

Enento Group Plc

Investor Presentation Q4 2023



Disclaimer



This presentation includes forward-looking statements. The words “believe,” “expect,” “anticipate,” “intend,” “may,” “plan,” “estimate,” “will,” “should,” “could,” “aim,” “target,” “might,” or, in each case, their negative, or any similar expressions identify certain of these forward-looking statements. Others can be identified from the context in which the statements are made. By their nature, forward-looking statements are subject to assumptions, risks and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual results may differ, even materially, from those expressed or implied by these forward-looking statements. We urge presentation participants not to place undue reliance on such statements.

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A photograph of two people climbing a dark, jagged rock formation. One person is already on the rock, reaching out to help the other who is still on the ground. The sun is low in the sky, creating a strong backlight and lens flare effect. The scene is dramatic and emphasizes teamwork and overcoming challenges.

Our Purpose:

We build trust in the everyday.

We collect and transform data to intelligence and knowledge used in interactions between people, businesses and society.

Enento as an investment



- 1 Nordic presence with strong market position, trusted well-known brands and resilient, scalable business model
- 2 Attractive markets with strong dynamics
- 3 Business critical services using proprietary data
- 4 Diversified client base across all products and services based on strong and long-lasting relations
- 5 Strong track record of profitable growth, attractive profitability and consistent cash generation
- 6 Solid growth plan supported by scalable business model
- 7 Attractive capital allocation through strong cash flows

ENENTO GROUP 2023

Building trust in the everyday.



LISTED ON
NASDAQ
HELSINKI.



MARKET CAPITALISATION
31 December 2023

464 MEUR



NET SALES 2023
155,9
MEUR

ADJUSTED EBITDA 2023
57,1
MEUR



Partners in Europe and
in the Nordic region.



Approximately **76 000** corporate customers within
banking, finance, retail, public sector and small companies.



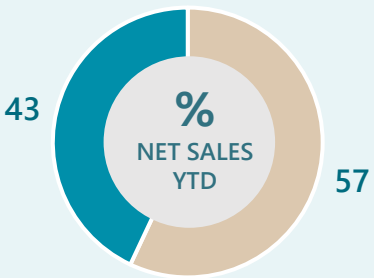
Approximately **500 000** consumer customers.

In Finland we operate under
the brands Asiakastiето
and Emaileri, in Sweden
under UC, Allabolag
and Proff and both
in Norway and
Denmark under
the brand Proff.

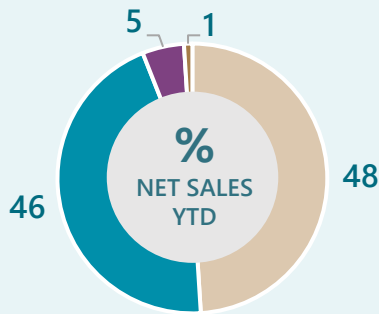


BUSINESS
INSIGHT
CONSUMER
INSIGHT

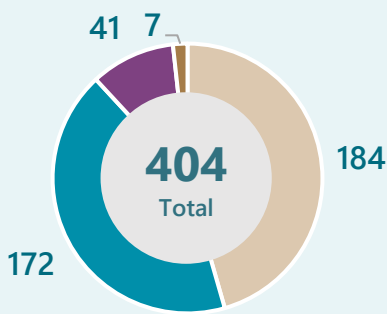
Net Sales by
Business Area 2023



Net Sales by
Country 2023*



Employees by
Country 2023



SWEDEN
FINLAND
NORWAY
DENMARK

Building trust in the everyday.

* Net Sales attributed to the legal entity of the seller's country

Executive Management Team



Jeanette Jäger
CEO



Elina Stråhlman
CFO



Siri Hane
Director
Business Insight
Business Area



Gabriella Göransson
Director
Consumer Insight
Business Area



Andreas Darner
Director
Strategy and Transformation



Karl-Johan Werner
Chief Operating Officer
Chief Data & Analytics Officer



Arto Pauku
Chief Marketing &
Customer Officer



Sari Ek-Petroff
Director
HR

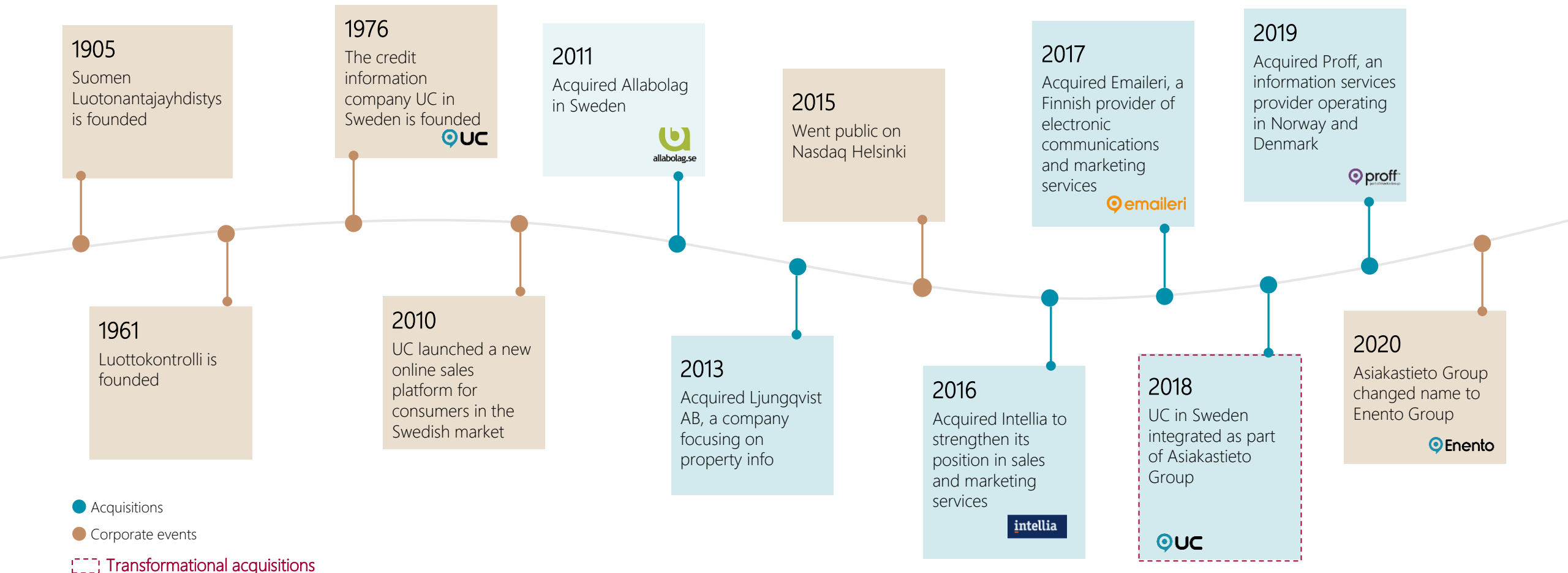


Daniel Ejderberg
CIO



Mikko Karemo
Chief Commercial
Officer & Deputy CEO

Enento has a strong track record of organic growth and M&A execution



We build scale through value-adding, intelligent services built on data collected from various sources



Unique datasets and services...

Company data



Consumer data



Asset data

Advanced analytics

Decision scoring

Monitoring

Credit Information

ESG

Compliance

Master Data

Sales & Marketing

Real Estate

Data security

Data management

...based on a variety of data sources



Banks



Companies



Public



Unstructured



Provides both **cyclical and countercyclical** products and services



Long time series of **propriety data** provides **high barriers to entry**



Enento possesses the expertise to **blend traditional and unstructured data** to amplify existing services and **pave the way for innovations**

Strategic customer relationships, strong local brands, and integrated services set high barriers to entry



A reputation built over decades

Long-term customer relationships and trust in our local brands with long-standing history implies reliability and credibility.

Embedded into critical processes

Our data and value-added services are integrated into our customers' critical business processes.

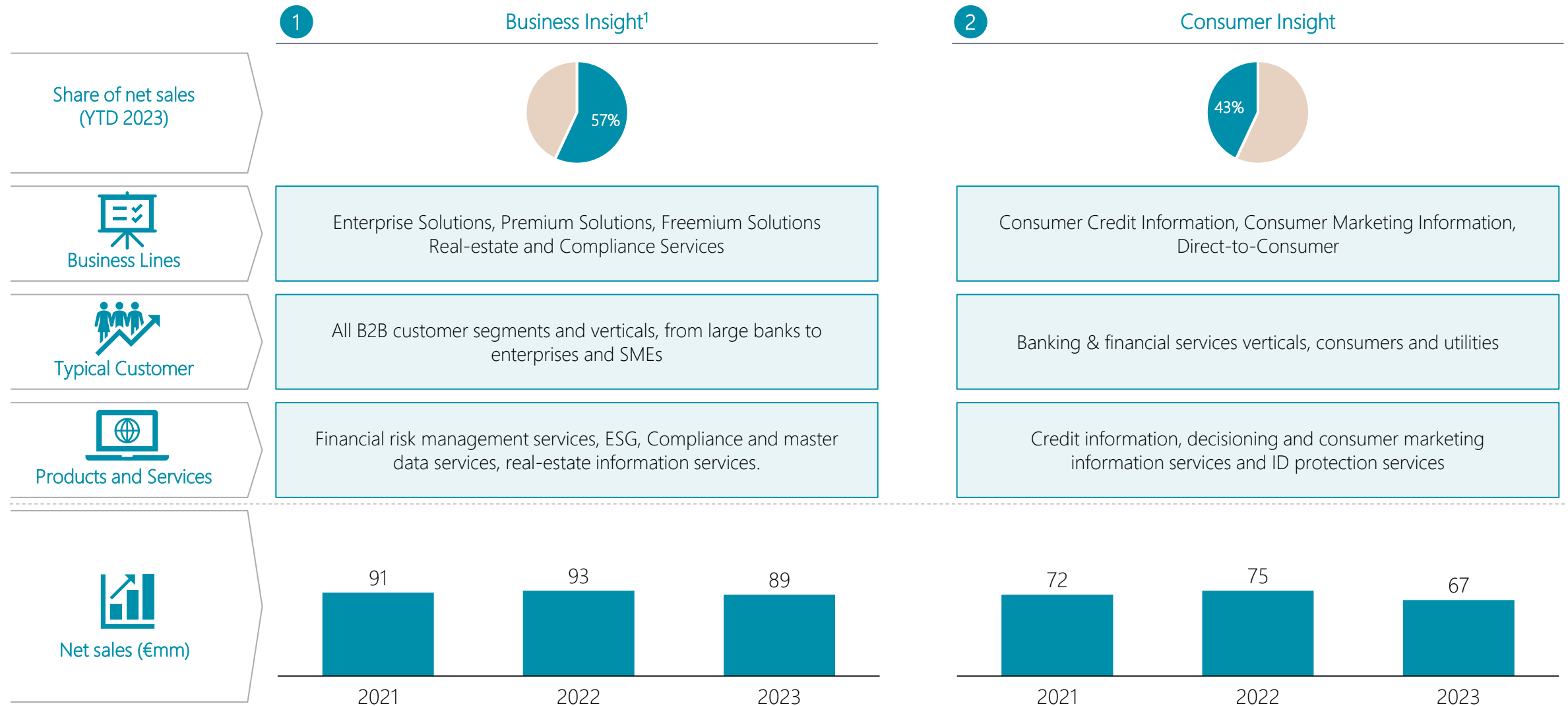
Power of historical and proprietary data

By harnessing our extensive historical and proprietary data, our customized scoring models and decisioning services are unique.

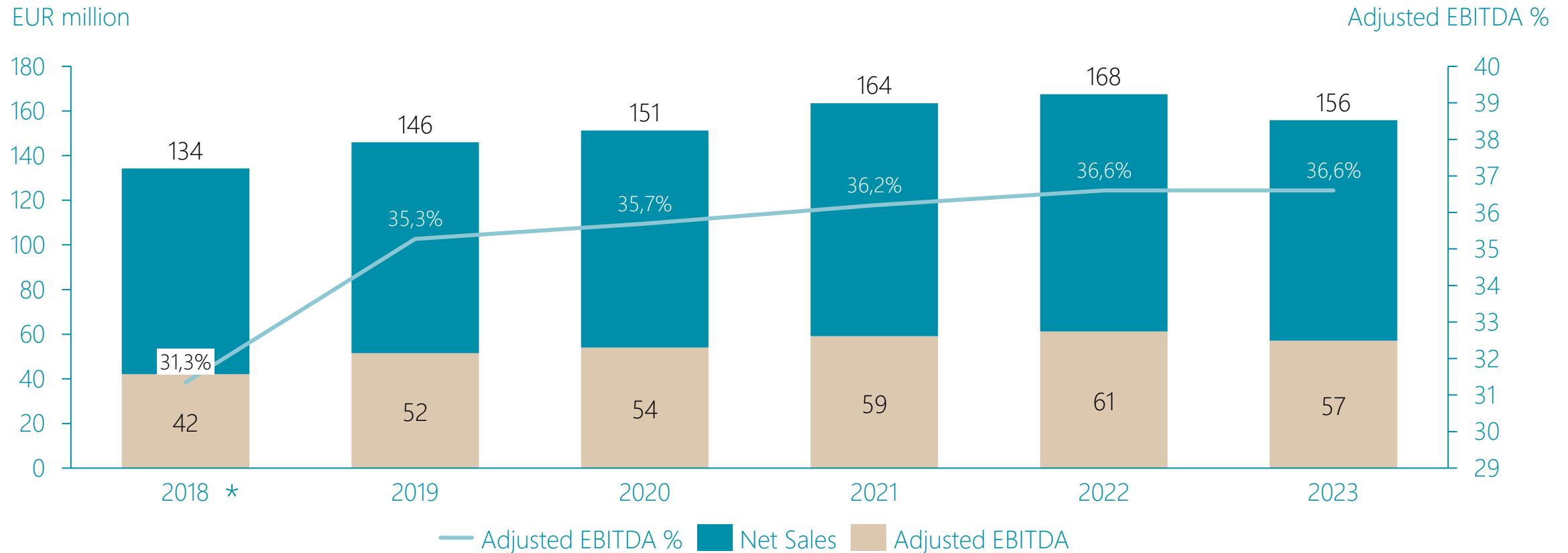
Unlocking the power of data fusion

We possess the expertise to blend traditional and unstructured data to amplify existing services and pave the way for innovations.

Two business areas serving more than 76.000 companies and 500.000 consumers in the Nordics



Net sales and profitability development have been stable during the turbulent years, and adjusted EBITDA margin has improved



* 2018 Net Sales and Adjusted EBITDA Pro Forma figures

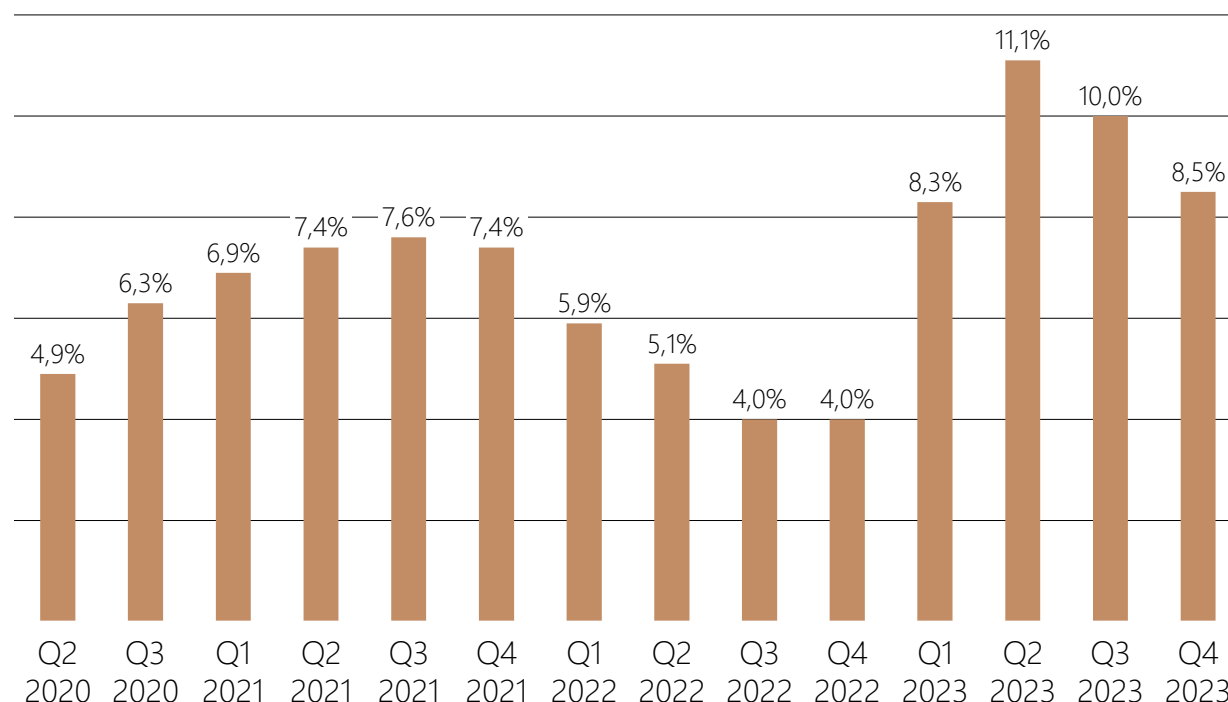
Innovation at Enento: New and enhanced services driving growth and increasing customer loyalty



Investing in future growth

- ✓ Growth in selected strategic growth areas, such as the ESG, compliance, master data and real-time data, by driving innovation and developing new services
- ✓ Modernization and enhancements of current products and services with new features and datasets
- ✓ Scalable business model enables leveraging data and analytics for multiple use cases, markets and customer segments; from tailored solutions for enterprises to standard products for SMEs

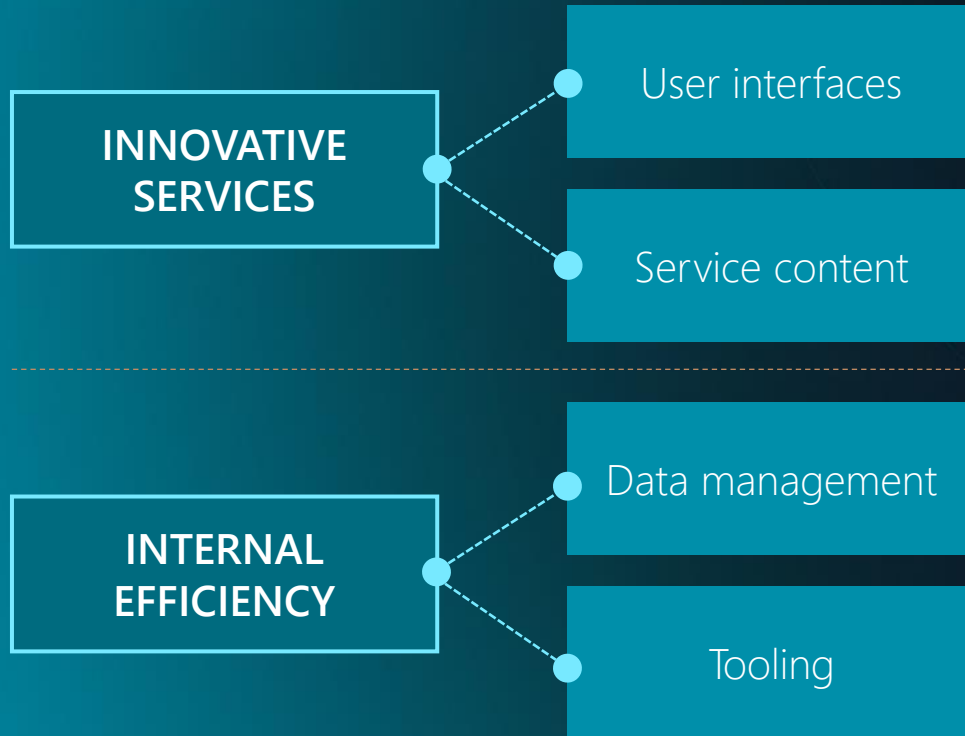
Share of new services* from group net sales



* A service is considered new 24 months from the commercial release date

AI has two main areas of potential application in Enento's business

Applications of AI





Group Strategy

Enento Group strategy is focused on execution to deliver consistent growth and EBITDA margin expansion



Strategic goals

Retain and strengthen our leading position in the credit information business

Become the leading provider of business information

Strategic focus areas

Customer first

Empowered people

Operational excellence

One Enento



2024 -2026 targets



5-10% average annual net sales growth



Around 40% Adjusted EBITDA margin in 2026



Net debt to adjusted EBITDA below 3x



Around 10% share of new services in 2026



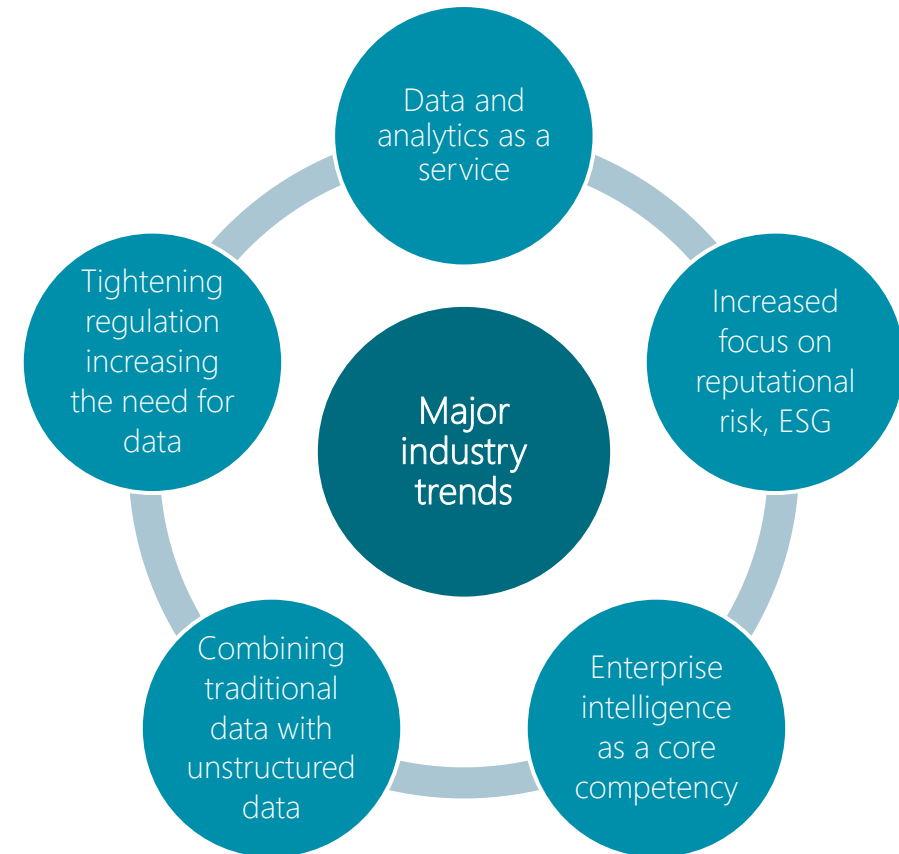
Carbon neutral by 2023
Net zero emissions by 2030 by

Attractive growth dynamics in the data market driven by the compelling industry trends



Market drivers during the strategy period

- ✓ EMEA region **data-as-a-service** growth >8% p.a.
- ✓ Global KYC and AML IT spend growth >20% p.a.
- ✓ ESG projected **high growth** driven by **tightening regulation** and need to manage **reputational risk**
- ✓ Stable macro development expected in the Nordics:
GDP (>1% on average p.a.)
Household lending (>3% on average p.a.)
Corporate investments (~1% on average p.a.)



Source: Management; Company annual reports and investor materials; Global Management Consultant analysis

Growing from Enento's strong Nordic foothold to gain market share in the 600 MEUR addressable market



Sweden and Finland are the largest Nordic markets, driven by data availability and overall price point

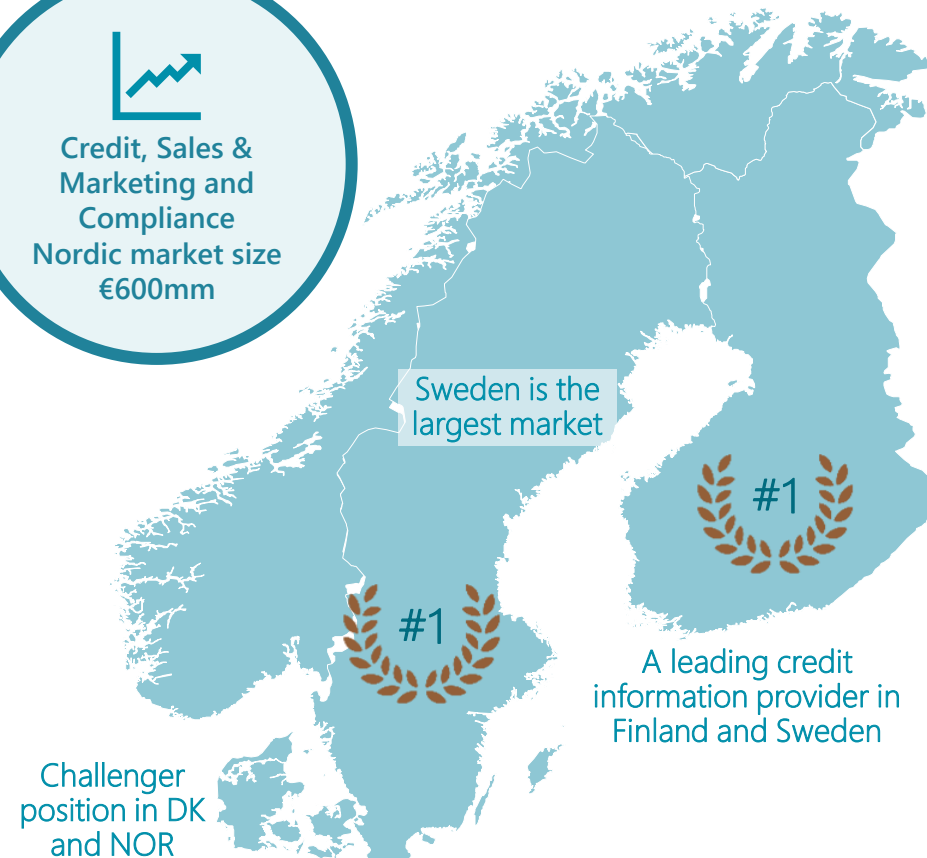


Enento is a leading credit information provider in Finland and Sweden, and a challenger in smaller markets Denmark and Norway



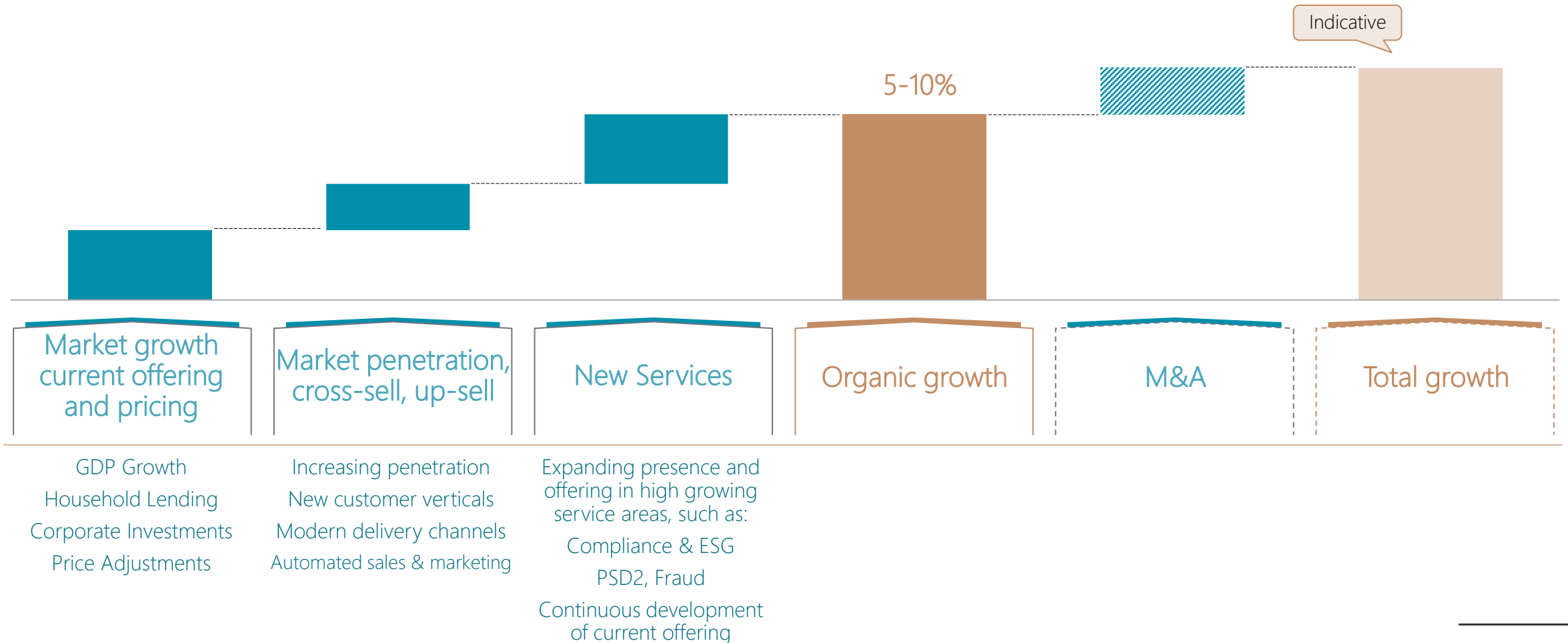
Out of the 600 MEUR total Nordic market size, Credit and Sales & Marketing are the largest sub-markets

 Enento



Source: Management; Global Management Consultant analysis, Annual Reports 2021-2022
Note: Based on third party market analysis and Management assessment

Road to 5-10% average annual growth in 2026 consists of underlying market growth, price increases, market penetration and new services



Solid growth expected in the core credit business with additional growth to be prioritized through ESG, compliance and master data



Growth avenues

- **Strong competitive position** in core consumer and business credit information business in Finland and Sweden. Capability to further strengthen advantages and keep stable growth.
- **Compliance and ESG prioritized growth areas** and well positioned to capture rapid growth
- Target to **strengthen the position** in general master data as fundamental enabler of credit and business information businesses with strong synergies.
- Synergistic approach to other asset data and sales & marketing offerings

Road to margin expansion through scalable growth, remodelled sales and distribution, Nordic consolidation of capabilities and cost efficiencies



Investing in scalable growth



- New services in strategic growth areas and continuous enhancing of existing offerings
- Expansion to selected new and underdeveloped customer verticals
- Increased share of wallet of existing customer and focus on market penetration

Remodelled sales and distribution



- Optimized sales models and processes to enable focus on growth areas – Easy to sell
- Building seamless customer experience and journey - Easy to buy, easy to use
- Improved online sales and marketing automation capabilities, customer-centric APIs and GUIs as strategic distribution choices – Easy to sell

Nordic consolidation of capabilities



- Enhanced IT efficiency with gradual decommissioning of old solutions
- Transformation and modernization of products and services
- IT legacy decommissioning in the longer term

Cost efficiencies



- Decommission retired and non-profitable products/services
- Service delivery model refinement
- Vendor, infrastructure, and application consolidations

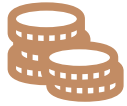
A hand holding a pen is writing on a document. The document features a bar chart with blue bars and a legend with 'Actual' and 'Budget' labels. Above the bar chart is a pie chart. The background is a dark blue overlay with a network of white dots and lines, and faint, larger-scale financial charts are visible in the distance.

Q4 2023

Strong profitability attained with effective efficiency measures, despite sluggish Swedish consumer credit demand



Key highlights Q4



Net Sales & Profitability

Net sales declined 5,5%* as consumer credit volume decline accelerated in Sweden, while adjusted EBITDA margin was 34,4%



Customer Experience

Q4 NPS reached a record high figure of 56 from strategic and large customers, improving from Q3 (47) and above industry peers***



Efficiency Program

Efficiency Program advancing as planned, MEUR 6,3 run-rate impact achieved, equal to almost 80% of FY24 targeted benefits



Empowering People

Employee temperature index 7,7 (7,7) above benchmark as we are boosting growth mindset and Nordic collaboration

Key figures



Q4 / 2023

Net sales ^{-6,5%*}
^{-5,5%**}

38,9 MEUR

Adjusted EBITDA ^{-13,9%*}

13,4 MEUR

Adjusted EBITDA %
^{-2,8 pp-%*}

34,4 %

Adjusted EBIT ^{-18,7%*}

10,5 MEUR

Net debt to adjusted EBITDA
^{0,2x}

2,4x

Q4 / 2022

Net sales

42,9 MEUR

Adjusted EBITDA

16,0 MEUR

Adjusted EBITDA %

37,2 %

Adjusted EBIT

13,3 MEUR

Net debt to adjusted EBITDA

2,2x





* At comparable foreign exchange rates

** Organic growth (excl. Tambur), at comparable foreign exchange rates

Efficiency Program: Planning for Extension and Expansion

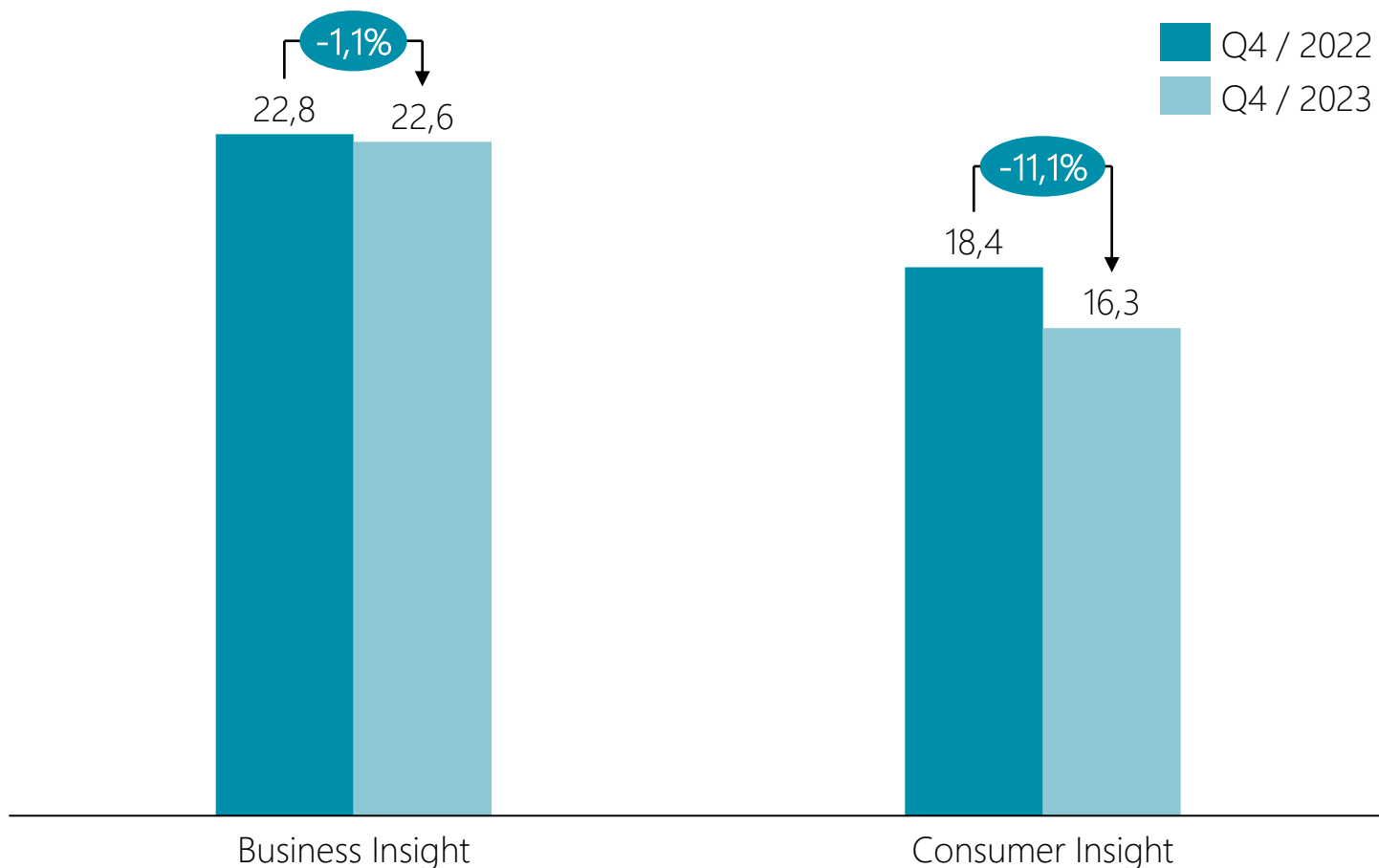
EUR 6,3M run-rate impact achieved of initial EUR 8M target. Planning further actions to extend the program and reach benefits of EUR 10M.



	FTE Efficiency	<ul style="list-style-type: none">→ Impact from reduced number of FTEs in 2023 visible from Q2 2023 onwards→ Evaluating strategic opportunities to enhance operational efficiency
	IT Efficiency	<ul style="list-style-type: none">→ First part of the application service transition to TCS in Sweden materialized in Q4.→ Transition continues in 2024 with further efficiencies→ IT infrastructure consolidation analysis finalized and moving into implementation phase, starting in Sweden
	Other	<ul style="list-style-type: none">→ Sales efficiencies in focus in 2024→ Plans to move into smaller facilities in Finland proceeding
	Total Progress KPI	<ul style="list-style-type: none">→ EUR 6,3M run-rate impact achieved by the end of 2023, equaling close to 80% of the initial planned benefits on a run-rate basis

Revenue by business area

GROWTH AT COMPARABLE FX RATES



COMMENTS

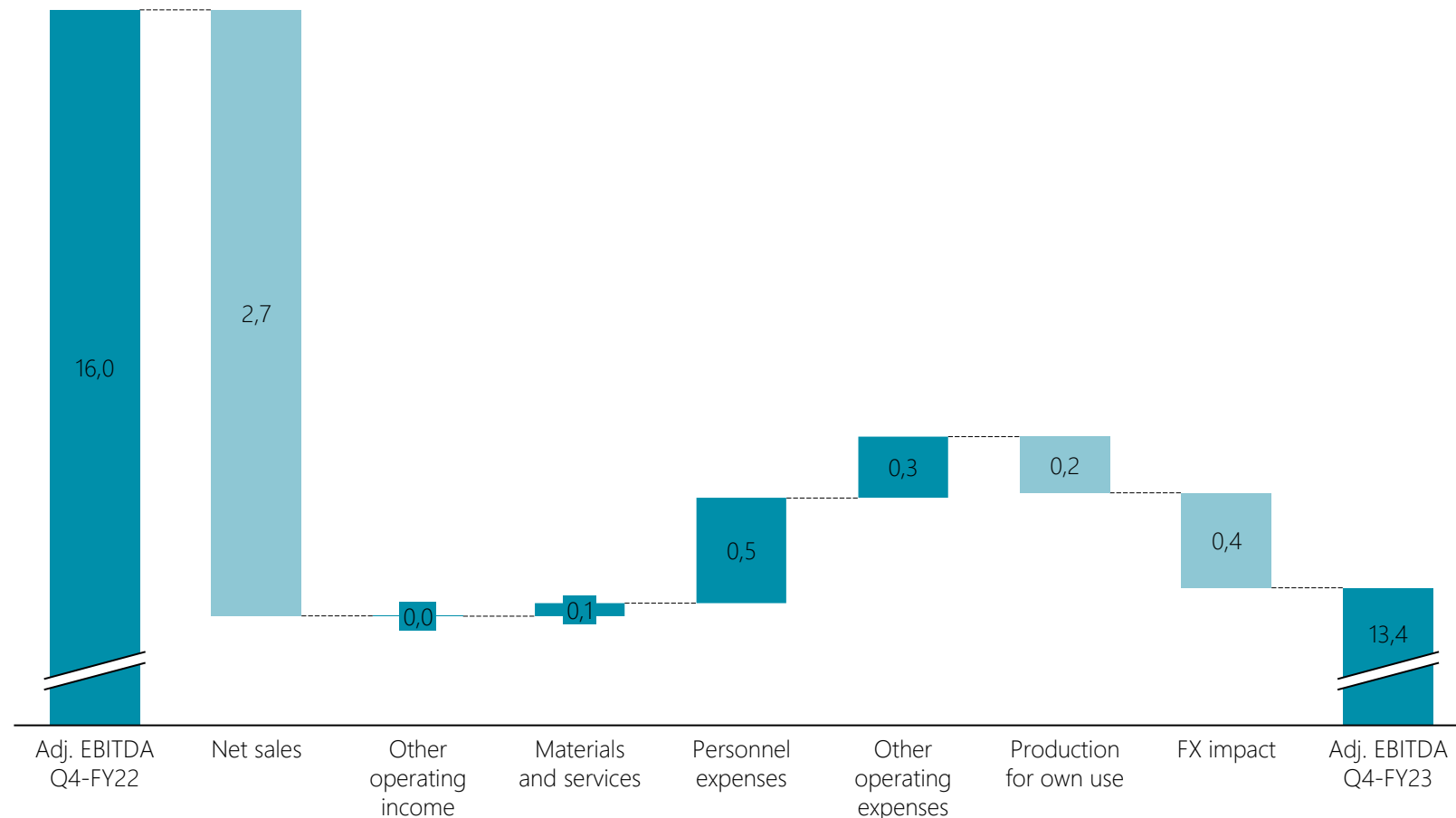
- Business Insight development turned into decline, followed by challenges in Swedish markets. Solid development in Finland, with strong growth in compliance and real estate services. Norwegian business performance strong likewise.
- In Consumer Insight, low consumer lending volumes negatively impacted net sales, especially in Sweden.

Adjusted EBITDA



COMMENTS

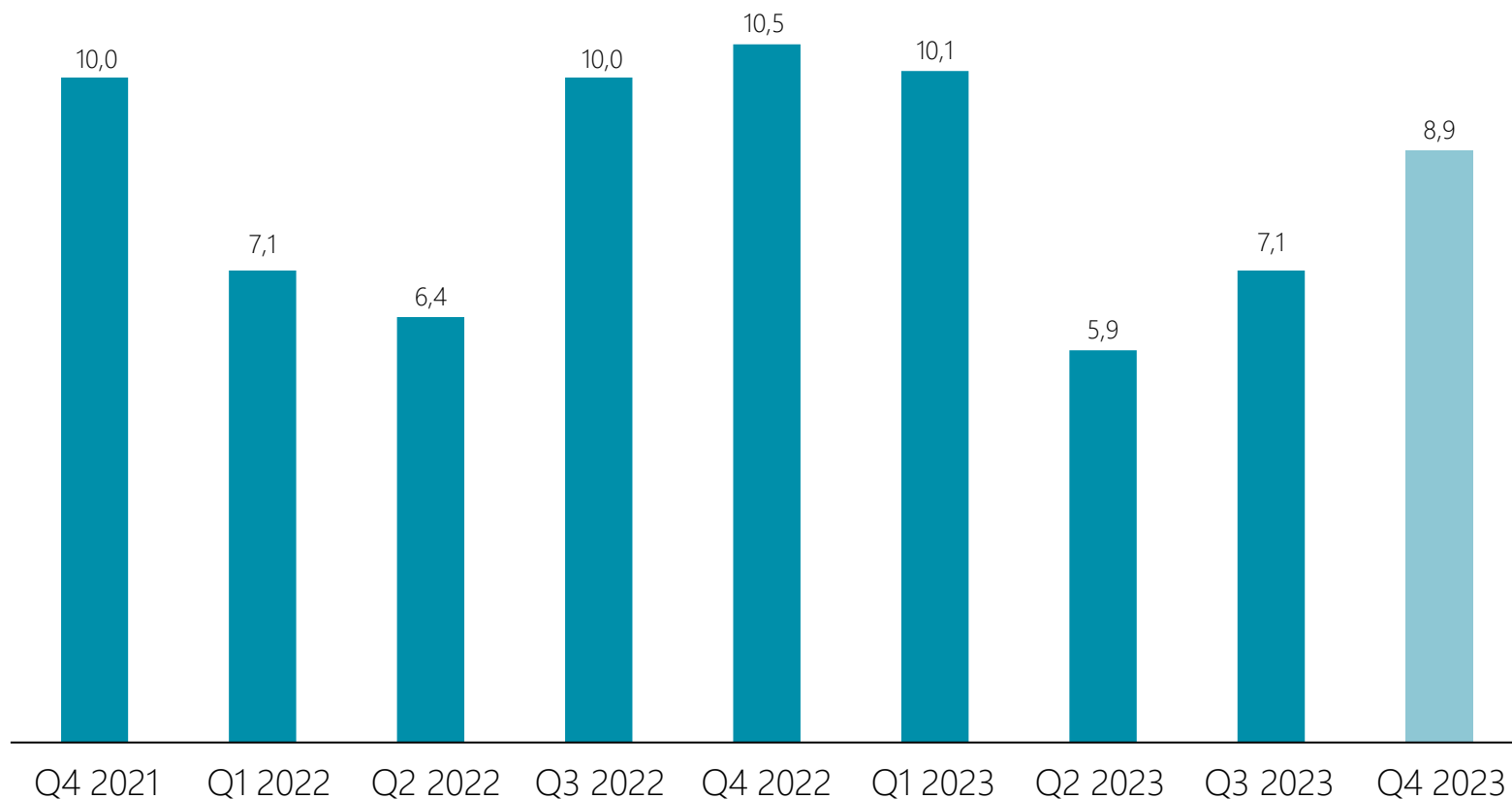
- Adjusted EBITDA margin 34,4%, margin declined with -2,9%p y-on-y at comparable rates and -2,8%p y-on-y at reported rates.
- Adjusted EBITDA decreased year-on-year due to challenging market conditions resulting in lower revenue especially in credit information services.
- However, successful cost optimization and profitability improvement actions partly offsetting the negative topline development
- Adjusted EBITDA decrease y-on-y -13,9% with comparable rates and -16,2% with reported rates



Free cash flow



Free cash flow, EUR million



COMMENTS

- Cash conversion in 2023 exceeded 60% and reached 62,6% (56,0%). Adjusted cash conversion, comparing the adjusted free cash flow to Adjusted EBITDA, also improved to 64% (56,1%).
- Free cash flow remains solid but decreased compared with the corresponding quarter mainly due to paid efficiency program costs in Q4 2023, but also due to lower adjusted EBITDA, which was partly offset by positive change in working capital and lower development investments.
- Free cash flow in YTD declined compared to previous year to EUR 32,0 million (EUR 33,9 million). Adjusted free cash flow, excluding paid items affecting comparability improved compared to previous year and was EUR 36,5 million (EUR 34,3 million).

Key indicators



EUR million (unless stated otherwise)	Q4 / 2023	Q4 / 2022	FY 2023	FY 2022
Net debt	139,7	131,8	139,7	131,8
Net debt / adjusted EBITDA	2,4	2,2	2,4	2,2
Gearing, %	49,4	44,7	49,4	44,7
Equity ratio, %	58,9	60,3	58,9	60,3
Free cash flow	8,9	10,5	32,0	33,9
Cash conversion, %	80,0	66,2	62,6	56,0
Gross investments	2,6	3,0	11,1	12,6

COMMENTS

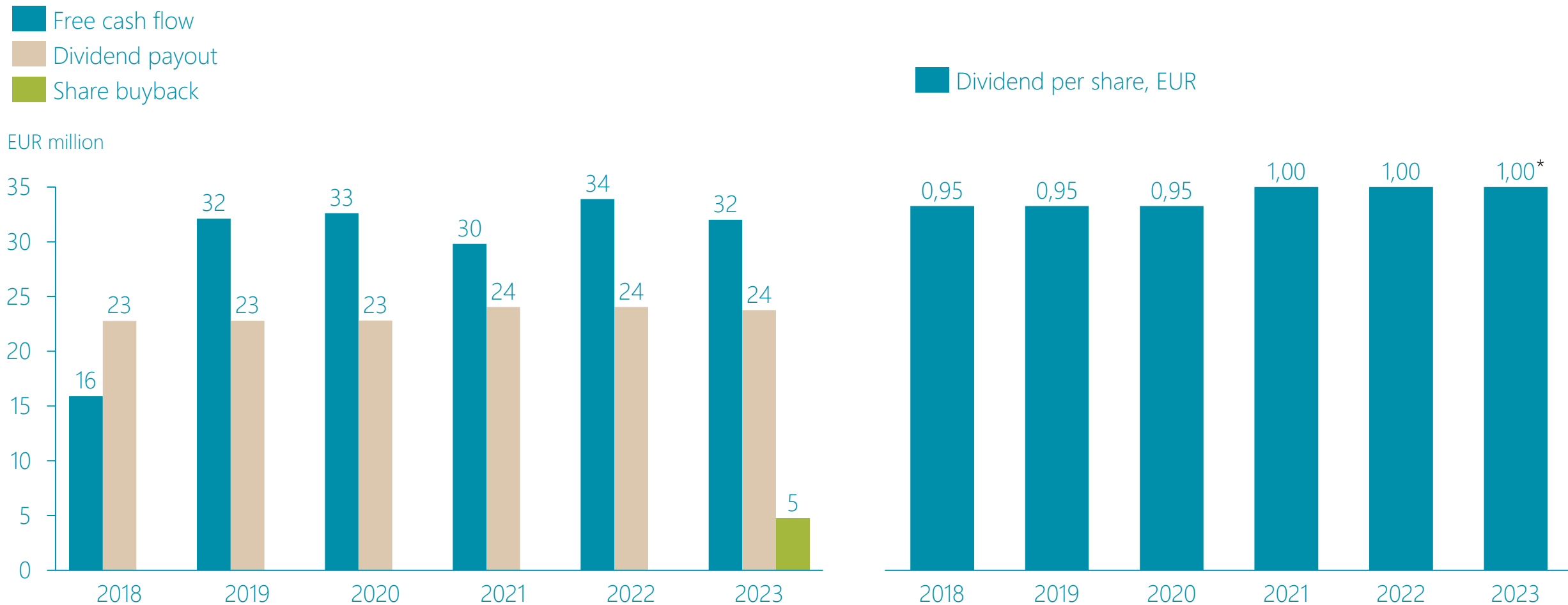
- Cash position at EUR 17,4 million (committed EUR 30 million facility remains fully unutilized).
- Net debt / adjusted EBITDA at 2,4x.
- Gross investments EUR 2,6 million (EUR 3,0 million).

Enento as an investment





Strong free cash flow enabling shareholder returns through dividends and share buybacks



* Board proposal to Annual General meeting, payout in two instalments

Future Outlook 2024



The operating environment for Enento remains challenging and volatile due to the uncertainty in the general economic situation in our operating countries. This instability is expected to affect Enento's financial performance, notably within the Swedish consumer credit information sector. The first half of the year is expected to be challenging and while some recovery signs are visible for the second half of the year, these remain uncertain.

Enento continues to streamline its operations through the efficiency program, prioritizing careful cost control to maintain profitability level in a challenging market situation. The profitability of the company may also be affected by variations in the sales mix.

Given these conditions, Enento will not issue precise financial guidance for net sales or profitability at this stage.

Enento as an investment



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A hand holding a pen is writing on a document. The document features a bar chart with blue bars, a pie chart, and a line graph. A network of white dots connected by lines is overlaid on the entire image. The word "Appendix" is written in white text in the center.

Appendix

Key figures full year 2023



Net sales

-1,4%*

-2,6%**

155,9 MEUR

Adjusted EBITDA

-6,7%

-2,9%**

57,1 MEUR

Adjusted EBITDA margin

-0,1 pp-%**

36,6 %

Free cash flow

-5,8%

32,0 MEUR

Net debt to adjusted EBITDA

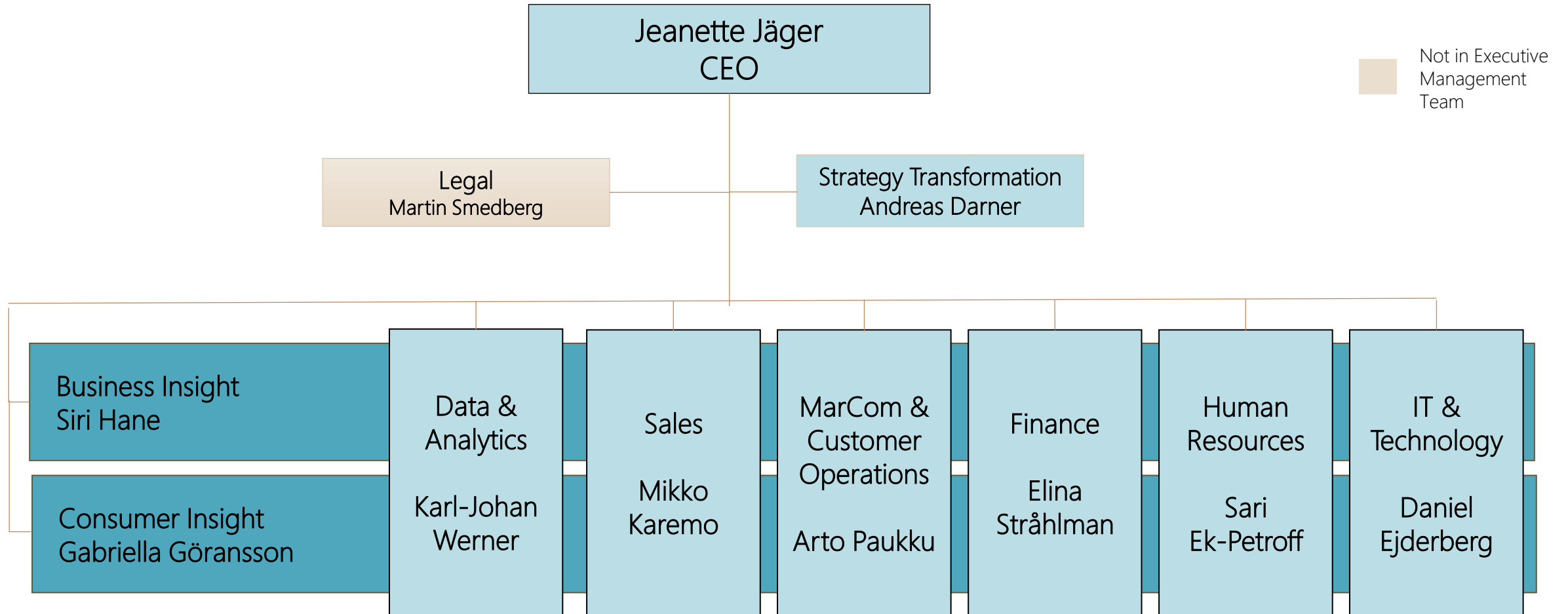
2,4 x (2,2x)

Share of new services

4,9 pp-%

9,5 %

Dividend of EUR 1,00*** per share proposed – representing a yield of 5.0% ****



SUSTAINABILITY AT ENENTO GROUP



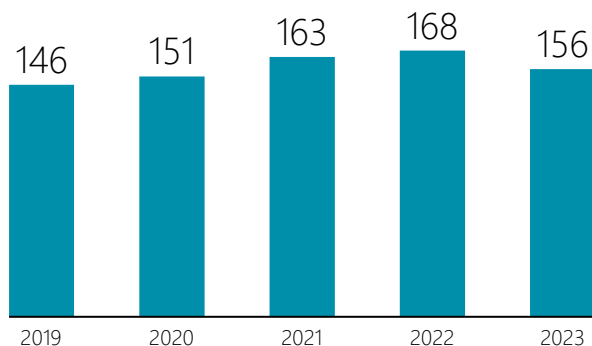
The sustainability focus areas of Enento support Sustainable Development Goals by the United Nations



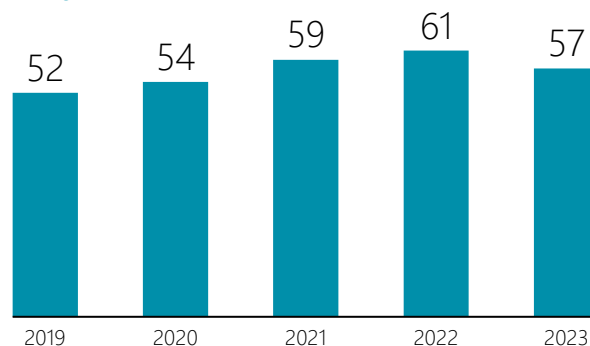
Financial KPIs



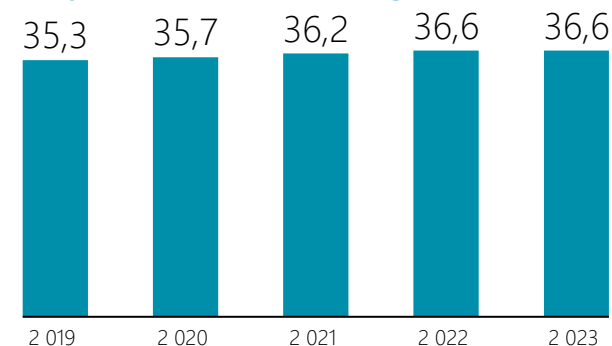
Net sales



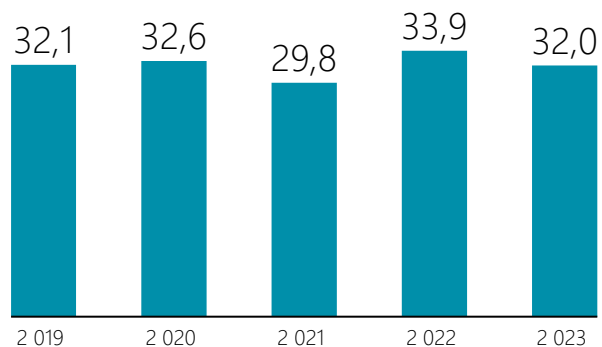
Adjusted EBITDA



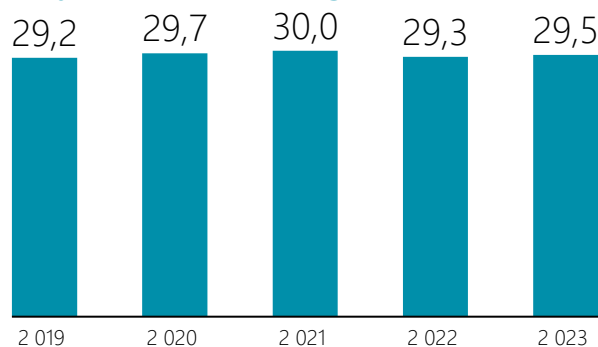
Adjusted EBITDA margin %



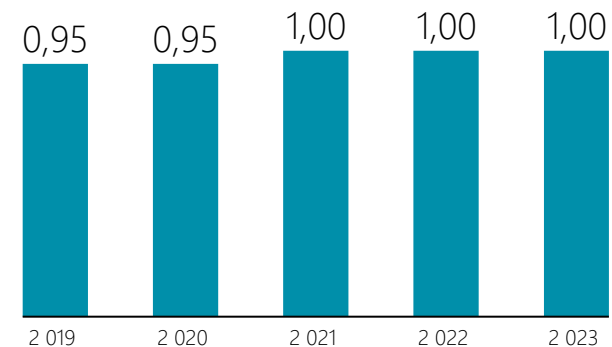
Free Cash Flow



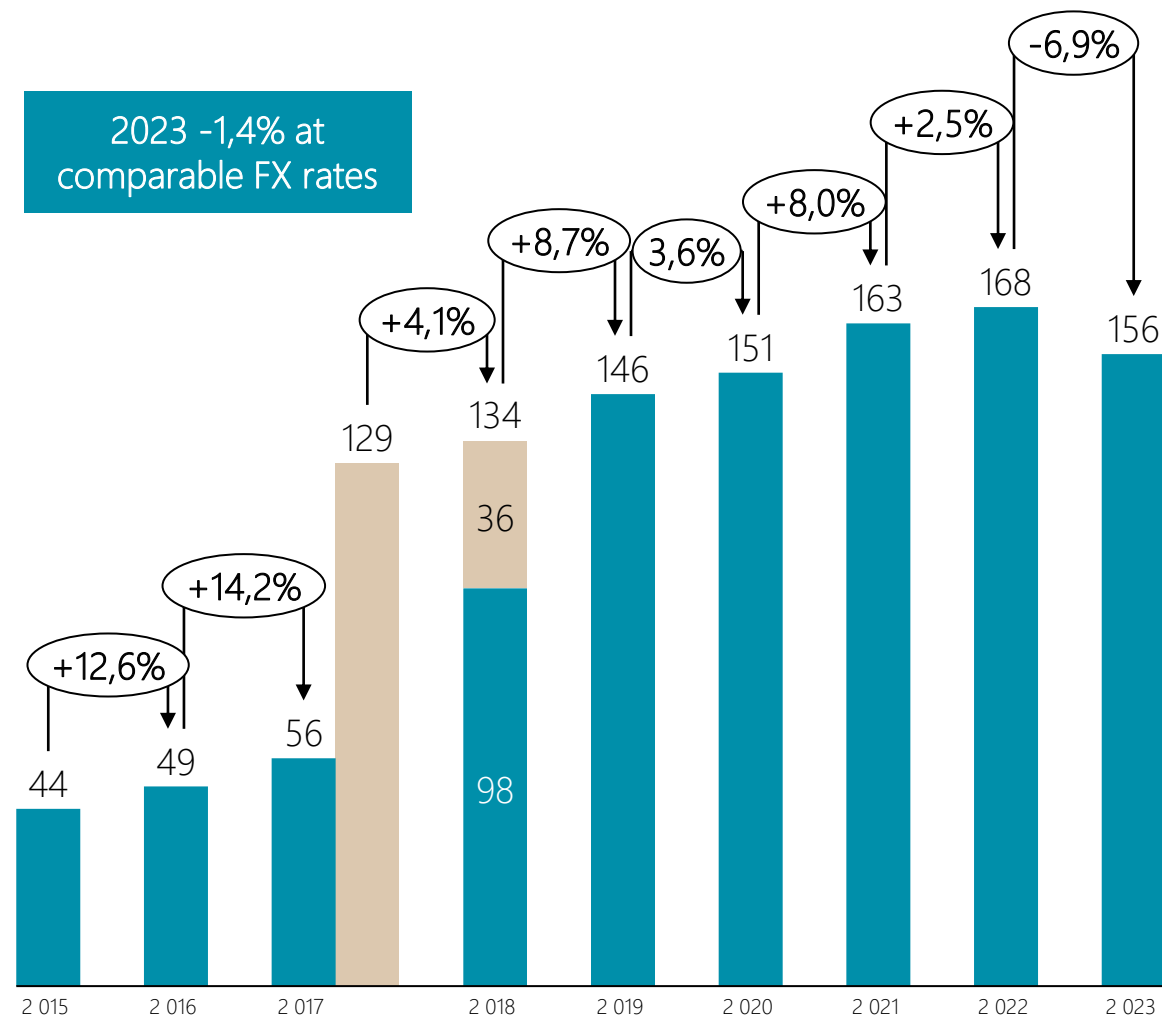
Adjusted EBIT margin %



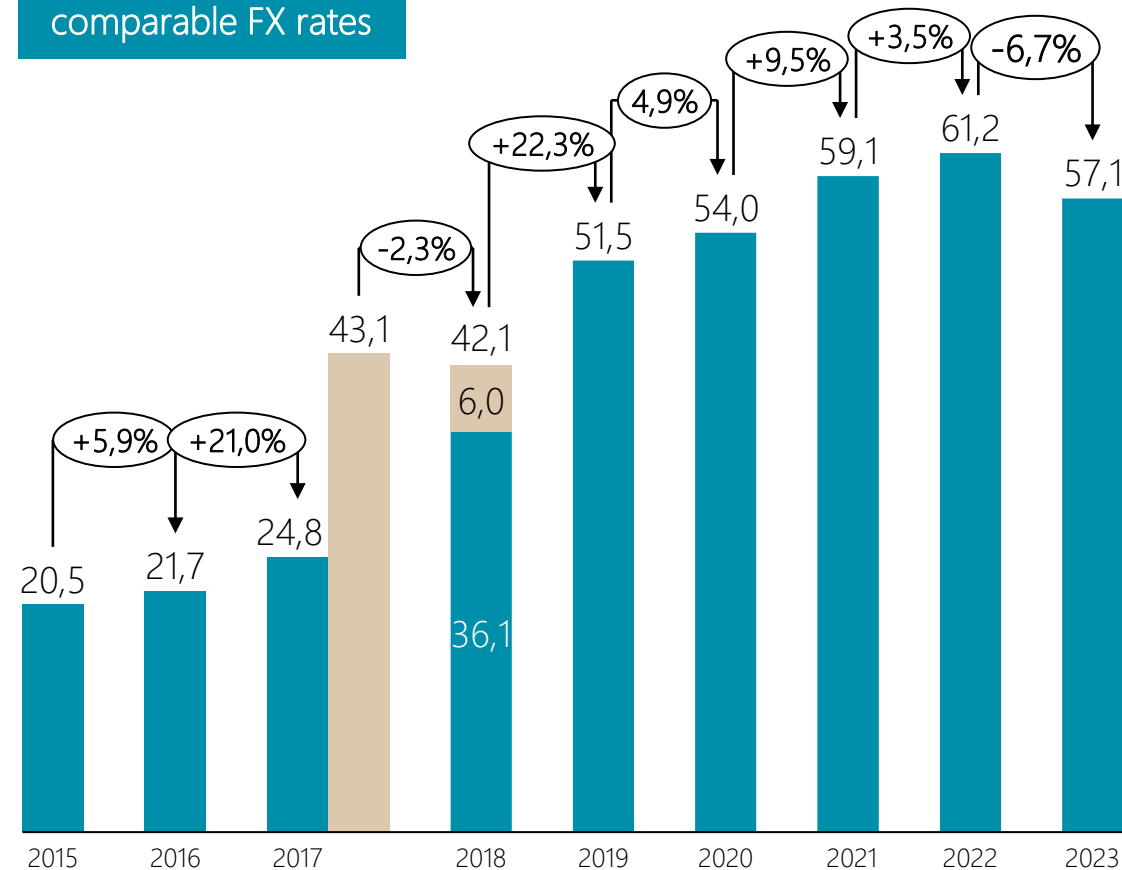
Dividend per share



Solid revenue and profitability development track



2023 -2,9% at comparable FX rates



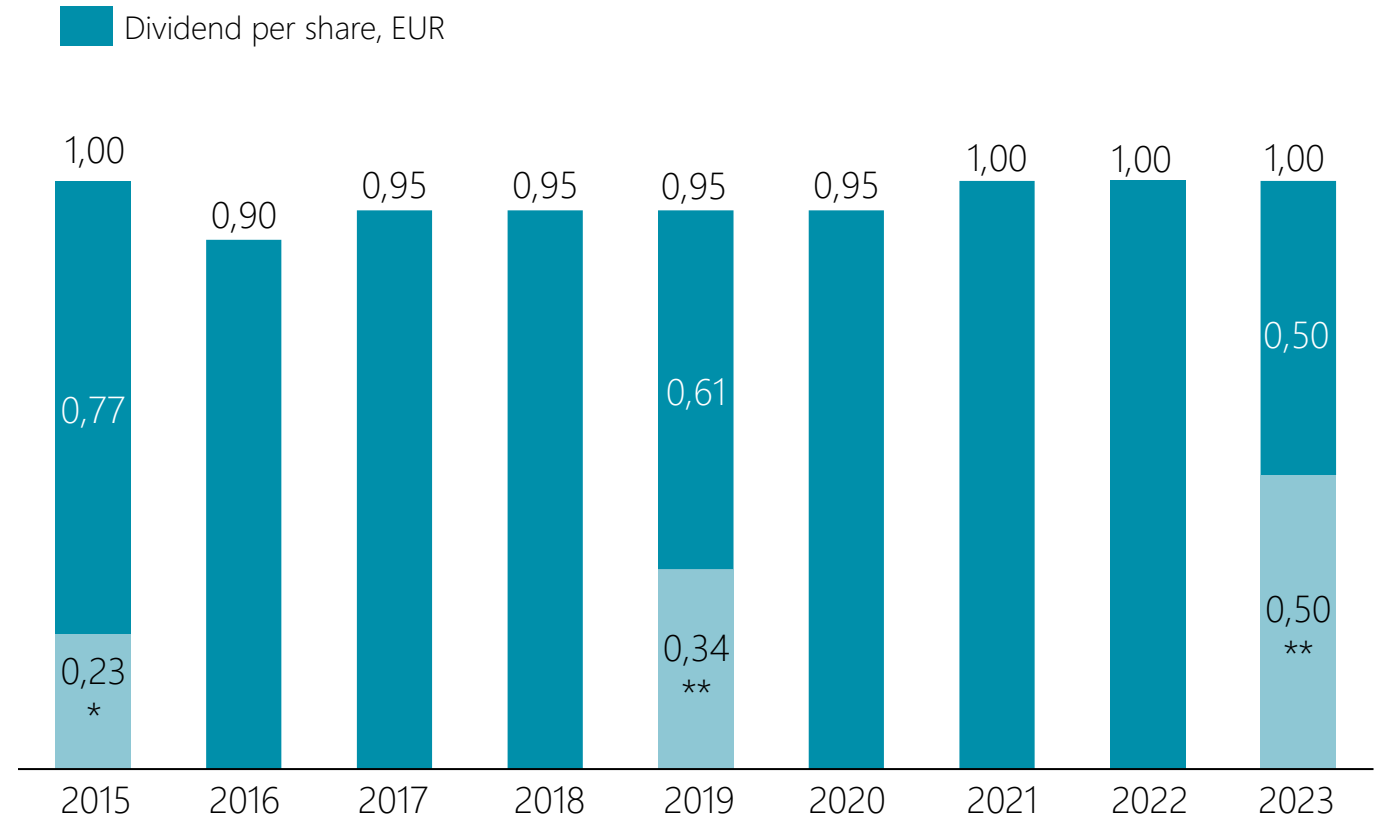
Net Sales / Adj. EBITDA Pro forma, UC acquisition 1.7.2018

Dividend history



Distribution of funds 2023

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 0,50 per share, followed by a second instalment up to EUR 0,50 in November, subject to Board decision



*extra distribution of funds (sales of the company's premises)

**distribution in two parts



Enento Group Plc

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