ENENTO GROUP PLC

INTERIM REPORT

1.1.–31.3.2024

Enento

Building trust in the everyday.

ENENTO GROUP PLC, STOCK EXCHANGE RELEASE 23 APRIL 2024 AT 12.15 P.M. EEST

Enento Group's Interim report 1.1. – 31.3.2024: Efficiency measures and new service sales supporting performance amid challenges in Consumer Insight

SUMMARY

January – March 2024 in brief

- Net sales declined by 5,2% excluding the impact from the discontinued Tambur service at comparable exchange rates.
- Net sales amounted to EUR 37,3 million (EUR 40,0 million), a decrease of 6,8% (at comparable exchange rates decrease of 6,3%).
- Adjusted EBITDA was EUR 12,4 million (EUR 14,7 million), a decrease of 15,6% (at comparable exchange rates decrease of 15,2%).
- Adjusted EBITDA margin was 33,3% (36,8%), a decrease of 3,5 pp (at comparable exchange rates decrease of 3,5 pp).
- Adjusted EBIT was EUR 9,4 million (EUR 12,0 million), a decrease of 21,7% (at comparable exchange rates decrease of 21,4%).
- Operating profit (EBIT) was EUR 5,2 million (EUR 6,9 million).
- The efficiency program, initially targeting at least 8-million-euro efficiencies, has been extended to aim for 10-million-euro in efficiencies by the end of 2024. By the end of the first quarter, more than 70% of the updated target has been achieved.

In January-March 2024, the items affecting comparability amounted to EUR -2,0 million (-2,6 EUR million), including mainly restructuring and other efficiency program-related costs.

In January-March 2024, the amortization from fair value adjustments amounted to EUR -2,1 million (EUR -2,4 million).

KEY FIGURES

EUR million	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Net sales	37,3	40,0	155,9
Net sales change, % (comparable fx rates)	-6,3	2,3	-2,6
Net sales change, % (reported fx rates)	-6,8	-1,7	-6,9
Operating profit (EBIT)	5,2	6,9	30,4
EBIT margin, %	14,0	17,3	19,5
Adjusted EBITDA	12,4	14,7	57,1
Adjusted EBITDA margin, %	33,3	36,8	36,6
Adjusted operating profit (EBIT)	9,4	12,0	46,0
Adjusted EBIT margin, %	25,1	29,9	29,5
New services of net sales, %[1]	14,0	10,4	19,1
Free cash flow	6,9	10,1	32,0
Net debt to adjusted EBITDA, x	2,4	2,1	2,4
Earnings per share, EUR	0,13	0,18	0,74
Comparable earnings per share, EUR[2]	0,20	0,26	1,05

[1] The share of new services of net sales is calculated as net sales of those services introduced within the past 36 months. The calculation formula has been revised from 1st January 2024 onwards. Before, the net sales of new services was calculated as net sales of those services introduced within the past 24 months. The comparison figures have been restated. With the previous calculation formula the net sales from new services would have been EUR 2,5 million (EUR 3,3 million) and the share of new services of net sales,% would have been 6,7% (8,3%). See note 1 Alternative Performance Measures.

[2] Comparable earnings per share does not contain amortization from fair value adjustments related to acquisitions or their tax impact.

FUTURE OUTLOOK (UNCHANGED)

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.

JEANETTE JÄGER, CEO

During the first quarter of 2024, we successfully continued to concentrate on sustaining our stable and robust profitability level, and this was achieved despite lower volumes and declining net sales, thanks to advancements in our efficiency program and the implementation of cost-saving measures. We made progress with our growth strategy in several areas, including the further development of our compliance offerings and the introduction of a new open banking service for the Swedish market. These efforts, among others, are aimed at retaining and expanding our strong position in our core area of credit information and securing a leading role in business insights. As anticipated in our 2023 financial statements release, the macroeconomic environment has remained challenging, particularly in Sweden, and has shown clear signs of weakening in Finland as well. The strikes in Finland have had a broad effect on the overall economic activity in society and therefore impacted the demand for our services.

In the first quarter, our organic net sales were EUR 37,3 million, representing a decrease of 5,2% at comparable exchange rates. In Sweden, the demand for consumer credit information services remains sluggish, while in Finland, the demand was significantly weaker compared to the previous year. Additionally, the first quarter included one less business day compared to 2023. On the positive side, net sales in Norway and Denmark continued to grow. Our adjusted EBITDA reached EUR 12,4 (14,7) million, decreasing by 15,2% at comparable exchange rates, which resulted in an adjusted EBITDA margin of 33,3% (36,8%). We continued to make significant progress with our efficiency program and have decided to increase the efficiency target from 8 to 10 million euros by the end 2024. The program has already achieved over 70% of its updated target on a run-rate basis by the end of the first quarter. Furthermore, our free cash flow is expected to remain strong, enabling us to continue investing in our growth areas and return capital to our shareholders.

The share of net sales from new services was 14,0%, marking an impressive improvement from the level of 10,4% in 2023. Most of this growth was generated from the continued implementation of our daily updated credit register in Sweden, the Finnish certificate offering sales, as well as the new real estate information services in both countries. In our continuous efforts to enhance the transparency and relevance of Enento Group's financial reporting, we have decided to revise the calculation logic of our 'share of net sales from new services' KPI, now in line with the industry standard. The revised calculation now extends to cover services launched within the past 36 months, compared to the previous 24 months. Our focus in service development lies in the prioritized growth areas of ESG, compliance and master data, as well as open banking and fraud prevention.

Business Insight's net sales growth in Denmark and Norway was strong. In Finland, Business Insight also remained on a growth trajectory, while in Sweden, the challenges in the macroeconomic environment are impacting the demand for our services. We continued to see net sales growth especially in the real estate information services in Finland and Sweden and premium services targeted to SMEs across all countries. The transition of the Nordic compliance service offering towards a recurring revenue model is expected to provide stability in terms of revenue development.

In the first quarter, the Consumer Insight business area faced lower demand for credit information services in both Sweden and Finland. In Sweden, the consumer credit information sector is declining due to reduced lending volumes, broker usage, and market exits, a trend that started in September last year. Finland faces downturn but without the market consolidation, largely due to lenders pausing operations and re-evaluating business models. Both countries are experiencing reduced transaction volumes, influenced by consumer caution amidst high inflation, rising interest rates, and increasing bankruptcies.

A significant achievement for Consumer Insight is the adaption of our credit information services for the Finnish positive credit register, starting on 1 April 2024. Our Finnish services are now integrated with the new governmental register data. Many of our customers have opted to rely on our expertise to retrieve the data and enhance it with our analytics and decisioning services. In Sweden, we are about to launch the PSD2 offering for open banking data, which has already attracted a very promising sales pipeline.

Looking ahead, the consumer credit information business is expected to face challenges in the second quarter of 2024. Despite the current unfavorable macroeconomic situation, the measures we have taken in our strategy execution give us confidence in our ability to generate value supported by improving macroeconomics.

NET SALES

Business area Digital Processes was integrated with business area Business Insight on 15th June 2023.

The previously reported net sales information by business area has been restated by combining the net sales of Digital Processes with the sales of Business Insight. The restated quarterly information is disclosed in Note 2.2 of the Interim Financial report 2024.

NET SALES BY BUSINESS AREA				
EUR thousand	**1.1. – 31.3.2024**	**1.1. – 31.3.2023**	**Change, % (comp. fx)[1]**	**1.1. – 31.12.2023**
Business Insight	22 182	22 359	-0,2	88 649
Consumer Insight	15 078	17 611	-14,0	67 251
Total	**37 260**	**39 970**	**-6,3**	**155 900**

[1] Change at comparable foreign exchange rates

NET SALES BY COUNTRY[1]			
EUR thousand	**1.1. – 31.3.2024**	**1.1. – 31.3.2023**	**1.1. – 31.12.2023**
Finland	17 438	17 409	71 289
Sweden	17 408	20 143	75 262
Norway	2 156	2 170	8 396
Denmark	258	248	953
Total	**37 260**	**39 970**	**155 900**

[1] Net sales based on the vendor company country.

January – March

Enento Group´s net sales declined by 5,2% excluding the impact from the discontinued Tambur service at comparable exchange rates. Net sales in the first quarter amounted to EUR 37,3 million (EUR 40,0 million), representing a year-on-year decrease of 6,8% at reported exchange rates and a decrease of 6,3% at comparable exchange rates. Net sales from new services[1] amounted to EUR 5,2 million (EUR 4,2 million), representing 14,0% (10,4%) of the total net sales for the first quarter. The consumer lending volumes remained on low level in Sweden. This combined with the challenging macro-economic conditions in all markets, turned the group net sales into decline. There was one business day less compared to the previous year in both Finland and Sweden.

The net sales of the Business Insight business area amounted to EUR 22,2 million (EUR 22,4 million) in the first quarter and increased by 1,8%, excluding the discontinued Tambur Services. Tambur included, the net sales decreased by 0,8% at reported exchange rates and by 0,2% at comparable exchange rates. Despite the growing economic uncertainty, revenue development in all countries remained stable. The development was especially positive in the real estate services in Finland and Sweden, that were supported by the good demand for new services Also, the demand for SME services under premium business line remained strong in all countries. Enterprise and freemium businesses were, on the other hand, impacted by the macro-economic situation. In Finland, the strikes also impacted the business volumes negatively. Demand for compliance services remained stable. The new monitoring service in Finland has gained good traction, supporting the transition towards more recurring revenue model.

The net sales of the Consumer Insight business area amounted to EUR 15,1 million (EUR 17,6 million) in the first quarter. Compared with the corresponding quarter of the previous year, the net sales of the business area decreased by 14,4% at reported exchange rates and by 14,0% at comparable exchange rates. Weak macro-economic situation and low consumer lending volumes continued to impact Consumer Credit information services negatively in Sweden, and also turned Finnish volumes into sharper decline. Macro-economic situation also impacted the direct-to-consumer business line negatively. However, thanks to successful sales efforts, the net sales of the services sold for sales and marketing purposes grew both in Finland and Sweden. In the Swedish market, the business area is expanding to e-commerce and short-term loan verticals with credit information services offering. The Swedish credit register, which covers the full lending market, has more than 70% of customers transitioning from legacy solutions to the daily register. In Finland, Consumer Insight has continued to successfully support its customers with the implementation of the Finnish governmental positive credit register data.

[1] The share of new services of net sales is calculated as net sales of those services introduced within the past 36 months. The calculation formula has been revised from 1st January 2024 onwards. Before, the net sales of new services was calculated as net sales of those services introduced within the past 24 months. The comparison figures have been restated. With the previous calculation formula the net sales from new services would have been EUR 2,5 million (EUR 3,3 million) and the share of new services of net sales,% would have been 6,7% (8,3%). See note 1 Alternative Performance Measures.

FINANCIAL RESULTS

January – March

First quarter adjusted EBITDA excluding items affecting comparability was EUR 12,4 million (EUR 14,7 million). Adjusted EBITDA decreased by EUR 2,3 million and by 15,6% at reported exchange rates and decreased by EUR 2,2 million and by 15,2% at comparable exchange rates. Adjusted EBITDA margin was 33,3% (36,8%) and decreased by 3,5 percentage points at reported exchange rates and by 3,5 percentage points at comparable exchange 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.

Enento Group's operating profit (EBIT) for the first quarter amounted to EUR 5,2 million (EUR 6,9 million). Operating profit included amortization from fair value adjustments of EUR -2,1 million (EUR -2,4 million) related to acquisitions and EUR -2,0 million (EUR -2,6 million) items affecting comparability mainly arising from efficiency program related costs.

Adjusted operating profit (EBIT) excluding amortization from fair value adjustments related to acquisitions and items affecting comparability decreased year-on-year by EUR 2,6 million in the first quarter to EUR 9,4 million (EUR 12,0 million). Compared with the reference period, adjusted operating profit (EBIT) for the first quarter decreased by 21,7% at reported exchange rates and decreased by 21,4% at comparable exchange rates. Adjusted EBIT margin was 25,1% (29,9%) and decreased by 4,8 percentage points.

The decline in profit for the period compared to the previous year was in line with the decline in the operating profit.

INCOME STATEMENT WITH ADJUSTED EBITDA AND ADJUSTED EBIT

EUR thousand	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Net sales	**37 260**	**39 970**	**155 900**
Other operating income	33	76	379
Materials and services	-6 754	-6 625	-26 623
Personnel expenses	-9 998	-10 365	-37 676
Work performed by the entity and capitalized	1 038	1 052	3 197
Total personnel expenses	-8 960	*-9 313*	*-34 479*
Other operating expenses	-9 164	-9 406	-38 070
Adjusted EBITDA	**12 414**	**14 701**	**57 107**
Depreciation and amortization	-3 049	-2 732	-11 062
Adjusted EBIT	**9 366**	**11 969**	**46 044**
Items affecting comparability	-2 030	-2 592	-6 089
Amortization from fair value adjustments related to acquisitions	-2 133	-2 445	-9 537
Operating profit	**5 203**	**6 932**	**30 418**
Financial income and expenses and share of results of associated companies	-1 338	-1 592	-8 172
Profit before income taxes	**3 865**	**5 340**	**22 246**
Income tax expense	-754	-1 075	-4 683
Profit for the period	**3 112**	**4 265**	**17 563**

CASH FLOW

Free cash flow in January – March amounted to EUR 6,9 million (EUR 10,1 million), representing a decrease of 31,9%. Operating cash flow before change in working capital declined compared to the corresponding period in the previous year following the profitability development by EUR 2,2 million. The change in working capital was less positive by EUR 2,3 million compared to the corresponding period in the previous year and was EUR 0,5 million (2,8 million). The decline was mainly due to the timing of payments from receivables. The development of cash flows from investing activities was positive compared to the corresponding period in the previous year by EUR 1,5 million.

The impact of items affecting comparability in the cash flow amounted to EUR -1,1 million (EUR -1,2 million).

KEY CASH FLOW RATIOS			
EUR million	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Free cash flow	6,9	10,1	32,0
Adjusted free cash flow	8,0	11,3	36,5
Cash conversion, %	66,3	83,5	62,6
Adjusted cash conversion, %	64,7	76,7	64,0

CAPITAL EXPENDITURE

Capital expenditure in January – March was EUR 3,0 million (EUR 4,5 million). The majority of Enento Group's capital expenditure is related to the development of new services, service platform and IT infrastructure. Other capital expenditure mainly comprises purchases of IT hardware and office equipment. Capital expenditure on intangible assets was EUR 2,8 million (EUR 3,2 million) and capital expenditure on property, plant and equipment was EUR 0,2 million (EUR 1,4 million), including in 2023 an investment in storage system.

STATEMENT OF FINANCIAL POSITION

NET DEBT			
EUR thousand	31.3.2024	31.3.2023	31.12.2023
Cash and cash equivalents	**18 145**	**27 172**	**17 350**
Non-current loans from financial institutions	145 877	147 100	147 995
Non-current lease liabilities	3 973	6 684	6 429
Total non-current financial liabilities	**149 849**	**153 784**	**154 425**
Current lease liabilities	2 537	2 135	2 593
Total current financial liabilities	**2 373**	**2 135**	**2 593**
Total financial liabilities	**152 386**	**155 919**	**157 017**
Net debt	**134 241**	**128 748**	**139 667**

Of the loans from financial institutions, EUR 89,3 million (EUR 89,3 million) were EUR-denominated and EUR 56,6 million (EUR 57,8 million) were SEK-denominated on 31 March 2024.

Enento Group Plc's unsecured financing consists of a term loan of EUR 150 million and a revolving credit facility of EUR 30 million. The Company took out the term loan partly in EUR and partly in SEK in accordance with the terms of the loan agreement. The loan term was extended in September 2023 by using the first one-year extension option included in the loan agreement. As a result, the termination date has been extended to September 2026. The loan agreement still retains a second one-year extension option. At the end of March, the Company had used EUR 0 (EUR 0) of its revolving credit facility. In addition, a multi-currency cash pool arrangement has been implemented. The EUR 15 million overdraft had not been utilized on 31 March 2024.

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 2,5 (2,1) on 31 March 2024. The covenant limit in accordance with the financing agreement was 3,5 (3,5) on 31 March 2024.

In addition to financial covenants, the financing agreement is linked with sustainability criteria. The margin decreases or increases depending on how successful Enento is reaching the sustainability targets defined in the agreement. The sustainability criteria are reviewed annually at the end of each financial year. In 2023 the sustainability criteria did not result in an adjustment to the margin.

Provisions include restructuring provisions of 1,5 million (EUR 1,5 million) and other provisions of EUR 0,0 million (EUR 0,1 million).

KEY BALANCE SHEET RATIOS

EUR million	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Balance sheet total	477,8	503,9	490,3
Net debt	134,2	128,7	139,7
Net debt to adjusted EBITDA, x	2,4	2,1	2,4
Return on equity, %	4,5	6,0	6,1
Return on capital employed, %	5,7	6,4	6,8
Gearing, %	50,7	47,4	49,4
Equity ratio, %	56,8	55,2	58,9
Gross investments	3,0	4,5	11,1

PERSONNEL

During January – March, the wages and salaries amounted to EUR 8,8 million (EUR 8,9 million) and included an accrued cost of EUR 35 thousand (EUR 156 thousand) from the management's long-term incentive plan. More details on the management's long-term incentive plan are provided in section 2.4. Transactions with related parties in the notes to the Interim Report.

Key figures describing the Group's personnel:

PERSONNEL

	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Average number of personnel	394	421	404
Full time	378	405	390
Part-time and temporary[1]	16	16	14
Geographical distribution			
Finland	169	176	172
Sweden	177	199	184
Norway	41	41	41
Denmark	7	5	7
Wages and salaries for the period (EUR million)	8,8	8,9	29,8

[1] Average number of part-time and temporary personnel number is the number of part-time and temporary personnel. Presented as full-time employee equivalents, the average number of part-time and temporary personnel would have been 6 in 1.1.-31.3.2024.

OTHER EVENTS DURING THE REVIEW PERIOD

Changes in management and organizational structure

There were no changes in management or organizational structure during the first quarter of 2024.

Share buyback programs

The Board of Directors of Enento Group Plc decided to launch a share buyback program on 18 December 2023. The purpose of the share buyback program was to optimize Enento's capital structure through reduction of capital. The maximum number of shares to be repurchased under the program was 55 000, representing approximately 0,23% of the company's total number of shares and votes. The program commenced on 21 December 2023, and it was completed on 8 February 2024. The company repurchased 47 200 shares for an average price of EUR 19,005 per share.

The Board of Directors of Enento Group Plc decided to launch another share buyback program on 9 February 2024. The purpose of the share buyback program is to optimize Enento's capital structure through reduction of capital. The maximum number of shares to be repurchased under the program is 100 000, representing approximately 0,42% of the company's total number of shares and votes. The program commenced on 12 February 2024 and ends no later than 22 April 2024.

Annual General Meeting 2024

The Annual General Meeting held on 25 March 2024 approved the Financial Statements and discharged the members of the Board of Directors and the company's CEO from liability for the financial year 2023 and resolved to approve the Remuneration report for governing bodies.

The Annual General Meeting resolved that the Board of Directors will consist of seven members: Erik Forsberg, Patrick Lapveteläinen, Martin Johansson, Tiina Kuusisto, Minna Parhiala and Nora Kerppola were re-elected as members of the Board of Directors. Markus Ehrnrooth was elected as a new member. The Annual General Meeting resolved that the Chairperson of the Board of Directors be remunerated EUR 55 000 annually and that the members of the Board of Directors be remunerated EUR 39 500 annually. An attendance fee of EUR 500 shall be paid per the Board of Directors meeting. For attending the Board Committee meetings, the Chairpersons of the Committees will be remunerated EUR 500 per meeting and the Committee members shall be remunerated EUR 400 per meeting. The members of the Shareholders' Nomination Board will not be remunerated. Reasonable travel expenses for attending the meetings will be reimbursed.

PricewaterhouseCoopers Oy, Authorized Public Accountants firm, was re-elected as the company's auditor. PricewaterhouseCoopers Oy notified the company that Authorized Public Accountant Mikko Nieminen would be the auditor-in-charge. The remuneration of the auditor will be paid according to the reasonable invoice.

The Annual General Meeting resolved to amend article 5 of the Articles of Association so that the Annual General Meeting of the Company shall for hereon out elect the Chairperson of the Board of Directors. If the Chairperson of the Board of Directors resigns in the middle of their term or is permanently unable to carry out their duties, the Board of Directors may elect a new Chairperson from among its members for the remaining term of office. The Annual General Meeting resolved to amend article 13 of the Articles of Association to reflect the proposed amendments to article 5, so that the Annual General Meeting shall resolve and elect, in addition to the items currently listed in article 13 of the Articles of Association, the Chairperson of the Board of Directors

The Board of Directors was authorized to resolve on one or more issuances of shares, which contain the right to issue new shares in the company or to transfer the company's treasury shares. The authorization covers up to a total of 1,500,000 shares. The Board of Directors was also authorised to resolve on the issuance of shares in deviation from the shareholders' pre-emptive rights (directed issue) if there would be a weighty financial reason for such issuance. The authorization is proposed to be used for material arrangements from the company's point of view, such as financing or carrying out business arrangements or investments or for other such purposes determined by the Board of Directors. The Board of Directors was authorized 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 issuance of shares without consideration or that the subscription price may be paid besides in cash also by other assets either partially or entirely.

The Board of Directors was authorized 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 would be repurchased using the company's invested unrestricted shareholders' equity, and thus, the repurchases will reduce funds available for distribution. The shares could be repurchased for developing the Company's capital structure, for financing or carrying out potential corporate acquisitions or other business arrangements, to be used as a part of the Company's remuneration or incentive plans or to be otherwise transferred further, retained by the Company as treasury shares, or cancelled, for example. In accordance with the resolution of the Board of Directors, the shares may be repurchased either through an offer to all shareholders on equal terms or through other means or otherwise than in proportion to the existing shareholdings of the Company as directed repurchases, if the Board of Directors deems that there are weighty financial reasons for such directed repurchases. The purchase price per share shall be the market price of the shares quoted on the trading venues where the Company's shares are traded or at the price otherwise established on the market terms at the time of the repurchase. The Board of Directors shall resolve on all other matters related to the repurchase of the Company's own shares, including on how shares will be repurchased.

The authorizations of issuances of shares and repurchasing of shares are effective for 18 months from the close of the Annual General Meeting, i.e. until 25 September 2025. The authorizations will revoke the similar authorizations granted to the Board of Directors by the Annual General Meeting on 28 March 2023. The authorization of issuances of shares has not been used as of 23 April 2024. The Board decided to launch a share buyback program of maximum 100 000 shares on 9 February 2024, which commenced on 12 February 2024 and completed on 22 April 2024.

The Annual General Meeting approved the Board of Directors' proposal to distribute funds of EUR 0,50 per share as dividend. The dividend payment was made on 5 April 2024. The Annual General Meeting authorised the Board, at its discretion, to resolve on the distribution of an additional dividend up to a maximum of EUR 0,50 per share.

Addition to Enento Group Plc's Shareholders' Nomination Board's proposal to the Annual General Meeting 2024

On 14 February 2024 it was announced, that Otava Oy (shareholder of Enento Group with 10,02 per cent ownership at the time) had contacted Enento and proposed the following with respect to the proposals of the Shareholders' Nomination Board: 1) that the number of members in the Board of Directors be seven (7), and 2) that Markus Ehrnrooth be elected as a new member of Board of Directors. The proposal by the Nomination Board otherwise remained unchanged and as is in accordance with the proposal published on 15 January 2024. The Nomination Board concurred with the proposal presented by Otava Oy and proposed to the Annual General Meeting 2024 that this proposal be approved.

EVENTS AFTER THE REVIEW PERIOD

Changes in management and organizational structure

On 16 April 2024, Andreas Darner, Director of Strategy and Transformation, and a member of the Executive Management Team, announced his resignation from Enento Group. He will leave his position at the end of April 2024.

SHARES AND SHAREHOLDERS

On 31 March 2024, the total number of shares was 23 794 856 (24 034 856), and the share capital of the company amounted to EUR 80 000 (EUR 80 000).

SHARES IN ENENTO GROUP´S POSSESSION	
	1.1.-31.3.2024
Shares in Enento´s possession at the beginning of the period	4 676
Change in own shares during the period	75 327
Shares in Enento´s possession at the end of the period	**80 003**

At the end of March 2023, the company had 80 003 shares in its possession. The shares in the company´s possession represent 0,34% of the total number of shares. This corresponds to 0,34% of the total voting rights.

According to Euroclear Finland Oy, the company had 7 364 (5 810) shareholders on 31 March 2024. A list of the largest shareholders is available on the company's investor pages at enento.com/investors.

Flagging notifications and managers' transactions have been published as Stock Exchange Releases and are available on Enento's investor website 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. Furthermore, the Group is vulnerable to potential structural changes in any of its operating markets, including but not limited to shifts in the demand for consumer credit information. Such structural changes could alter market dynamics or customer behavior, potentially impacting the Group's financial performance.

The war in Ukraine and the armed conflict in Israel increase the economic uncertainty in the Nordic countries and globally. The conflicts have a negative impact on macro-economic development and economic activity, which decreases the Group´s ability to predict the demand for its services and causes a risk of weakening revenue development. Enento Group does not have business in Ukraine, Russia, Belarus or in Israel.

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 September 2026.

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 any 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 offset by the changes in financing costs. The Group's reporting currency is euro and the Group has significant business operations denominated in the Swedish krona and the Norwegian krone. Consequently, changes in the 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 is operating in a regulated business and changes in the applicable regulation may impact on revenue and profit. Such regulation may concern, but are not limited to data protection, credit information as well as lending -related legislation. Any governmental plans to change credit information register- related regulations or potential introduction of governmental credit information registers may change the competitive landscape and / or otherwise impact Enento's business, revenue and profit. Also, the failure to comply with regulations could have legal consequences and cause reputational harm.

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, cyber security and mitigation of cyber risks 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 realization of external or internal threats can never be completely eliminated. The realization 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.

Helsinki, 23 April 2024

ENENTO GROUP PLC
Board of Directors

For further information:
Jeanette Jäger
CEO
Enento Group Plc
Tel. +46 72 141 00 00

Distribution:
Nasdaq Helsinki
Major media
enento.com/investors

Enento Group is a Nordic knowledge company powering society with intelligence since 1905. We collect and transform data into intelligence and knowledge used in interactions between people, businesses and societies. Our digital services, data and information empower companies and consumers in their daily digital decision processes, as well as financial processes and sales and marketing processes. Approximately 394 people are working for Enento Group in Finland, Norway, Sweden and Denmark. The Group's net sales for 2023 was 155,9 MEUR. Enento Group is listed on Nasdaq Helsinki with the trading code ENENTO.

CONDENSED INTERIM REPORT AND NOTES 1.1. – 31.3.2024

The figures presented in this Interim report release are not audited. The amounts presented in the Interim report are rounded, so 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	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Net sales	**37 260**	**39 970**	**155 900**
Other operating income	33	96	399
Materials and services	-6 754	-6 625	-26 623
Personnel expenses[1]	-11 623	-12 006	-40 104
Work performed by the entity and capitalised	1 038	1 052	3 197
Total personnel expenses	-10 585	-10 954	-36 907
Other operating expenses	-9 569	-10 340	-41 714
Depreciation and amortisation	-5 182	-5 215	-20 638
Operating profit	**5 203**	**6 932**	**30 418**
Share of results of associated companies	-153	-257	-755
Finance income	1 012	360	534
Finance expenses	-2 196	-1 695	-7 952
Finance income and expenses	-1 184	-1 335	-7 418
Profit before income tax	**3 865**	**5 340**	**22 246**
Income tax expense	-797	-1 075	-4 683
Profit for the period	**3 068**	**4 265**	**17 563**
Items that may be reclassified to profit or loss:			
Translation differences on foreign units	-9 415	-4 209	-21
Hedging of net investments in foreign units	2 188	825	-136
Income tax relating to these items	-438	-165	27
	-7 664	**-3 549**	**-130**
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	-87	-	-360
Income tax relating to these items	18	-	79
	-69	**-**	**-281**
Other comprehensive income for the period, net of tax	**-7 734**	**-3 549**	**-410**
Total comprehensive income for the period	**-4 665**	**716**	**17 153**

EUR million	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Profit attributable to:			
Owners of the parent company	3 068	4 265	17 563
Total comprehensive income attributable to:			
Owners of the parent company	-4 665	716	17 153
Earnings per share attributable to the owners of the parent during the period:			
Basic, EUR	0,13	0,18	0,74
Diluted, EUR	0,13	0,18	0,73

[1] Personnel expenses include accrued expenses related to the long-term incentive plan to the management in the following amounts: fourth quarter 1 January-31 March 2024 EUR 35 thousand, the reference period 1 January-31 March 2023 EUR 156 thousand.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	31.3.2024	31.3.2023	31.12.2023
ASSETS			
Non-current assets			
Goodwill	334 724	338 183	340 873
Other intangible assets	84 214	95 634	88 675
Property, plant and equipment	1 695	2 736	1 845
Right-of-use assets	6 097	8 542	8 608
Investments in associated companies	2 896	3 622	3 164
Financial assets and other receivables	293	11	128
Pension assets	-	71	-
Total non-current assets	**429 919**	**448 799**	**443 293**
Current assets			
Account and other receivables	29 721	27 914	29 695
Cash and cash equivalents	18 145	27 172	17 350
Total current assets	**47 866**	**55 086**	**47 045**
Total assets	**477 785**	**503 885**	**490 337**

EUR thousand	31.3.2024	31.3.2023	31.12.2023
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	80	80	80
Invested unrestricted equity reserve	239 416	246 464	241 191
Translation differences	-21 857	-17 612	-14 193
Retained earnings	47 007	42 765	55 849
Equity attributable to owners of the parent	**264 647**	**271 697**	**282 927**
Share of equity held by non-controlling interest	0	0	0
Total equity	**264 647**	**271 697**	**282 927**
Provisions	1 487	1 567	354
Liabilities			
Non-current liabilities			
Financial liabilities	149 849	153 784	154 425
Deferred tax liabilities	14 608	17 357	15 619
Other non-current liabilities	-	11	-
Total non-current liabilities	**164 458**	**171 153**	**170 044**
Current liabilities			
Financial liabilities	2 537	2 135	2 593
Advances received	11 635	11 626	10 088
Account and other payables	33 022	45 708	24 331
Total current liabilities	**47 193**	**59 469**	**37 012**
Total liabilities	**211 651**	**230 622**	**207 056**
Total equity and liabilities	**477 785**	**503 885**	**490 337**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent						
EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Total	Share of equity held by non-controlling interest	Total equity
Equity at 1.1.2024	**80**	**241 191**	**-14 193**	**55 849**	**282 927**	**0**	**282 927**
Profit for the period	-	-	-	3 068	3 068	-	3 068
Other comprehensive income for the period							
Translation differences	-	-	-9 415	-	-9 415	-	-9 415
Hedging of net investments	-	-	2 188	-	2 188	-	2 188
Income tax relating to these items	-	-	-438	-	-438	-	-438
Items that may be reclassified to profit or loss	-	-	-7 664	-	-7 664	-	-7 664
Defined benefit plans	-	-	-	-87	-87	-	-87
Income tax relating to these items	-	-	-	18	18	-	18
Items that will not be reclassified to profit or loss	-	-	-	-69	-69	-	-69
Other comprehensive income for the period, net of tax	-	-	-7 664	-69	-7 734	-	-7 734
Total comprehensive income for the period	-	-	-7 664	2 999	-4 665	-	-4 665
Transactions with owners							
Distribution of funds	-	-	-	-11 876	-11 876	-	-11 876
Management's incentive plan	-	-	-	35	35	-	35
Treasury shares	-	-1 775	-	-	-1 775	-	-1 775
Equity at 31.3.2024	**80**	**239 416**	**-21 857**	**47 007**	**264 647**	**0**	**264 647**

	Attributable to owners of the parent						
EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Total	Share of equity held by non-controlling interest	Total equity
Equity at 1.1.2023	**80**	**270 499**	**-14 063**	**38 344**	**294 859**	**0**	**294 860**
Profit for the period	-	-	-	4 265	4 265	-	4 265
Other comprehensive income for the period							
Translation differences	-	-	-4 209	-	-4 209	-	-4 209
Hedging of net investments	-	-	825	-	825	-	825
Income tax relating to these items	-	-	-165	-	-165	-	-165
Items that may be reclassified to profit or loss	-	-	-3 549	-	-3 549	-	-3 549
Defined benefit plans	-	-	-	-	-	-	-
Income tax relating to these items	-	-	-	-	-	-	-
Items that will not be reclassified to profit or loss	-	-	-	-	-	-	-
Other comprehensive income for the period, net of tax	-	-	-3 549	-	-3 549	-	-3 549
Total comprehensive income for the period	-	-	-3 549	4 265	716	-	716
Transactions with owners							
Distribution of funds	-	-24 035	-	-	-24 035	-	-24 035
Management's incentive plan	-	-	-	156	156	-	156
Equity at 31.3.2023	**80**	**246 464**	**-17 612**	**42 765**	**271 697**	**0**	**271 697**

CONSOLIDATED STATEMENT OF CASH FLOWS			
EUR thousand	**1.1. – 31.3.2024**	**1.1. – 31.3.2023**	**1.1. – 31.12.2023**
Cash flow from operating activities			
Profit before income tax	3 865	5 340	22 246
Adjustments:			
Depreciation and amortisation	5 182	5 215	20 638
Finance income and expenses	1 338	1 592	8 172
Profit (-) / loss (+) on disposal of property, plant and equipment	-31	-	-239
Change in provisions	1 150	1 479	284
Management's incentive plan	35	156	223
Other adjustments	-87	-89	-169
Cash flows before change in working capital	11 452	13 693	51 156
Change in working capital:			
Increase (-) / decrease (+) in account and other receivables	-1 144	857	-694
Increase (+) / decrease (-) in account and other payables	1 600	1 934	1 689
Change in working capital	456	2 791	995
Interest expenses paid	-4 160	-2 693	-6 591
Interest income received	700	230	358
Income taxes paid	-2 095	-1 735	-9 115
Cash flow from operating activities	**6 353**	**12 284**	**36 804**
Cash flows from investing activities			
Purchases of property, plant and equipment	-226	-1 370	-1 455
Purchases of intangible assets	-2 705	-3 272	-9 625
Proceeds from sale of property, plant and equipment	31	-	479
Proceeds from sale of intangible assets	-	-	1 407
Investments in associated companies	-	-	-
Cash flows from investing activities	**-2 899**	**-4 643**	**-9 194**
Cash flows from financing activities			
Purchase of own shares	-1 378	-	-4 650
Repayments of interest-bearing liabilities	-641	-621	-2 127
Dividends paid and other profit distribution	-24	-	-24 035
Cash flows from financing activities	**-2 044**	**-621**	**-30 811**
Net increase / decrease in cash and cash equivalents	**1 410**	**7 021**	**-3 201**
Cash and cash equivalents at the beginning of the period	17 350	20 785	20 785
Net change in cash and cash equivalents	1 410	7 021	-3 201
Translation differences of cash and cash equivalents	-615	-633	-233
Cash and cash equivalents at the end of the period	**18 145**	**27 172**	**17 350**

Notes

2.1. Accounting policies

This Interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with Enento Group´s financial statements for 2023. Enento Group has applied the same accounting principles in the preparation of this Interim report as in its Financial Statements for 2023. Amendments to International Financial Reporting Standards (IFRS) which have been effective from 1 January 2024 have had no material impact on Enento Group.

The amounts presented in the Interim report are consolidated figures. The amounts presented are rounded, so the sum of individual figures may thus differ from the sum reported. Key figures have been calculated using exact figures. The figures presented in this Interim report have not been audited.

2.2. Restated net sales by business area

Business area Digital Processes was integrated with business area Business Insight on 15th June 2023. The main reason for the change is to work even closer together with the total Nordic business information offering in Enento. The change means that as of 15th June, there are no longer three business areas within Enento but instead there are two business areas called Consumer Insight and Business Insight.

The previously reported net sales information by business area has been restated by combining the net sales of Digital Processes with the sales of Business Insight.

NET SALES BY BUSINESS AREA CUMULATIVE QUARTERLY, REPORTED AND RESTATED

			Reported		
EUR thousand	1.1. – 31.3.2022	1.1. – 30.6.2022	1.1. – 30.9.2022	1.1. – 31.12.2022	1.1. – 31.3.2023
Business Insight	19 242	39 567	58 222	79 357	19 431
Digital Processes	3 376	7 068	9 909	12 743	2 929
			Restated		
EUR thousand	1.1. – 31.3.2022	1.1. – 30.6.2022	1.1. – 30.9.2022	1.1. – 31.12.2022	1.1. – 31.3.2023
Business Insight	22 618	46 635	68 131	92 100	22 359
Digital Processes	-	-	-	-	-

NET SALES BY BUSINESS AREA PERIODIC QUARTERLY, REPORTED AND RESTATED

			Reported		
EUR thousand	1.1. - 31.3.2022	1.4. - 30.6.2022	1.7. - 30.9.2022	1.10. - 31.12.2022	1.1. - 31.3.2023
Business Insight	19 242	20 325	18 655	21 157	19 431
Digital Processes	3 376	3 692	2 841	2 830	2 929
			Restated		
EUR thousand	1.1. - 31.3.2022	1.4. - 30.6.2022	1.7. - 30.9.2022	1.10. - 31.12.2022	1.1. - 31.3.2023
Business Insight	22 618	24 016	21 496	23 987	22 359
Digital Processes	-	-	-	-	-

2.3. Acquisitions

Enento Group hasn't made any acquisitions during the review period.

2.4. Transactions with related parties

Related parties of the Group consist of group entities, associated companies 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 to have 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. – 31.3.2024 EUR thousand	**Sales of goods and services**	**Purchases of goods and services**	**Finance income and expenses**
Shareholders having a significant influence over the Group	2 442	-110	-686
Associated company	27	-47	0
Total	**2 468**	**-157**	**-686**

31.3.2024 EUR thousand	**Receivables**	**Liabilities**
Shareholders having a significant influence over the Group	1 067	48 894
Associated company	15	0
Total	**1 082**	**48 894**

1.1. – 31.3.2023 EUR thousand	**Sales of goods and services**	**Purchases of goods and services**	**Finance income and expenses**
Shareholders having a significant influence over the Group	2 663	-106	-440
Associated company	30	-61	0
Total	**2 694**	**-167**	**-440**

31.3.2023 EUR thousand	**Receivables**	**Liabilities**
Shareholders having a significant influence over the Group	1 251	49 293
Associated company	9	11
Total	**1 259**	**49 304**

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

Enento Group has share-based incentive plans for key personnel, the purpose of which is to align the interests of shareholders and key personnel, to retain key personnel to the company and to reward them for achieving the goals set by the Board of Directors.

The potential rewards from the plans will be paid in Enento Group Plc shares after the end of the performance period. Cash payment relating to the plan is intended to cover taxes and tax-related costs arising from the rewards to the participants. As a rule, no reward will be paid if a participant's employment or service ends before the reward payment.

Key information on performance share plans is presented in the following table:

PERFORMANCE SHARE PLANS	PSP 2021–2023	PSP 2022–2024
Grant date	4.5.2021	13.5.2022
Performance period start date	1.1.2021	1.1.2022
Performance period end date	31.12.2023	31.12.2024
Vesting date	31.5.2024	31.5.2025
Maximum number of shares granted, beginning of program	110 000	110 000
Maximum number of shares granted end of period	53 920	83 958
Actual amount of shares awarded	-	-
Number of plan participants, beginning of program	40	35
Number of plan participants, end of period	24	32
Expenses recognized for the review period, EUR thousand[1]	20 (76)	15 (24)
Implementation method	Shares	Shares
Performance criteria	Adjusted EBITDA and total shareholder return	Adjusted EBITDA and total shareholder return

[1]The figures in parentheses refer to the corresponding period in previous year.

NOTE 1. ALTERNATIVE PERFORMANCE MEASURES

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.

Enento Group has revised the calculation logic of its share of net sales from new services from 1st January 2024 onwards. Previously, a service was classified as new for 24 months from its launch date. Moving forward, this period will be extended to 36 months. This change is rooted in a comprehensive evaluation of the company's reporting practices and is aimed at providing stakeholders with a more informative and accurate representation of Enento Group's innovation capabilities and the development of its new services.

This adjustment aligns the company's practices with those of industry peers, ensuring consistency and comparability in the metrics used to evaluate innovation performance across the sector. It reflects a sector-wide consensus that a 36-month period more accurately captures the lifecycle and success of new services, especially given the traditionally longer sales cycles in the industry.

The alternative performance measures of this Interim report have been otherwise calculated applying the same principles as presented in the Board of Directors' Annual Report for 2023.

ALTERNATIVE PERFORMANCE MEASURES			
EUR million	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
EBITDA	10,4	12,1	51,0
EBITDA margin, %	27,9	30,3	32,7
Adjusted EBITDA	12,4	14,7	57,1
Adjusted EBITDA margin, %	33,3	36,8	36,6
Operating profit (EBIT)	5,2	6,9	30,4
EBIT margin, %	14,0	17,3	19,5
Adjusted operating profit (EBIT)	9,4	12,0	46,0
Adjusted EBIT margin, %	25,1	29,9	29,5
Free cash flow	6,9	10,1	32,0
Cash conversion, %	66,3	83,5	62,6
Adjusted free cash flow	8,0	11,3	36,5
Adjusted cash conversion, %	64,7	76,7	64,0
Net sales from new services[1]	5,2	4,2	19,1
New services of net sales, %[1]	14,0	10,4	12,2
Net debt	134,2	128,7	139,7
Net debt to adjusted EBITDA, x	2,4	2,1	2,4
Return on equity, %	4,5	6,0	6,1
Return on capital employed, %	5,7	6,4	6,8
Gearing, %	50,7	47,4	49,4
Equity ratio, %	56,8	55,2	58,9
Gross investments	3,0	4,5	11,1
Earnings per share, comparable, EUR[2]	0,20	0,26	1,05

[1] The comparison figures have been restated in accordance with the revised calculation logic as explained in this note. With the previous calculation formula the net sales from new services would have been EUR 2,5 million (EUR 3,3 million) and the share of new services of net sales,% would have been 6,7% (8,3%)

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

Reconciliation of alternative key figures to the closest IFRS key figure

EBITDA AND ADJUSTED EBITDA			
EUR thousand	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Operating profit	**5 203**	**6 932**	**30 418**
Depreciation and amortisation	5 182	5 177	20 600
EBITDA	**10 385**	**12 109**	**51 018**
Items affecting comparability			
M&A and integration related expenses	5	-	710
Restructuring expenses	1 557	1 720	2 243
Paid damages	-	440	440
Efficiency program	468	432	2 695
Total items affecting comparability	2 030	2 592	6 089
Adjusted EBITDA	**12 414**	**14 701**	**57 107**

EBIT AND ADJUSTED EBIT			
EUR thousand	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Operating profit	**5 203**	**6 932**	**30 418**
Amortisation from fair value adjustments related to acquisitions	2 133	2 445	9 537
Items affecting comparability			
M&A and integration related expenses	5	-	710
Restructuring expenses	1 557	1 720	2 243
Paid damages	-	440	440
Efficiency program	468	432	2 695
Total items affecting comparability	2 030	2 592	6 089
Adjusted operating profit	**9 366**	**11 969**	**46 044**

FREE CASH FLOW			
EUR thousand	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Cash flow from operating activities	**6 353**	**12 284**	**36 804**
Paid interest and other financing expenses	4 160	2 693	6 591
Received interest and other financing income	-700	-230	-358
Acquisition of tangible assets and intangible assets	-2 930	-4 643	-11 080
Free cash flow	**6 882**	**10 105**	**31 957**

ADJUSTED FREE CASH FLOW			
EUR thousand	1.1. – 31.3.2024	1.1. – 31.3.2023	1.1. – 31.12.2023
Cash flow from operating activities	**6 353**	**12 284**	**36 804**
Paid items affecting comparability expenses	1 146	1 164	4 580
Paid interest and other financing expenses	4 160	2 693	6 591
Received interest and other financing income	-700	-230	-358
Acquisition of tangible assets and intangible assets	-2 930	-4 643	-11 080
Adjusted free cash flow	**8 029**	**11 270**	**36 537**

Calculation formulas for alternative performance measures

FORMULAS FOR KEY FIGURES	
EBITDA	Operating profit + depreciation, amortization and impairment
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, (v) legal actions and (vi) efficiency program.
Adjusted EBITDA	EBITDA + items affecting comparability
Adjusted operating profit (EBIT)	Operating profit excluding amortization from fair value adjustments related to acquisitions + items affecting comparability
Net sales from new services	Net sales of new services is calculated as net sales of those services introduced within the past 36 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
Adjusted free cash flow	Free cash flow excluding impact from items affecting comparability
Cash conversion, %	$\frac{\text{Free cash flow}}{\text{EBITDA}} \times 100$
Adjusted cash conversion, %	$\frac{\text{Free cash flow excluding impact from items affecting comparability}}{\text{Adjusted EBITDA}} \times 100$
Net debt	Interest-bearing liabilities - cash and cash equivalents
Net debt to adjusted EBITDA, x	$\frac{\text{Net debt}}{\text{Adjusted EBITDA, LTM}}$
Return on equity, %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (average for the period)}} \times 100$ x 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, %	$\frac{\text{Interest -bearing liabilities - cash and cash equivalents}}{\text{Total equity}} \times 100$ x 100
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$ x 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, taking 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 amortization from fair value adjustments related to 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
Comparable exchange rates	Comparable exchange rates mean that the effects of any changes in currencies are eliminated by calculating the figures for the previous period using current period´s exchange rates.

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 comparability of business performance between reporting periods and are frequently used by analysts, investors and other parties

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

Changes of Net sales, Adjusted EBITDA and Adjusted EBIT are presented at comparable exchange rates, as they, according to company´s view enhance the comparability of the periods and are frequently used by analysts, investors and other parties.

Free cash flow, adjusted free cash flow, cash conversion, adjusted 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 STATEMENT OF INCOME

EUR thousand	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net sales	**37 260**	**38 939**	**37 337**	**39 654**	**39 970**	**42 948**
Other operating income	33	105	166	32	96	111
Materials and services	-6 754	-6 589	-6 535	-6 874	-6 625	-6 767
Personnel expenses	-11 623	-10 274	-8 049	-9 774	-12 006	-10 826
Work performed by the entity and capitalised	1 038	987	449	709	1 052	309
Total personnel expenses	*-10 585*	*-9 287*	*-7 600*	*-9 066*	*-10 954*	*-10 517*
Other operating expenses	-9 569	-12 043	-9 330	-10 000	-10 340	-14 969
Depreciation and amortisation	-5 182	-5 251	-5 105	-5 067	-5 215	-11 336
Operating profit	**5 203**	**5 874**	**8 934**	**8 679**	**6 932**	**-529**
Share of results of associated companies	-153	-157	-124	-216	-257	-321
Finance income	1 012	235	-346	285	360	195
Finance expenses	-2 196	-3 053	-1 556	-1 648	-1 695	-1 501
Finance income and expenses	-1 184	-2 818	-1 902	-1 364	-1 335	-1 306
Profit before income tax	**3 865**	**2 899**	**6 908**	**7 099**	**5 340**	**-2 156**
Income tax expense	-797	-670	-1 482	-1 456	-1 075	301
Profit for the period	**3 068**	**2 228**	**5 426**	**5 644**	**4 265**	**-1 855**
Items that may be reclassified to profit or loss:						
Translation differences on foreign units	-9 415	9 218	5 742	-10 771	-4 209	-5 076
Hedging of net investments in foreign units	2 188	-2 225	-1 308	2 572	825	1 197
Income tax relating to these items	-438	445	262	-514	-165	-239
	-7 664	**7 438**	**4 695**	**-8 714**	**-3 549**	**-4 118**
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-87	-98	-105	-157	-	3 278
Income tax relating to these items	18	25	22	32	-	-675
	-69	**-73**	**-83**	**-125**	**-**	**2 603**
Other comprehensive income for the period, net of tax	**-7 734**	**7 365**	**4 612**	**-8 838**	**-3 549**	**-1 515**
Total comprehensive income for the period	**-4 665**	**9 594**	**10 038**	**-3 195**	**716**	**-3 370**
Profit attributable to:						
Owners of the parent company	3 068	2 228	5 426	5 644	4 265	-1 855
Total comprehensive income attributable to:						
Owners of the parent company	-4 665	9 594	10 038	-3 195	716	-3 370
Earnings per share attributable to the owners of the parent during the period:						
Basic, EUR	0,13	0,09	0,23	0,24	0,18	-0,08
Diluted, EUR	0,13	0,09	0,23	0,24	0,18	-0,08

Enento Group Plc

- Tel. +358 10 270 7200
- Hermannin rantatie 6
- PO Box 16, FI-00581 Helsinki
- Business ID 2194007-7
- enento.com/investors