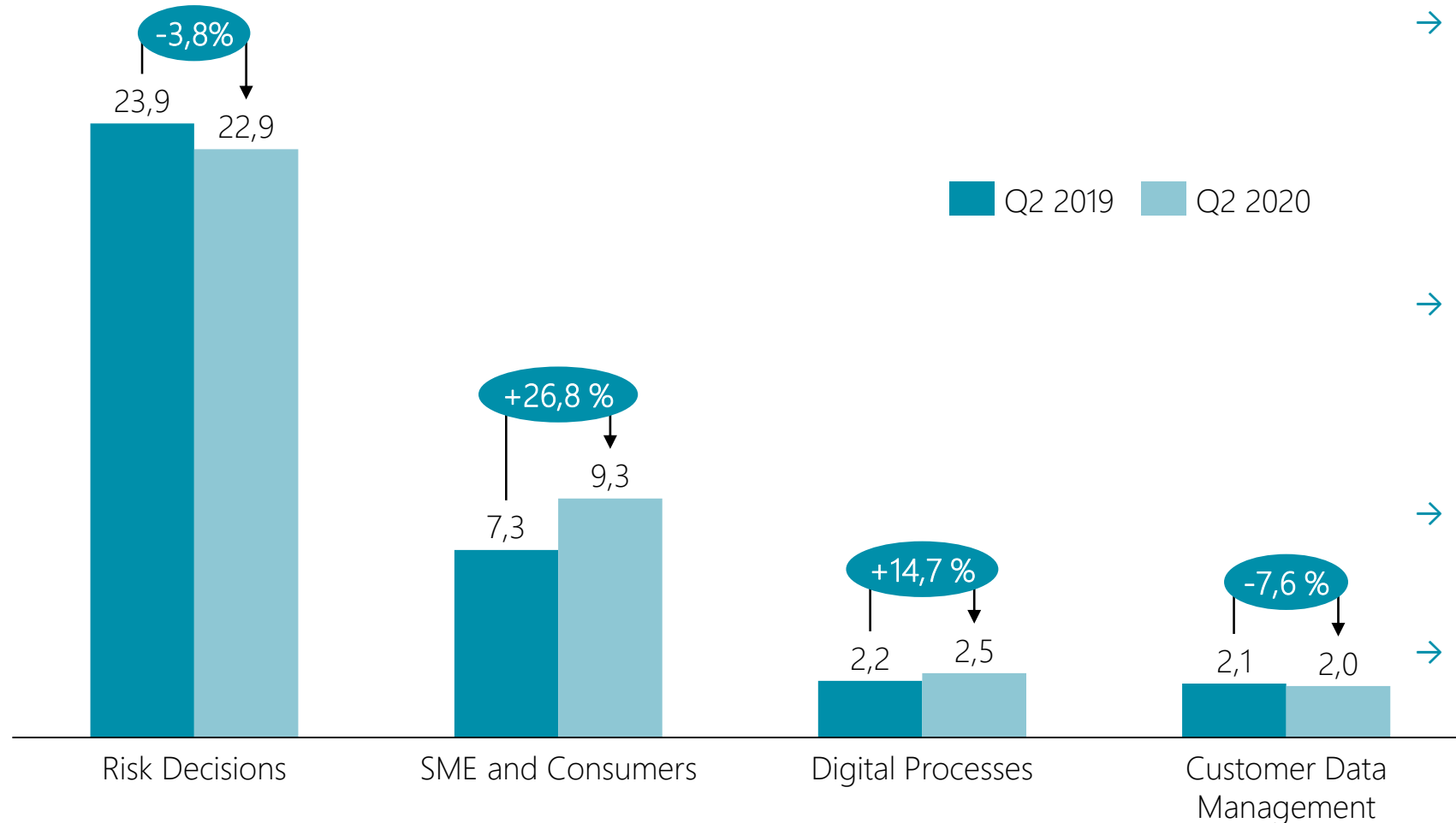
COMMENTS

- FX comparable growth rate +3,4 %.
- Risk Decisions consumer risk management solutions market demand impacted negatively by the COVID-19 implications on consumer loan market in both Sweden and Finland. Risk Decisions business information services continued to developed well in the second quarter in Finland.
- Digital Processes developed strongly in both markets, driven by new services and high demand for compliance services.
- Proff companies consolidated to Group from the beginning of Q3/19.
- Same amount of banking days in both main markets year-on-year.



Revenue by business area

AT COMPARABLE FX RATES



COMMENTS

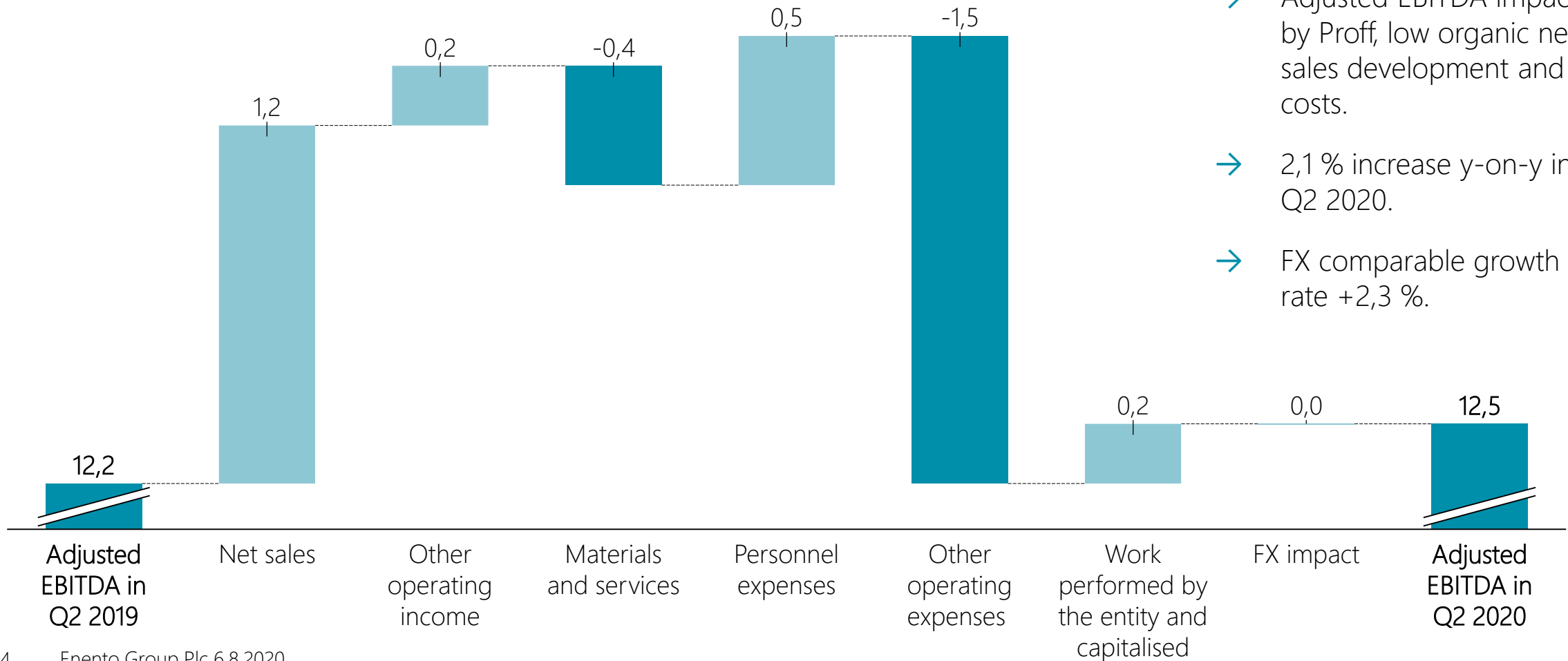
- Risk Decisions consumer risk management solutions market demand impacted negatively by the COVID-19 implications on consumer loan market in both Sweden and Finland. Risk Decisions business information services continued to develop well in the second quarter in Finland.
- SME and Consumers growth driven by the acquisition of Proff as well as continued strong development of online consumer services in Sweden. Display advertisement sales negatively impacted by COVID-19.
- Digital Processes developed strongly in both markets, driven by new services and high demand for compliance services.
- Customer Data Management negative growth is impacted by the decline in the sales volumes of Emleri electronic communication services as well as B2B services in Sweden. Positive development in B2C services in Finland.

Adjusted EBITDA



COMMENTS

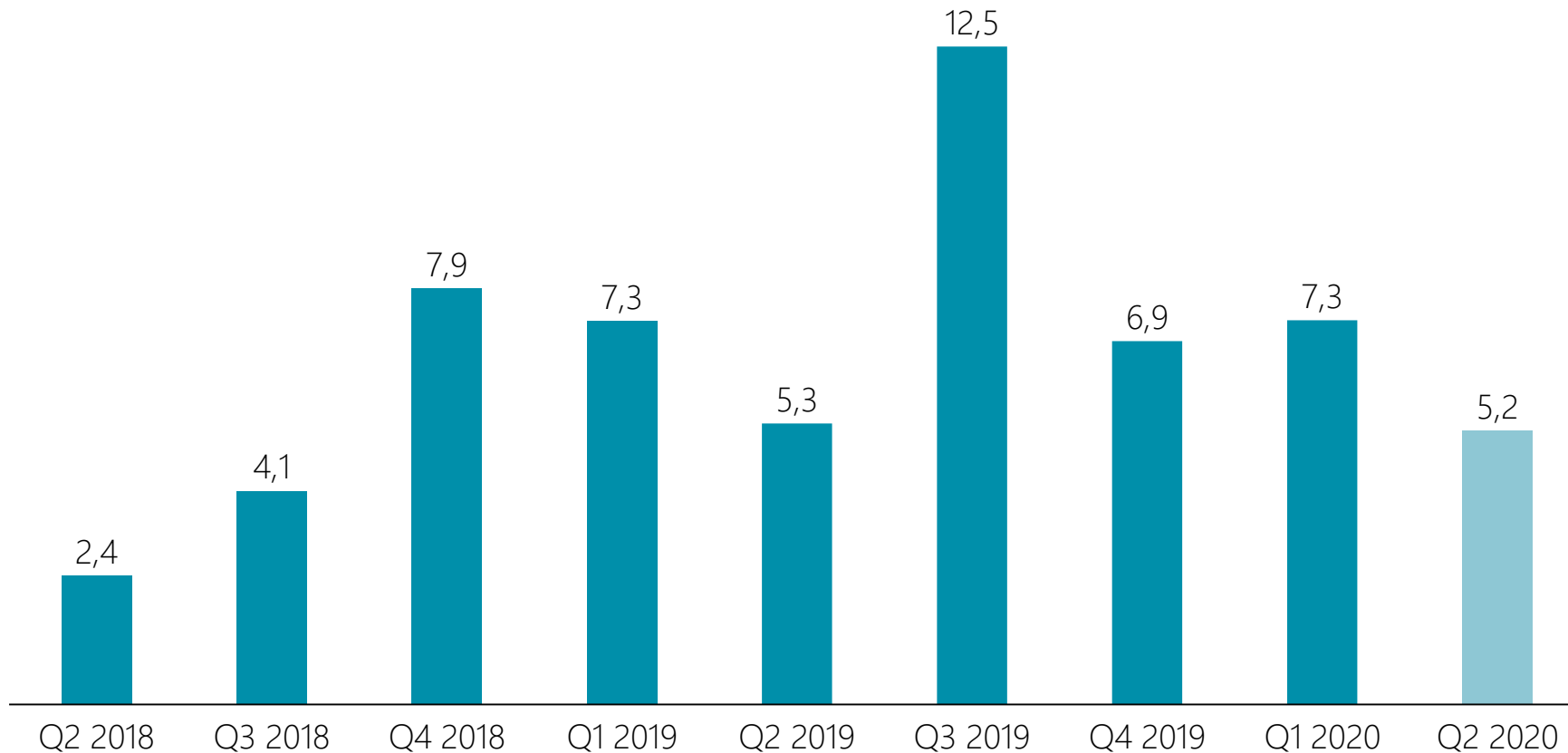
- Adjusted EBITDA impacted by Proff, low organic net sales development and IT costs.
- 2,1 % increase y-on-y in Q2 2020.
- FX comparable growth rate +2,3 %.



Free cash flow



Free cash flow, EUR million



COMMENTS

- Free cash flow impacted by negative NWC development mainly due to the timing of payables.
- Items affecting comparability impacted the free cash flow by EUR -1,3 million (EUR -0,5 million).

Key indicators



EUR million (unless stated otherwise)	Q2 / 2020	Q2 / 2019	FY 2019
Net debt	150,2	158,7	148,1
Net debt / adjusted EBITDA	3,0	3,2	2,9
Gearing, %	49,6	53,0	47,7
Equity ratio, %	57,7	56,8	58,3
Free cash flow	5,2	5,3	32,1
Cash conversion, %	48,8	49,4	66,4
Gross investments	3,1	3,2	12,4

COMMENTS

- Cash position of EUR 17,1 million (committed EUR 20 million facility remains fully unutilized).
- Net debt / adjusted EBITDA at 3,0x.
- Free cash flow containing EUR -1,3 million (EUR -0,5 million) impact from items affecting comparability.
- Gross investments EUR 3,1 million (EUR 3,2 million).

A person with a beard, wearing a dark jacket and pants, stands on a rooftop or balcony, looking out over a city skyline at night. The person is seen from the back, looking towards a tall building with many lit windows. The sky is dark and hazy. The overall mood is contemplative and resilient.

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; back to the office -decisions in August
- Contingency plans in place

□ FINANCIAL IMPACTS

- Both positive and negative drivers
- Guidance cancelled 27 March 2020 for 2020 due to potential COVID-19 impacts and economic uncertainty
- Rapid changes in regulatory environment increases uncertainty in loan markets
- We see new opportunities to support our customers

COVID-19 READINESS AND RESILIENCE



❑ 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 3,0x
- Liquidity at a strong level
- No loans maturing before 2023

Resilience over the economic downturn

RISK MANAGEMENT SERVICES

Helping customers to be ready and quickly react in challenging economic environment.

Providing data foundation and services for the best possible decisions in every situation.

NON- CYCLICAL OFFERING

Counter-party risk management.

Cost savings (for example digitalisation of the housing market processes and automatisisation of compliance processes).

Often combined to improved **customer experience**.

MUST-HAVE OFFERING

Compliance services.
Sustainability services.

RESILIENCE OF THE BUSINESS MODEL IN EXCEPTIONAL SITUATIONS.

New guidance 2020



Guidance ¹	
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.
Previous guidance for 2020	
cancelled from 27 March 2020 onwards due to economic uncertainty	
Net sales	Asiakastieto Group expects its net sales growth in 2020 to be close to the upper limit of its long-term target range (5-10 %), weighted to the first half of the year.
EBITDA	Asiakastieto Group expects its adjusted EBITDA margin to grow somewhat in 2020 in comparison to previous year.
Capital expenditure	Asiakastieto Group expects its capitalised product development and software expenses in 2020 to exceed the previous year's level.
Dividend policy ²	
Dividends	The Company's dividend policy is to distribute as dividends at least 70 per cent of the Company's net profit, whilst, taking into consideration the business development and investment needs of the Group. Any dividends to be paid in future years, their amount and the time of payment will depend on Asiakastieto Group's future earnings, financial condition, cash flows, investment needs, solvency and other factors.

Note: (1) This forward-looking statement is not a guarantee of future performance; (2) Subject to the business development and investment needs of the Company. Any dividends to be paid in future years, their amount and the time of payment will depend on Asiakastieto's future earnings, financial condition, cash flows, investment needs, solvency and other factors.



SOME HIGHLIGHTS FROM ENENTO GROUP'S

GROUP STRATEGY 2020-2023

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

SUSTAINABILITY AT ENENTO GROUP



We help our customers to make sustainable decisions.



Enento Group's environmental impact.



Enento Group as a sustainable workplace.



We contribute to a more sustainable economy in the society.

A man in a dark suit and white shirt is walking on a city street, looking down at his smartphone. He has white earbuds in and a black bag strap is visible over his shoulder. The background shows a row of brick buildings and a street with some parked cars. The entire image has a light blue tint.

FINANCIALS

Q2 / 2020 SUMMARY

Q2 / 2020 Income statement



EUR million	Q2 / 2020	Q2 / 2019	FY 2019
Net sales	36,7	35,6	146,0
Other operating income	0,2	0,0	0,3
Materials and services	-6,5	-6,2	-24,5
Personnel expenses	-9,2	-10,5	-38,6
Work performed by the entity and capitalised	0,7	0,5	2,2
Other operating expenses	-11,2	-8,7	-37,1
Depreciation and amortisation	-5,3	-5,8	-20,5
Operating profit	5,4	5,0	27,8
Finance income and expenses	-0,7	-0,6	-2,9
Profit before income tax	4,7	4,4	24,9
Income tax expense	-1,0	-0,9	-5,2
Profit for the period	3,7	3,5	19,7
Earnings per share attributable to the owners of the parent during the period:			
Basic earnings per share (EUR)	0,15	0,15	0,82
Diluted earnings per share (EUR)	0,15	0,15	0,82

Q2 / 2020 Cash flow



EUR million	Q2 / 2020	Q2 / 2019	FY 2019
Cash flows from operating activities			
Cash flows before change in working capital	10,1	9,9	47,8
Change in working capital	-1,6	0,1	1,6
Net interests and other financing items	-1,1	-1,3	-2,6
Income taxes paid	-1,2	-1,4	-4,9
Net cash from operating activities	6,2	7,2	41,9
Cash flows from investing activities			
Net cash used in investing activities	-1,9	-3,2	-19,4
Cash flows from financing activities			
Net cash used in financing activities	-13,9	-23,3	-35,0
Cash and cash equivalents at beginning of the period	20,1	39,6	33,2
Cash and cash equivalents at end of the period	17,1	20,2	20,4

Upcoming events 2020



Autumn

2020

Virtual
Capital Markets Day
in Helsinki

6 Nov

2020

Q3 / 2020
Interim Report



Thank you!

Further information

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 **Enento Group**

Finland

Helsinki and Turku

Sweden

Stockholm, Gothenburg,
Kalmar and Umeå

Norway

Oslo

Denmark

Viborg