

CEO Jeanette Jäger, CFO Elina Stråhlman
9 February 2024

ENENTO GROUP PLC

FINANCIAL STATEMENTS

1.1.–31.12.2023



Building trust in the everyday.



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.



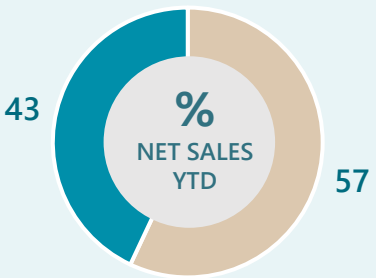
Approximately **500 000** consumer customers.

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.

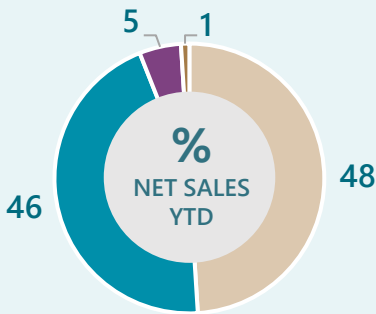


BUSINESS
INSIGHT
CONSUMER
INSIGHT

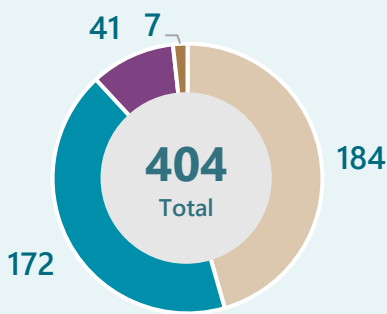
Net Sales by
Business Area 2023



Net Sales by
Country 2023*



Employees by
Country 2023



SWEDEN
FINLAND
NORWAY
DENMARK

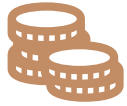
Building trust in the everyday.

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

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 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% ****

Nordic integration and platform modernization remain relevant, but adjusting the pace to prioritize efficiency and growth



- A declining market requires us to balance the modernization pace with investments in new revenue streams
- Nordic modernization is still relevant mid to long term to ensure scalable solutions for new service development



- Main potential found in IT delivery model, vendor consolidation and gradual legacy decommissioning
- One common platform is not the main cost driver or growth enabler in current strategy period







- We are executing on changes in our Nordic IT development model and Nordic infrastructure consolidation to gain efficiencies and to improve security
- We will continue to decommission depending on the speed of modernisation of platforms and consolidation of IT applications

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

Services for sustainable lending and decision making are at the heart of our operations

Enento adheres to the principles of the UN Global Compact initiative



We help our customers in sustainable decision making



Enento Group's environmental impact



Enento Group as a sustainable workplace



An enabler of sustainable society



BUSINESS AREA UPDATE Q4

Strategy 2024-2026: 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

Business Insight



Business Overview

The business area maintained its positive growth trajectory in Finland, Norway, and Denmark. However, in Sweden, macroeconomic headwinds have affected the demand for Enento's business information services.

Net Sales -1,1%
EUR 22,6 million

Organic, at comparable FX rates



Highlights

- ✓ Nordic compliance offering expansion continues with double-digit growth in 2023
 - Individual sanction monitoring introduced in Finland, improving the service offering significantly → Strong sales pipeline for the monitoring services
 - Product development push continues in all markets with high ambition for 2024
- ✓ ESG services with a strong year as new services and growing customer base boost sales in Finland
- ✓ Real Estate Services in Finland and Sweden concluded 2023 strongly. Despite weak real estate markets, the newly introduced services have led to a positive outcome.



Consumer Insight



Business Overview

Consumer Insight maintained stability in Finland throughout the fourth quarter, but encountered significant challenges in Sweden, where the decline accelerated as a result of decreased demand for consumer credit information services.

Net Sales -11,1%
EUR 16,3 million

Organic, at comparable FX rates



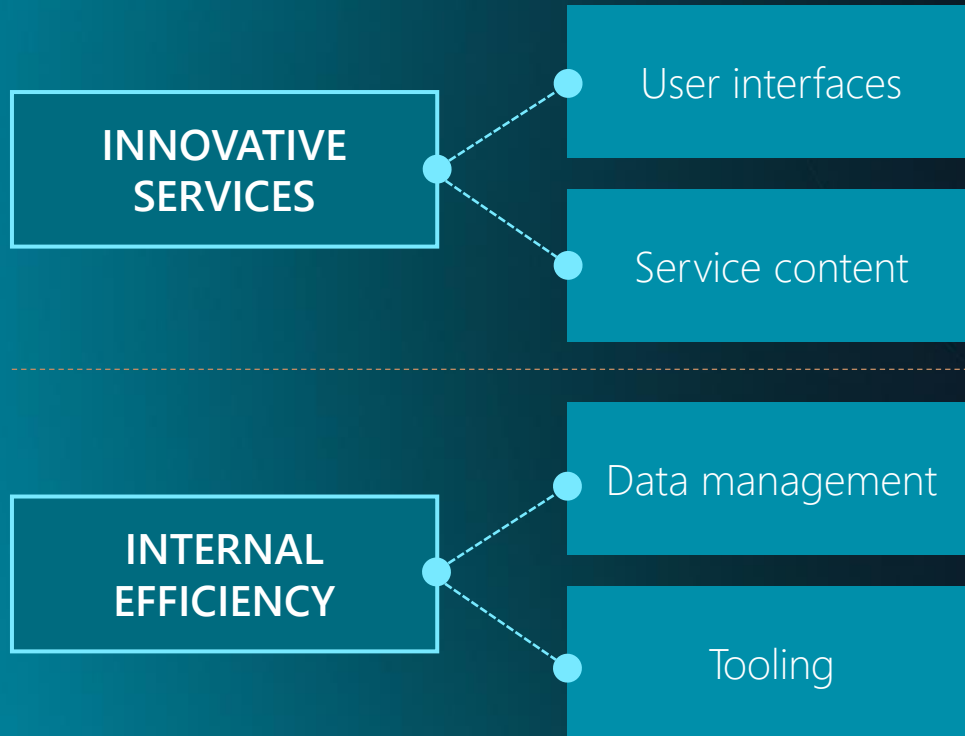
Highlights

- ✓ Significant interest towards the e-commerce offering within consumer credit information, significant Nordic customer signed
- ✓ The adaptation of credit information services to the Finnish positive credit register is underway. Enento supports multiple distribution methods for utilizing the data, and customer agreements have been signed, leading to a high customer retention and improved services.
- ✓ Demand for consumer ID and fraud protection services in direct-to-consumer has continued on a good level
- ✓ Collaboration with customers in providing solutions for fraud prevention. The development of additional services for fraud prevention remains a high priority with new services expected to be launched in 2024.



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

Applications of AI



The background of the slide is a faded, light blue image of two hikers on a mountain peak. One hiker is standing on a rock, reaching out to help another hiker who is climbing up. The scene is set against a backdrop of misty mountains and a cloudy sky.

CFO HIGHLIGHTS

Key figures



Q4 / 2023

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

38,9 MEUR

Adjusted EBITDA ^{-13,9%*}

13,4 MEUR

Adjusted EBITDA %
^{-2,9 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

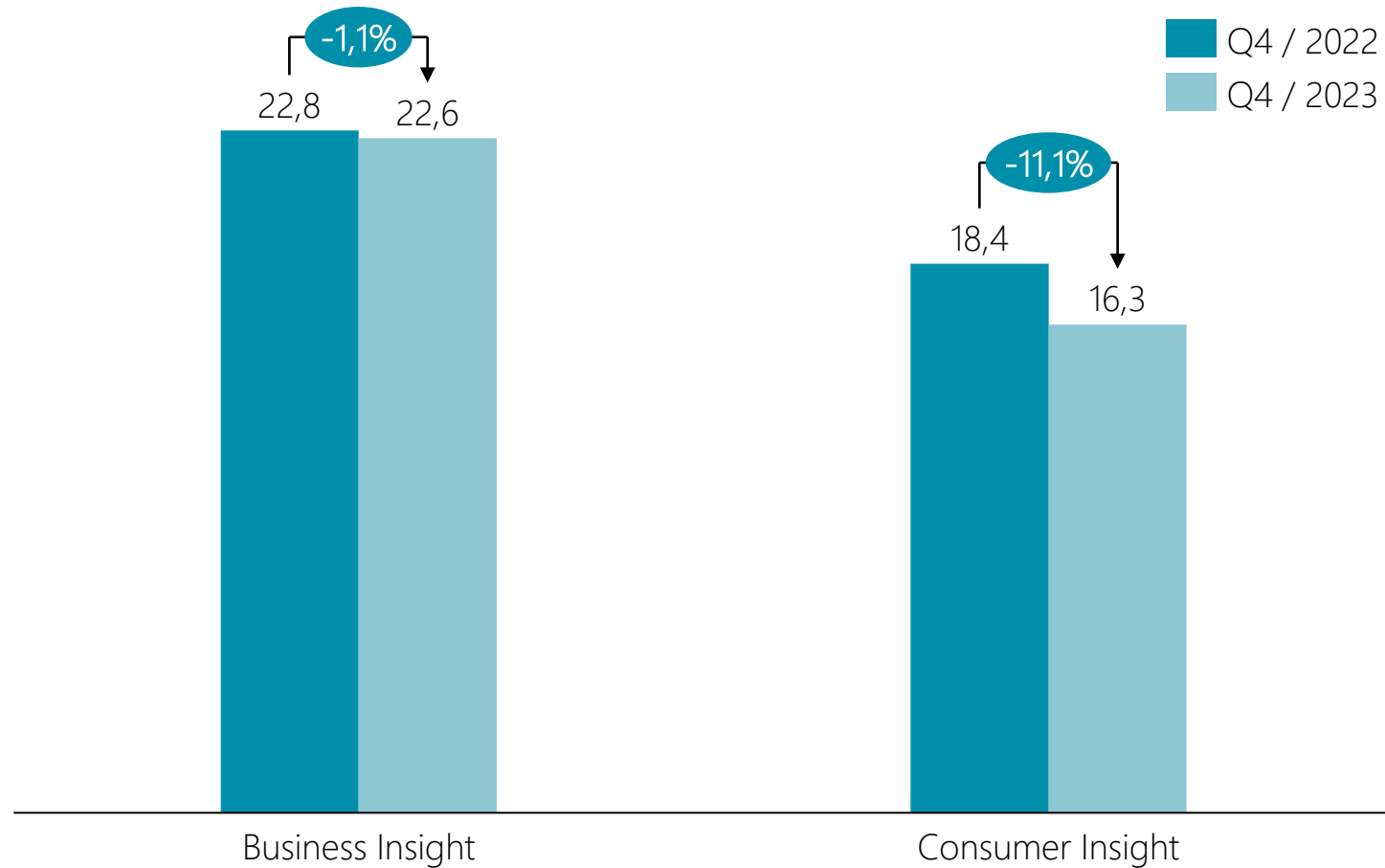
* At comparable foreign exchange rates

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



Revenue by business area

GROWTH AT COMPARABLE FX RATES



COMMENTS

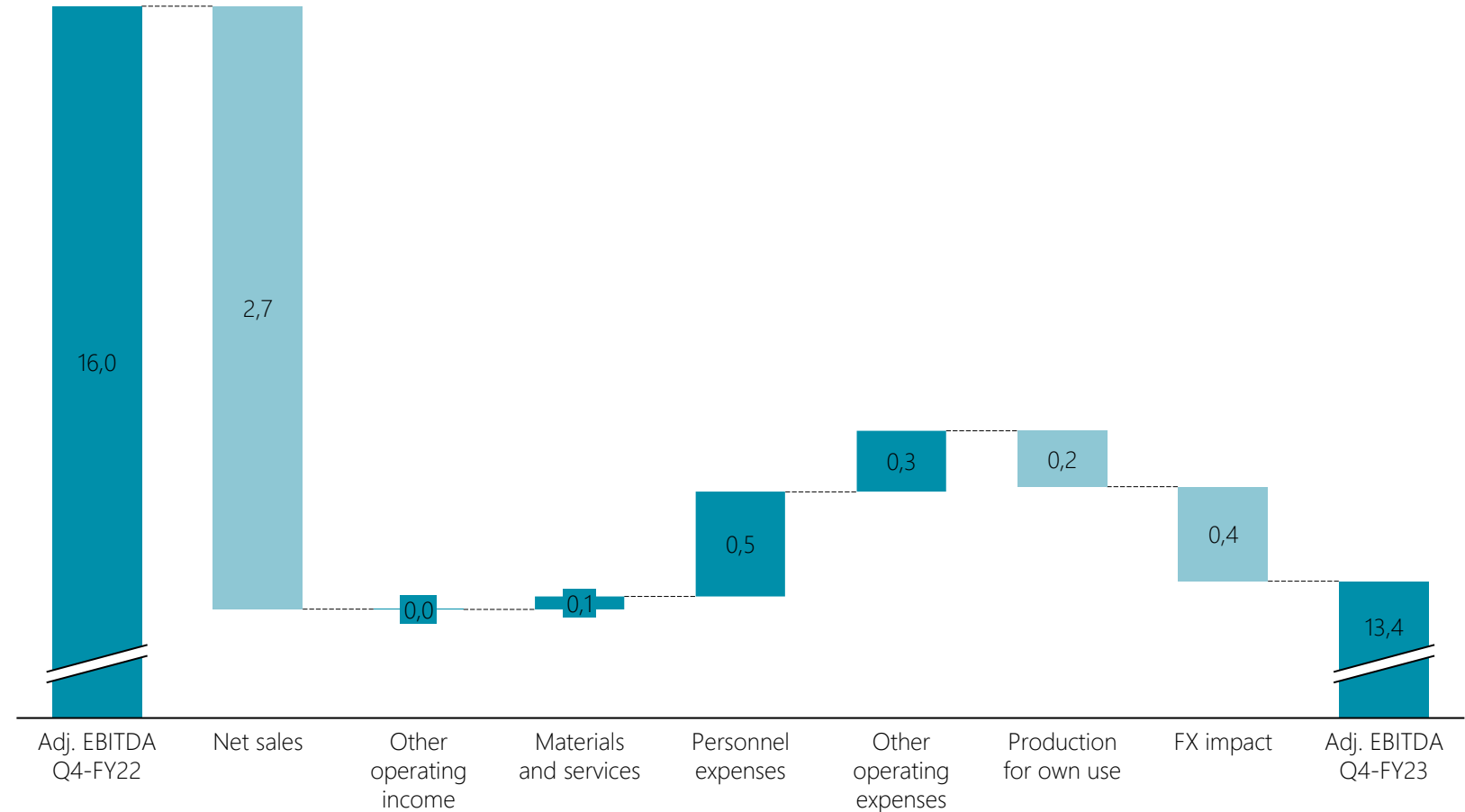
- Business Insight development turned into decline, followed by challenges in Swedish markets. Solid development in Finland, with strong growth in compliance and real estate services. Norwegian business performance strong likewise.
- In Consumer Insight, low consumer lending volumes negatively impacted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

Adjusted EBITDA



COMMENTS

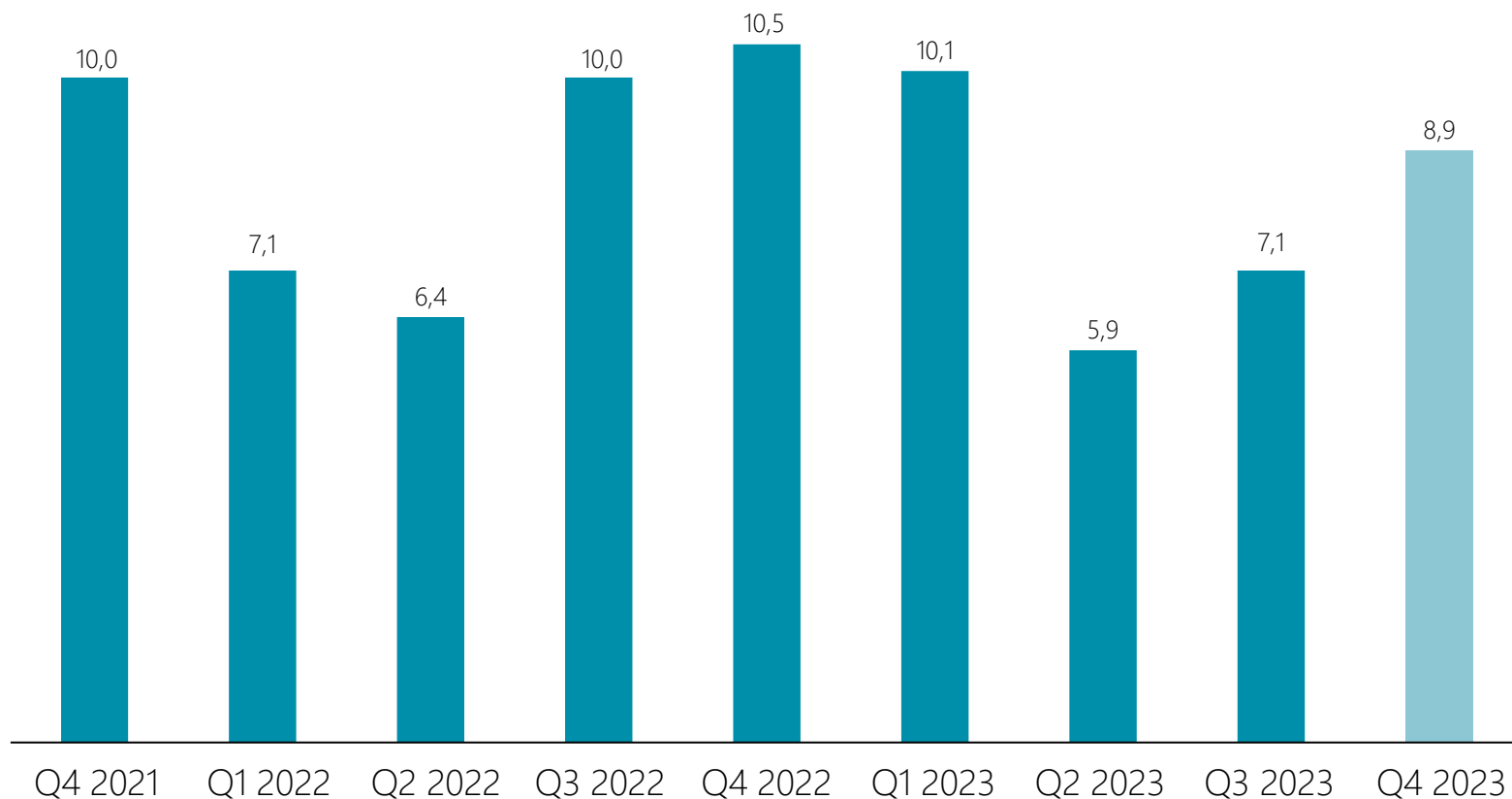
- Adjusted EBITDA margin 34,4%, margin declined with -2,9%p y-on-y at comparable rates and -2,8%p y-on-y at reported rates.
- Adjusted EBITDA decreased year-on-year due to challenging market conditions resulting in lower revenue especially in credit information services.
- However, successful cost optimization 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).



DIVIDEND AND 2024 GUIDANCE

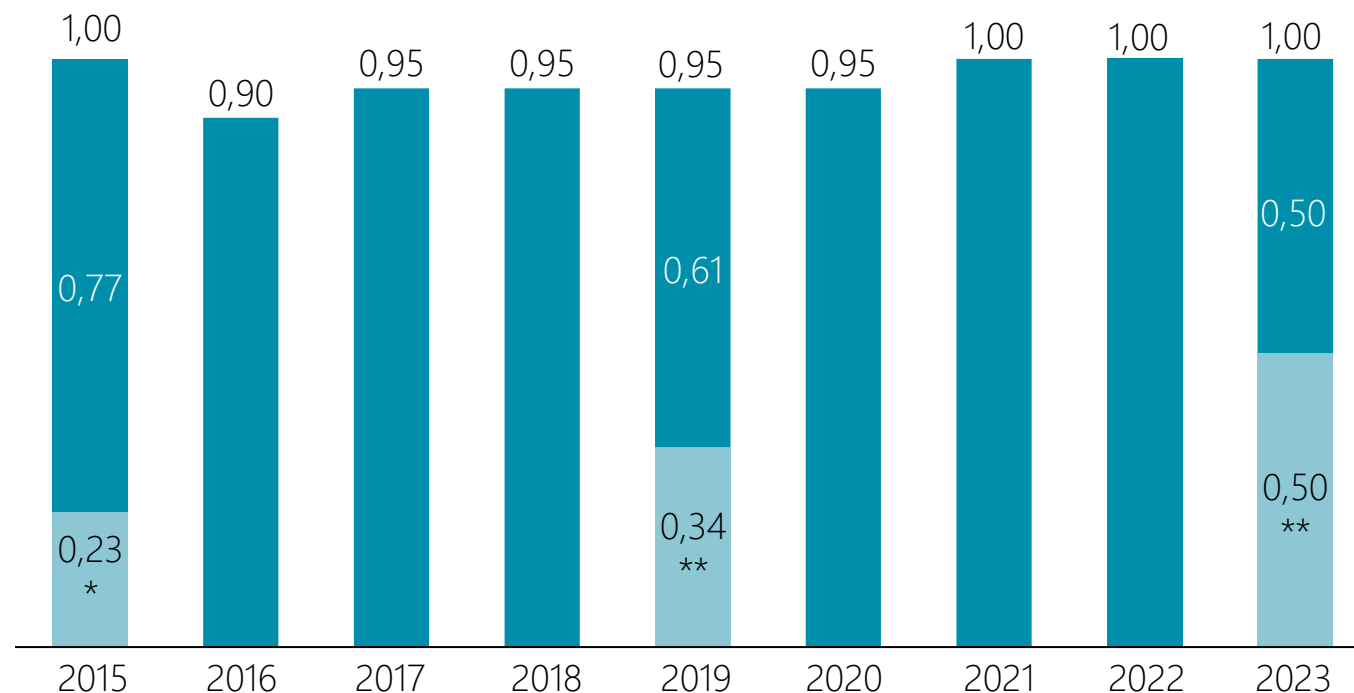
Board of Directors' proposal on distribution of funds



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

■ Dividend per share, EUR



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

**distribution in two parts

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.

2024 Focus: Strategic Execution, Operational Efficiency, and Scalable Growth Initiatives



Cost synergies achieved through continuous focus on **efficiency activities**, with progress being made towards further efficiencies in IT, digitalization of sales and marketing and other identified areas



Growth from new services: Advancing in the development and promotion of new services in several strategic growth areas such as ESG, compliance, real-time data & fraud prevention.



Market penetration: Increasing market share by targeting new customer verticals and expanding the SME customer base. Focus on customer retention and growth by prioritizing solutions that meet their immediate needs.



Commitment in long-term financial targets for 2024-2026



THANK YOU

Time for Q&A



FINANCIALS Q4 / 2023 SUMMARY

Overview



EUR million (unless stated otherwise)	Q4 / 2023	Q4 / 2022	FY 2023	FY 2022
Net Sales	38,9	42,9	155,9	167,5
Change (year-on-year, comparable fx)	-6,5%	4,1%	-2,6%	+5,1%
Adjusted EBITDA	13,4	16,0	57,1	61,2
Change (year-on-year, comparable fx)	-13,9%	+13,4%	-2,9%	+5,9%
Adjusted EBITDA margin	34,4%	37,2%	36,6%	36,6%
Adjusted EBIT	10,5	13,3	46,0	49,1
Adjusted EBIT margin	27,0%	30,9%	29,5%	29,3%
New services (% of net sales)	8,5%	4,0%	9,5%	4,6%
EBITDA	11,1	10,8	51,0	55,6
EBIT	5,9	-0,5	30,4	25,8

COMMENTS

- Net sales decreased by 9,3 % at reported FX rates and by 6,5 % at comparable FX rates.
- Adjusted EBITDA decreased by 16,2 % at reported FX rates and by 13,9 % at comparable FX rates. Adjusted EBITDA development compared to the prior year was negatively impacted by the declining revenue and changes in the sales mix while the impact was partly offset through profitability improvement actions taken.
- Adjusted EBIT decreased in line with Adjusted EBITDA development by 20,9% at reported FX rates and by 18,7% at comparable FX rates.

Income statement



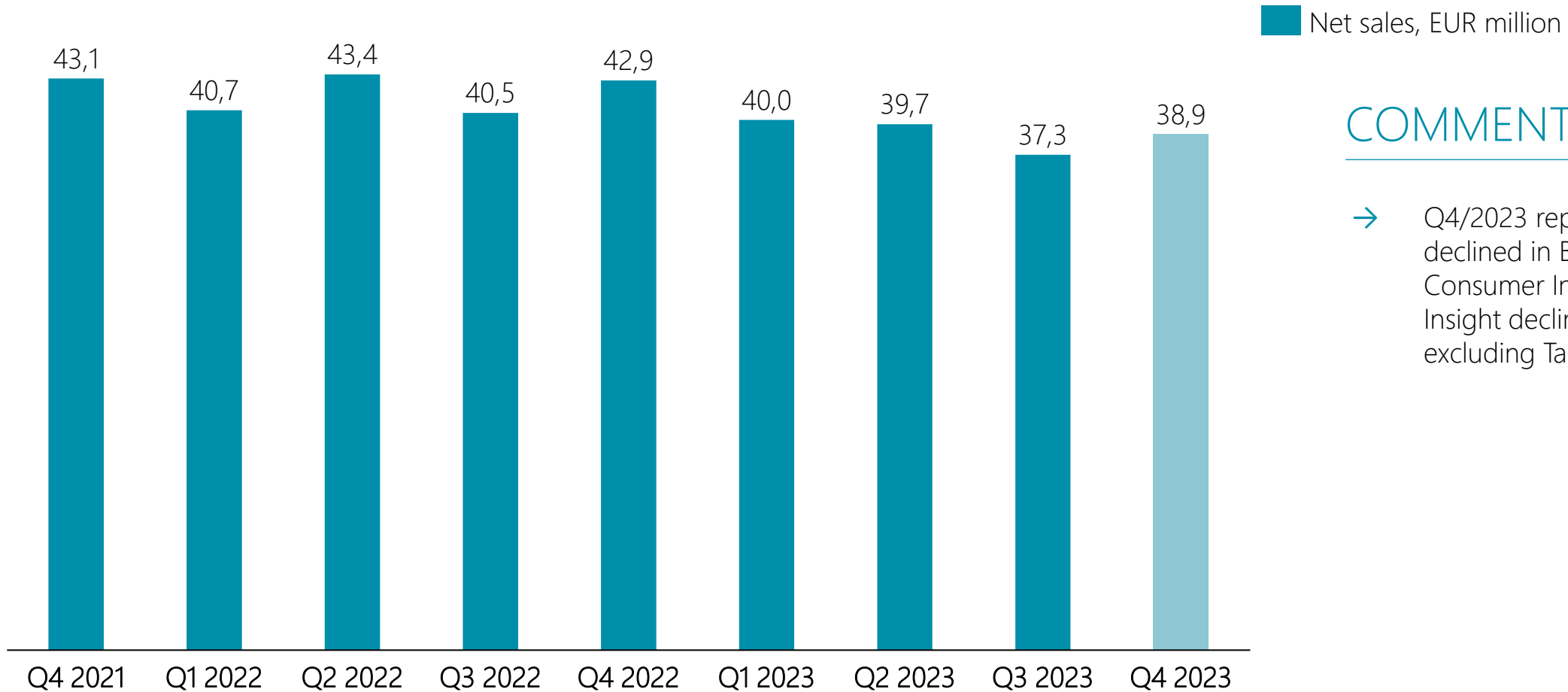
EUR million	Q4 / 2023	Q4 / 2022	FY 2023	FY 2022
Net sales	38,9	42,9	155,9	167,5
Other operating income	0,1	0,1	0,4	0,4
Materials and services	-6,6	-6,8	-26,6	-27,7
Personnel expenses	-10,3	-10,8	-40,1	-40,8
Work performed by the entity and capitalised	1,0	0,3	3,2	3,6
Other operating expenses	-12,0	-15,0	-41,7	-47,5
Depreciation and amortisation	-5,3	-11,3	-20,6	-29,8
Operating profit	5,9	-0,5	30,4	25,8
Share of results of associated companies	-0,2	-0,3	-0,8	-0,9
Finance income and expenses	-2,8	-1,3	-7,4	-2,7
Profit before income tax	2,9	-2,2	22,2	22,1
Income tax expense	-0,7	0,3	-4,7	-4,8
Profit for the period	2,2	-1,9	17,6	17,4
Earnings per share attributable to the owners of the parent during the period:				
Basic earnings per share (EUR)	0,09	-0,08	0,74	0,72
Diluted earnings per share (EUR)	0,09	-0,08	0,73	0,72

Cash flow



EUR million	Q4 / 2023	Q4 / 2022	FY 2023	FY 2022
Cash flows from operating activities				
Cash flows before change in working capital	10,5	15,7	51,2	60,6
Change in working capital	2,7	-0,1	1,0	-4,0
Net interests and other financing items	-0,5	0,0	-6,2	-2,3
Income taxes paid	-1,6	-1,7	-9,1	-9,5
Net cash from operating activities	11,1	13,9	36,8	44,8
Cash flows from investing activities				
Net cash used in investing activities	-2,6	-3,4	-9,2	-14,8
Cash flows from financing activities				
Net cash used in financing activities	-0,4	-0,7	-30,8	-33,6
Cash and cash equivalents at beginning of the period	8,7	11,0	20,8	25,3
Cash and cash equivalents at end of the period	17,4	20,8	17,4	20,8

Net sales by quarter



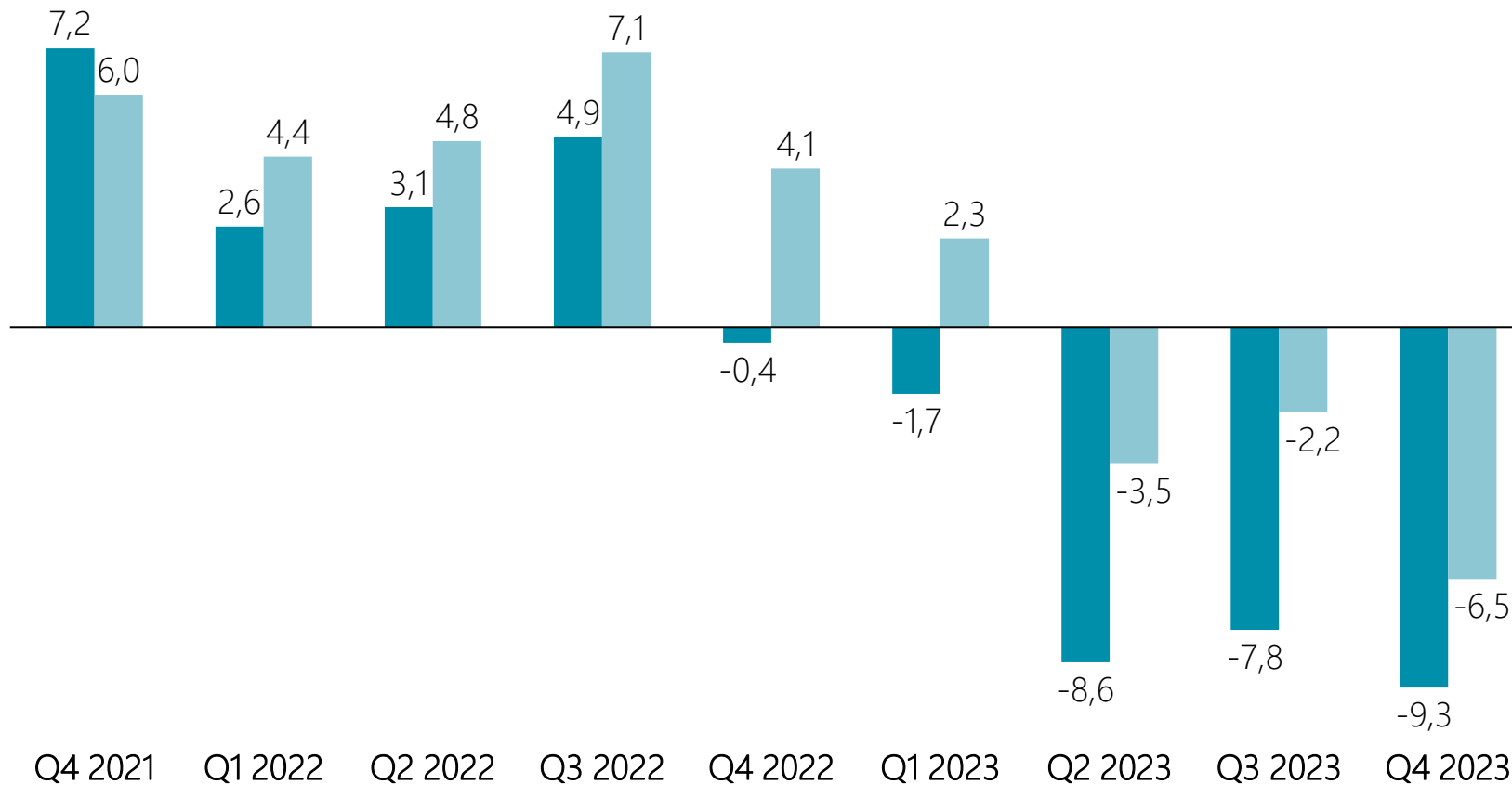
COMMENTS

- Q4/2023 reported Net sales declined in Business Insight and Consumer Insight. Business Insight declined by 1,1% excluding Tambur's impact*

Net sales growth



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



COMMENTS

- FX comparable change -6,5 % in Q4/2023.
- In Q4/2023 -1 business day both in Finland and Sweden.

Enento Group Plc

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