

# Enento Group Plc

## Investor Presentation

Q2 2024



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A photograph of two people climbing a dark, jagged rock face. One person is already on the rock, reaching out to assist the other who is still on the ground. The sun is low on the horizon, creating a strong backlight and lens flare effect. The sky is a mix of orange and blue.

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.

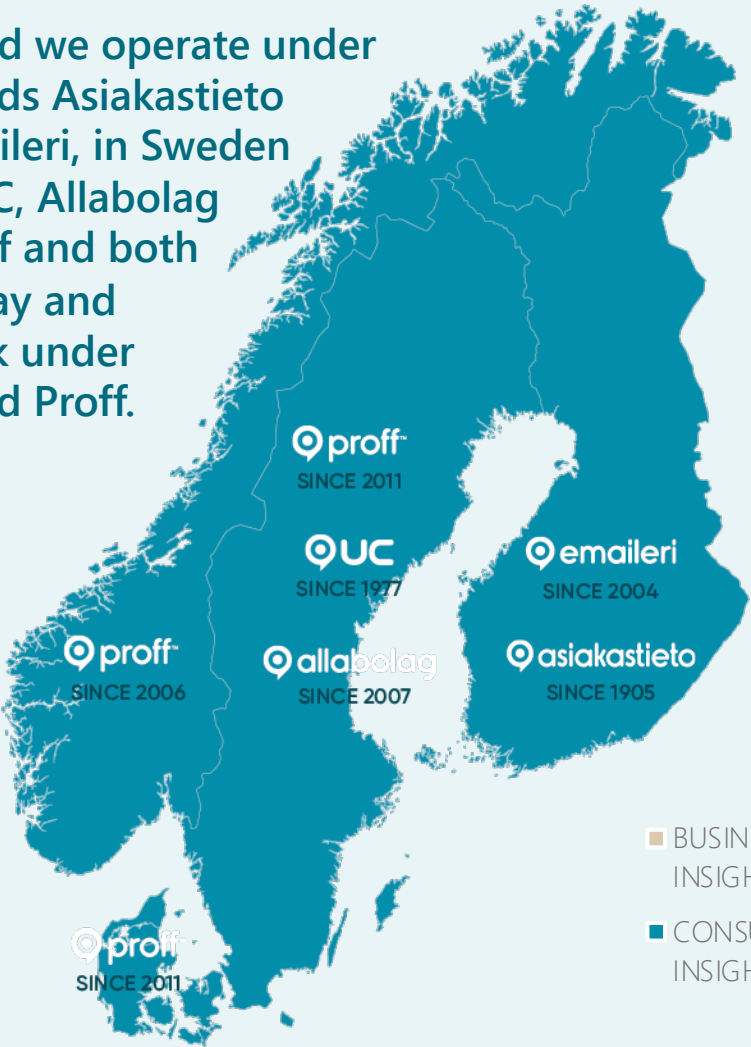


MARKET CAPITALISATION  
31 December 2023

**464** MEUR



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



NET SALES 2023  
**155,9**  
MEUR

ADJUSTED EBITDA 2023  
**57,1**  
MEUR



Partners in Europe and  
in the Nordic region.

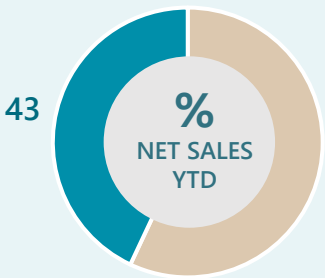


Approximately **76 000** corporate customers within  
banking, finance, retail, public sector and small companies.

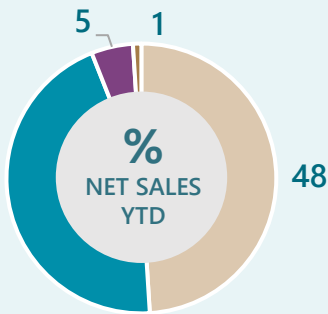


Approximately **500 000** consumer customers.

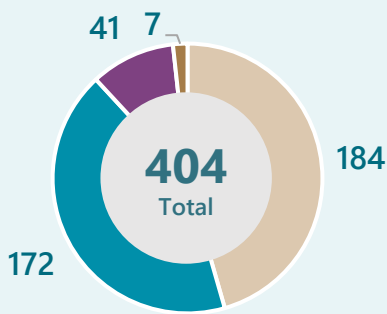
Net Sales by  
Business Area 2023



Net Sales by  
Country 2023\*



Employees by  
Country 2023



SWEDEN  
FINLAND  
NORWAY  
DENMARK

# Executive Management Team



**Jeanette Jäger**  
CEO



**Elina Stråhlman**  
CFO



**Siri Hane**  
Director  
Business Insight  
Business Area



**Gabriella Göransson**  
Director  
Consumer Insight  
Business Area



**Mikko Karemo**  
Chief Commercial  
Officer & Deputy CEO



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



**Arto Pauku**  
Chief Marketing &  
Customer Officer

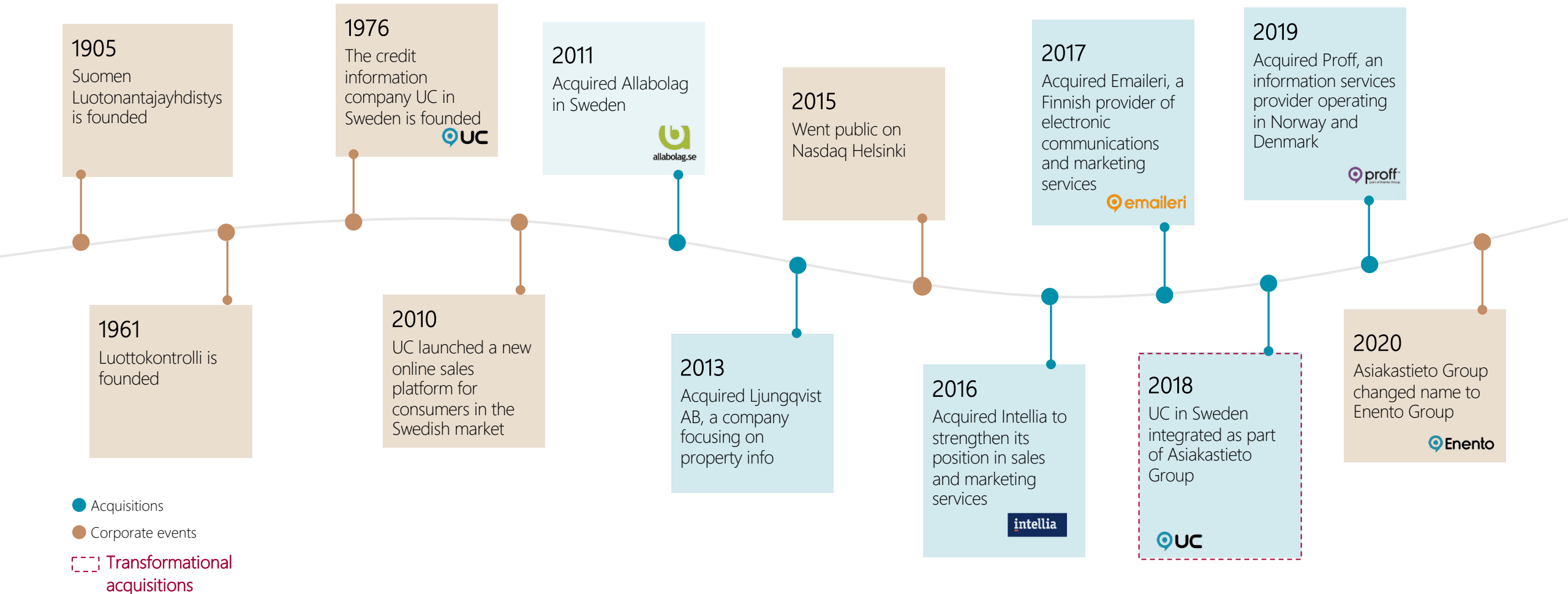


**Sari Ek-Petroff**  
Director  
HR



**Daniel Ejderberg**  
CIO

# 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.

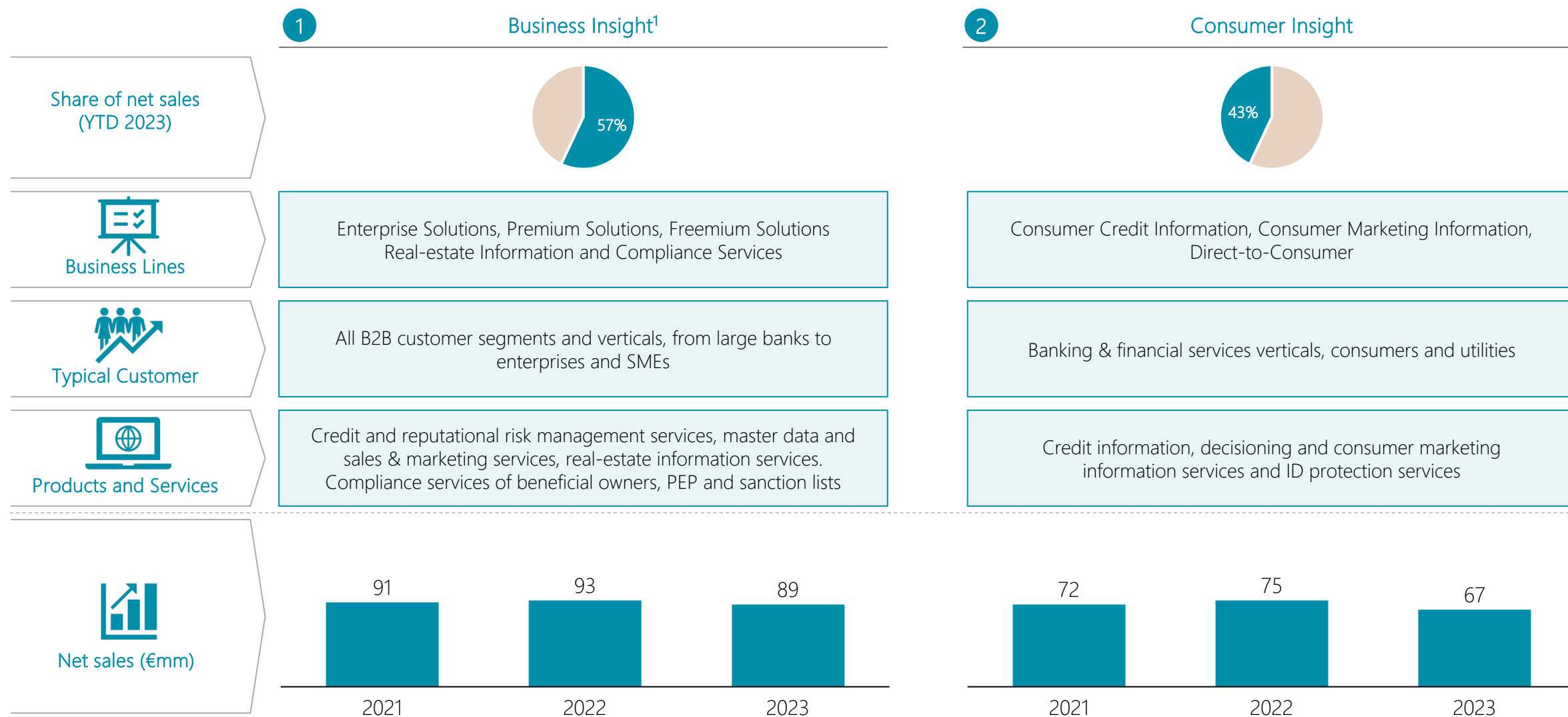
## Power of historical and proprietary data

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

## Unlocking the power of data fusion

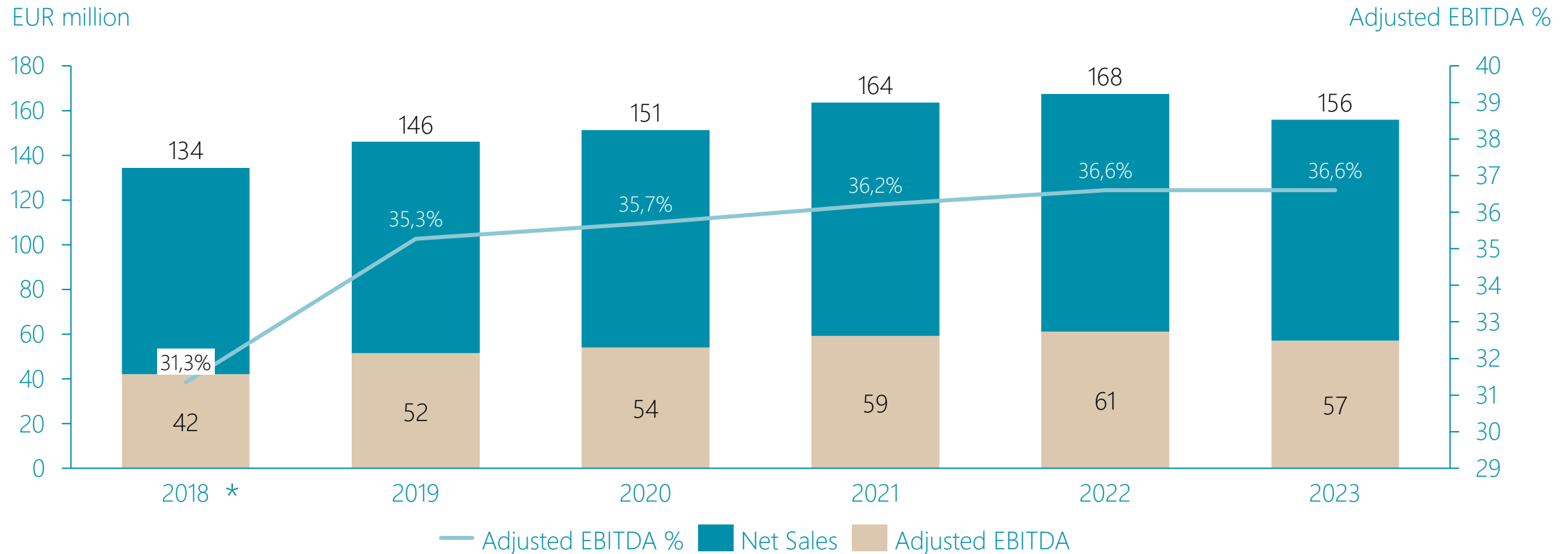
We possess the expertise to blend traditional and unstructured data to amplify existing services and pave the way for innovations.

# 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

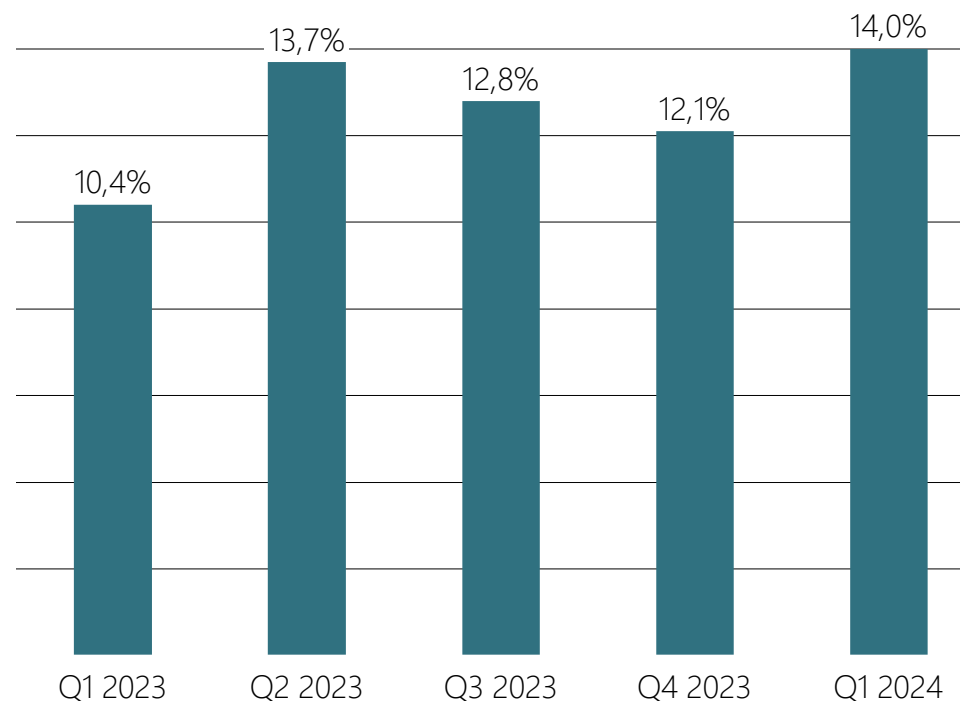
# Innovation at Enento: New and enhanced services driving growth and increasing customer loyalty



## Investing in future growth

- ✓ Growth in selected strategic growth areas, such as the ESG and compliance, 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

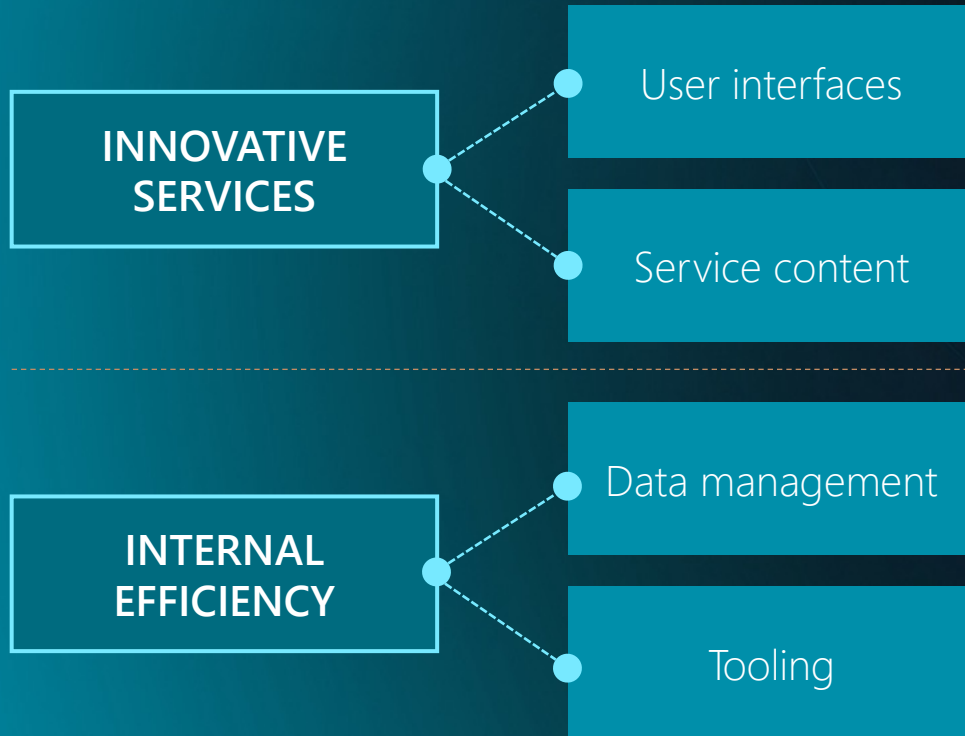
## Share of new services\* from group net sales



\* A service is considered new 36 months from the commercial release date

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

## Applications of AI





# SUSTAINABILITY AT ENENTO GROUP



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





# Group Strategy

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



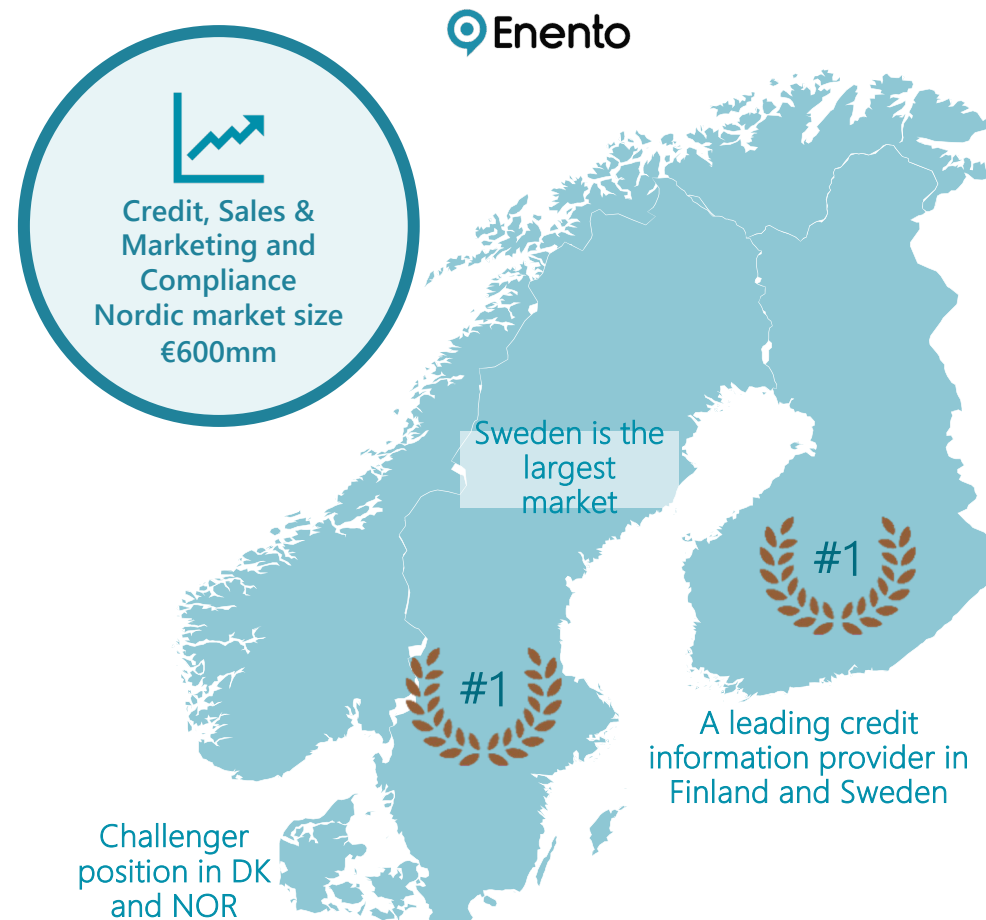
Sweden and Finland are the largest Nordic markets, driven by data availability and overall price point



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



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



# 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

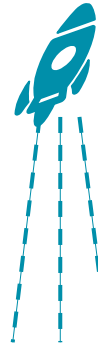
## Strategic focus areas

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



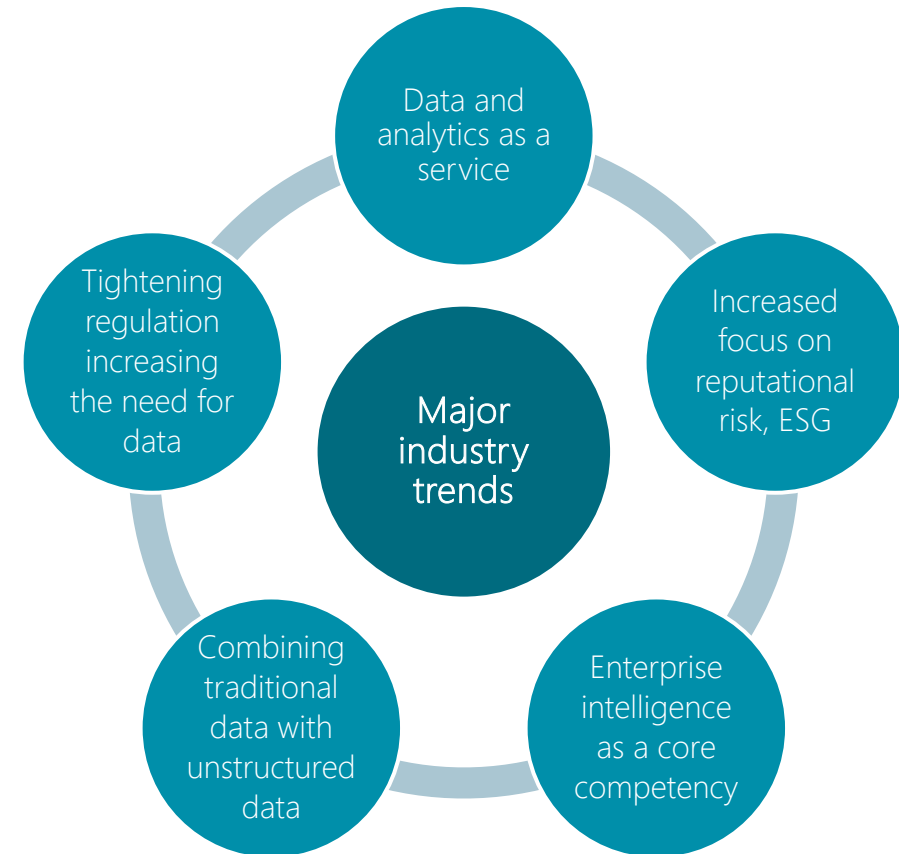
Carbon neutral by 2023  
Net zero emissions by 2030 by

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



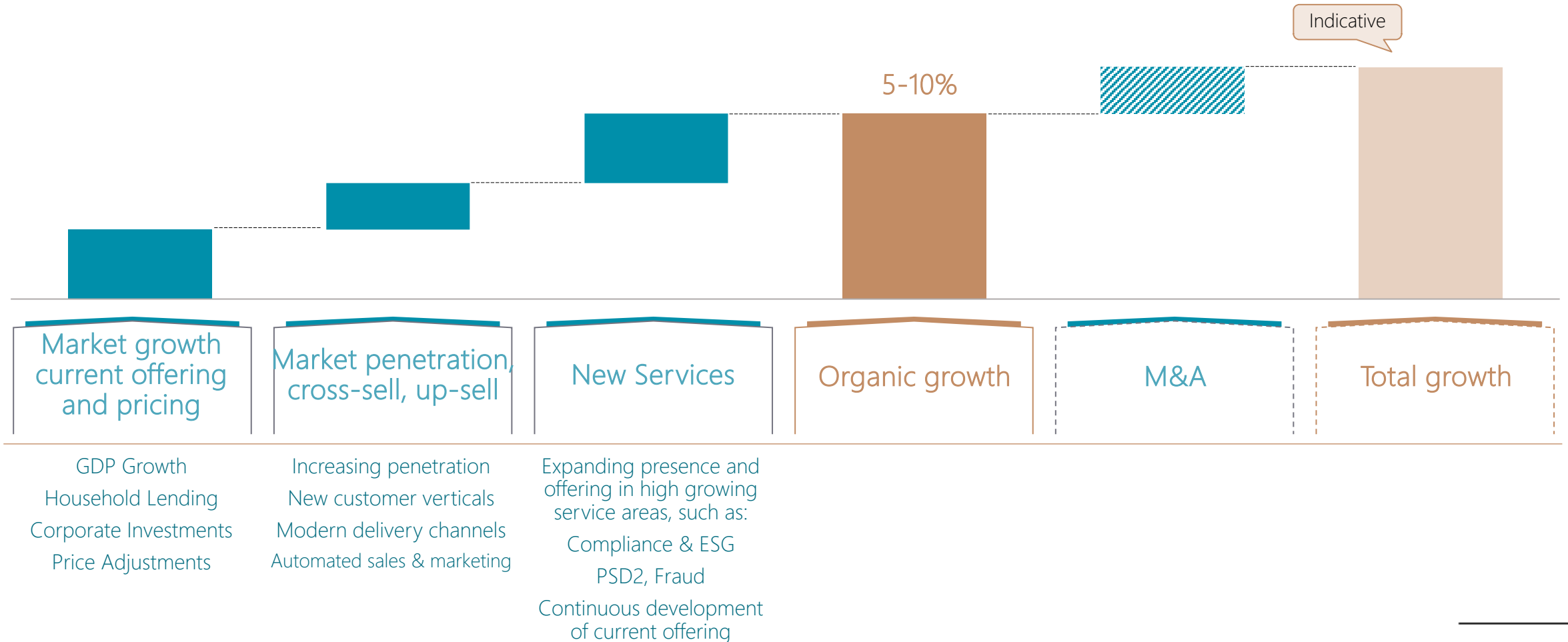
## Market drivers during the strategy period

- ✓ 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

# 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 points to a bar chart on a document. The chart compares 'Actual' and 'Budget' data across categories: Auto, Travel, Medical, Food, and Other. A line graph is also visible in the background. The text 'Q2 2024' is overlaid in the center.

Q2 2024

Category	Actual	Budget
Auto	~10.5%	~10.0%
Travel	~10.0%	~9.5%
Medical	~9.5%	~9.0%
Food	~9.0%	~8.5%
Other	~8.5%	~8.0%

# HIGHLIGHTS Q2 2024

## NET SALES AND PROFITABILITY

- Operations in Finland, Norway and Denmark continued positive development
- Net sales declined by 2,9%\* due to weak consumer credit information demand in Sweden
- Efficiency measures and cost control in focus leading to 36,7%\* Adjusted EBITDA margin

## EFFICIENCY PROGRAM

- Over 90% of the targeted 10 MEUR run-rate impact achieved

## CUSTOMER EXPERIENCE

- NPS from strategic and large customers remained on a good level at 36 \*\*
- AI-powered Nordic solution to improve customer experience
- Finnish Positive Credit register solution implementation successful and receiving positive feedback from customers

## NEW SERVICES

- Service development focus in the prioritized growth areas
- Aiming to Nordic champion position with strongest offering in the compliance space
- Share of net sales from new services 15,3,% improving from previous year level (13,7%)



**Solid performance in Finland and Norway. Efficiency program and the launching of new services supported positive margin development.**

\* At comparable foreign exchange rates

\*\* Survicate's 2023 NPS benchmark report, finance industry

# Key figures Q2 / 2024



## Q2 / 2024

Net sales <sup>-2,9%\*</sup>

**38,5** MEUR

Adjusted EBITDA <sup>-2,5%\*</sup>

**14,1** MEUR

Adjusted EBITDA % <sup>0,2 pp-%\*</sup>

**36,7** %

Adjusted EBIT <sup>-7,3%\*</sup>

**10,9** MEUR

Net debt to adjusted EBITDA <sup>0,2x</sup>

**2,6**x

## Q2 / 2023

Net sales

**39,7** MEUR

Adjusted EBITDA

**14,5** MEUR

Adjusted EBITDA %

**36,5** %

Adjusted EBIT

**11,8** MEUR

Net debt to adjusted EBITDA

**2,4**x

\* At comparable foreign exchange rates



# Over 90% of targeted 10-meur efficiency benefits already achieved



## FTE EFFICIENCY

- Further FTE efficiencies realized through voluntary redundancies



## IT EFFICIENCY

- Application maintenance and development transition in Sweden and Finland continues and further efficiencies realized during the first half of the year.
- IT infrastructure consolidation: Sweden in implementation phase, Finland to be started during the second half of the year.



## OTHER

- Finland moving into smaller facilities from the beginning of August.
- Decommissioning of old freemium platform progressing and to be finalized in the coming months.

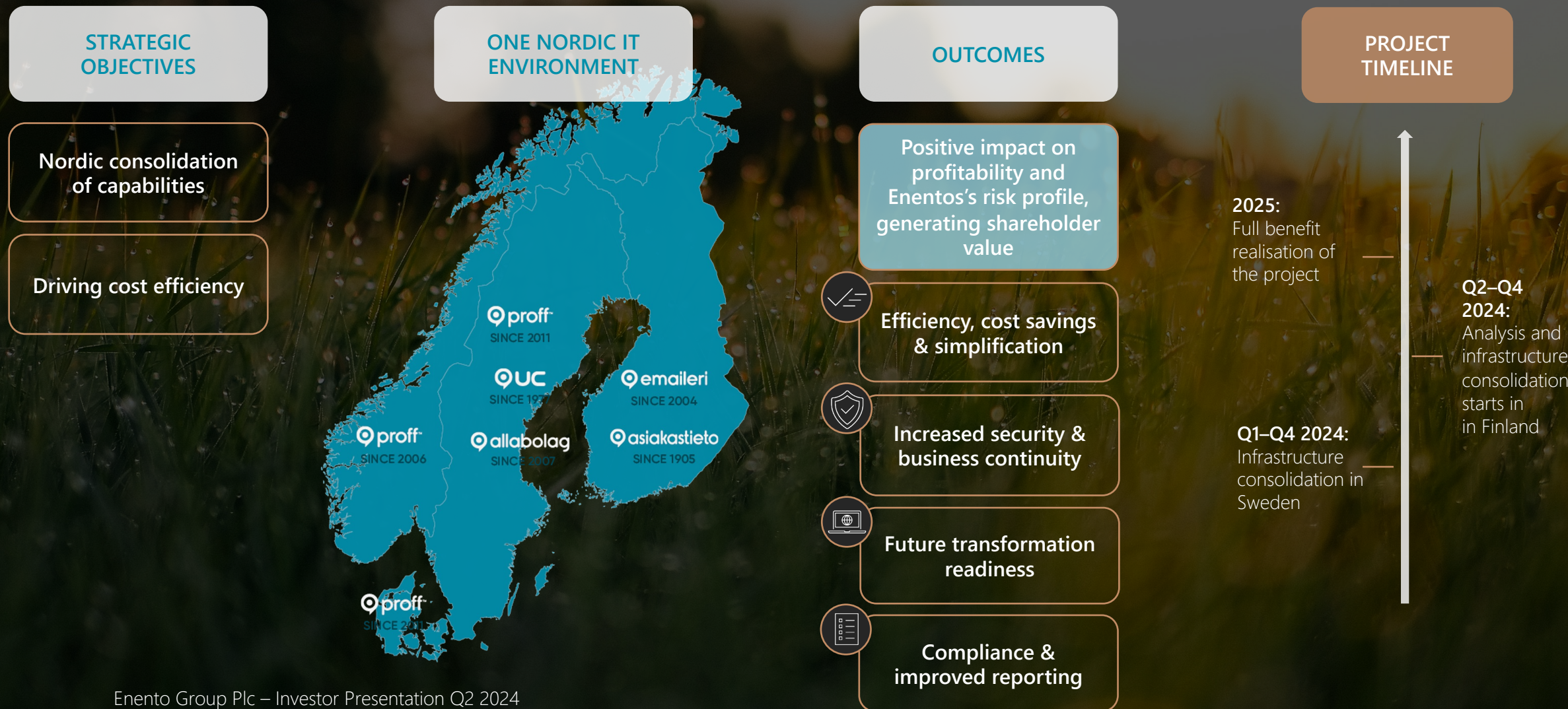


## TOTAL PROGRESS

- More than 90% of the targeted benefits on a run-rate basis has been achieved



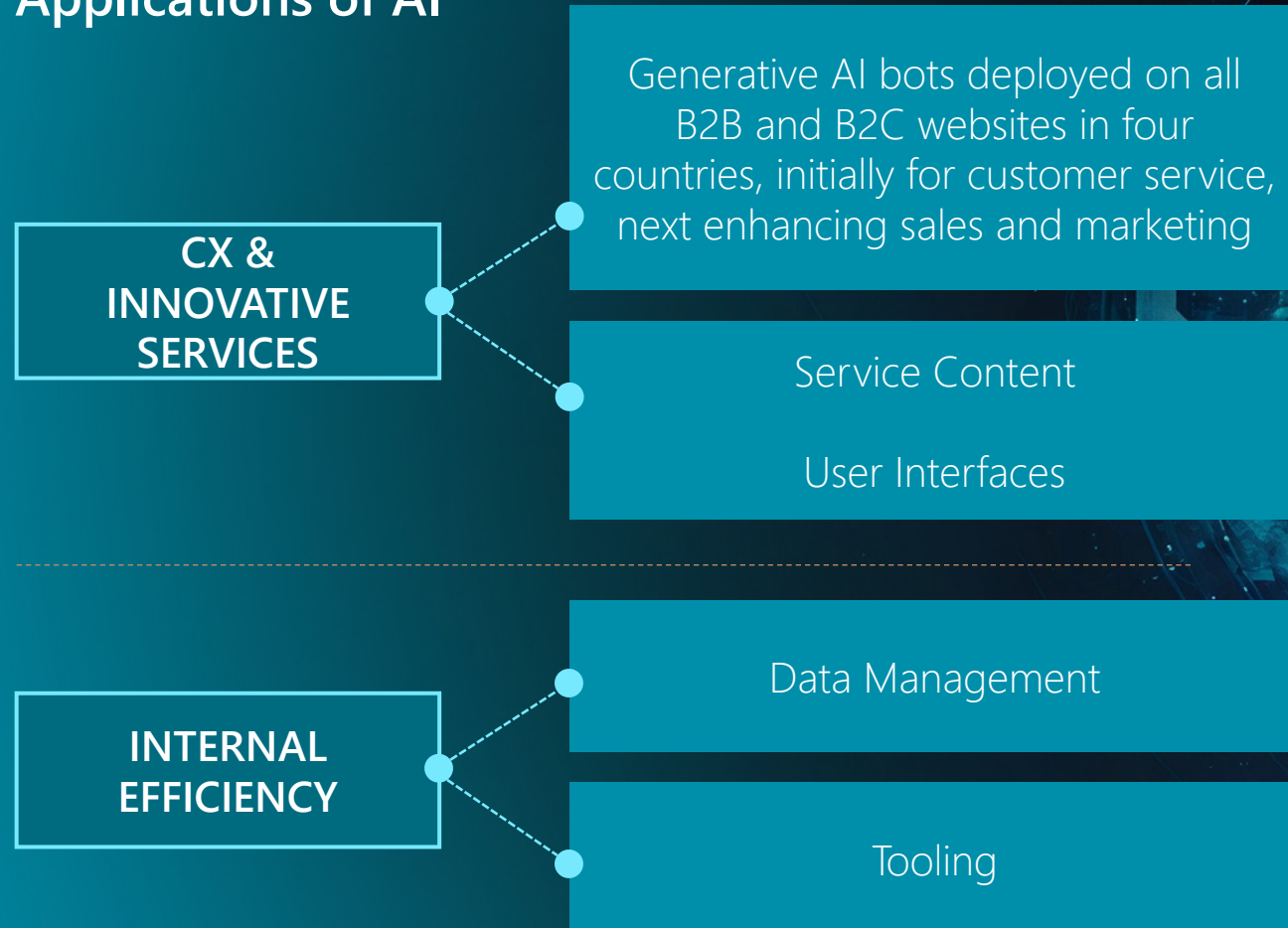
# IT infrastructure consolidation is the key initiative in enhancing security and efficiency





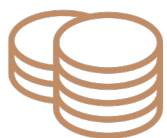
# Digitalizing the customer experience in the Nordics with generative AI

## Applications of AI



# Business Insight

Positive net sales development in Finland, Norway, and Denmark, while Sweden faced challenges due to the macroeconomic environment.



**Net Sales +0,9%**  
**23,0 MEUR**

Organic, at comparable FX rates

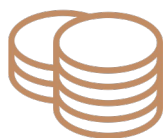


## Highlights Q2 2024

- Net sales growth continued in compliance and enterprise services in Finland, and in real estate information services in both Finland and Sweden.
- The service combining ESG data with our property valuation model launched in Finland, showing promising market potential already evidenced in Sweden.
- The Nordic compliance offering became a reality after the service launch in Norway. Enento aims for a leading position in the area of Compliance services.
- In Finland, the introduction of improved service packages by Premium Solutions has enhanced the customer experience and facilitated the transition to enterprise accounts.

# Consumer Insight

Successful customer integrations with the Finnish governmental credit register supported performance, while demand for consumer credit information remains low, especially in Sweden.



**Net Sales -8,0%**  
**15,4 MEUR**

Organic, at comparable FX rates



## Highlights Q2 2024

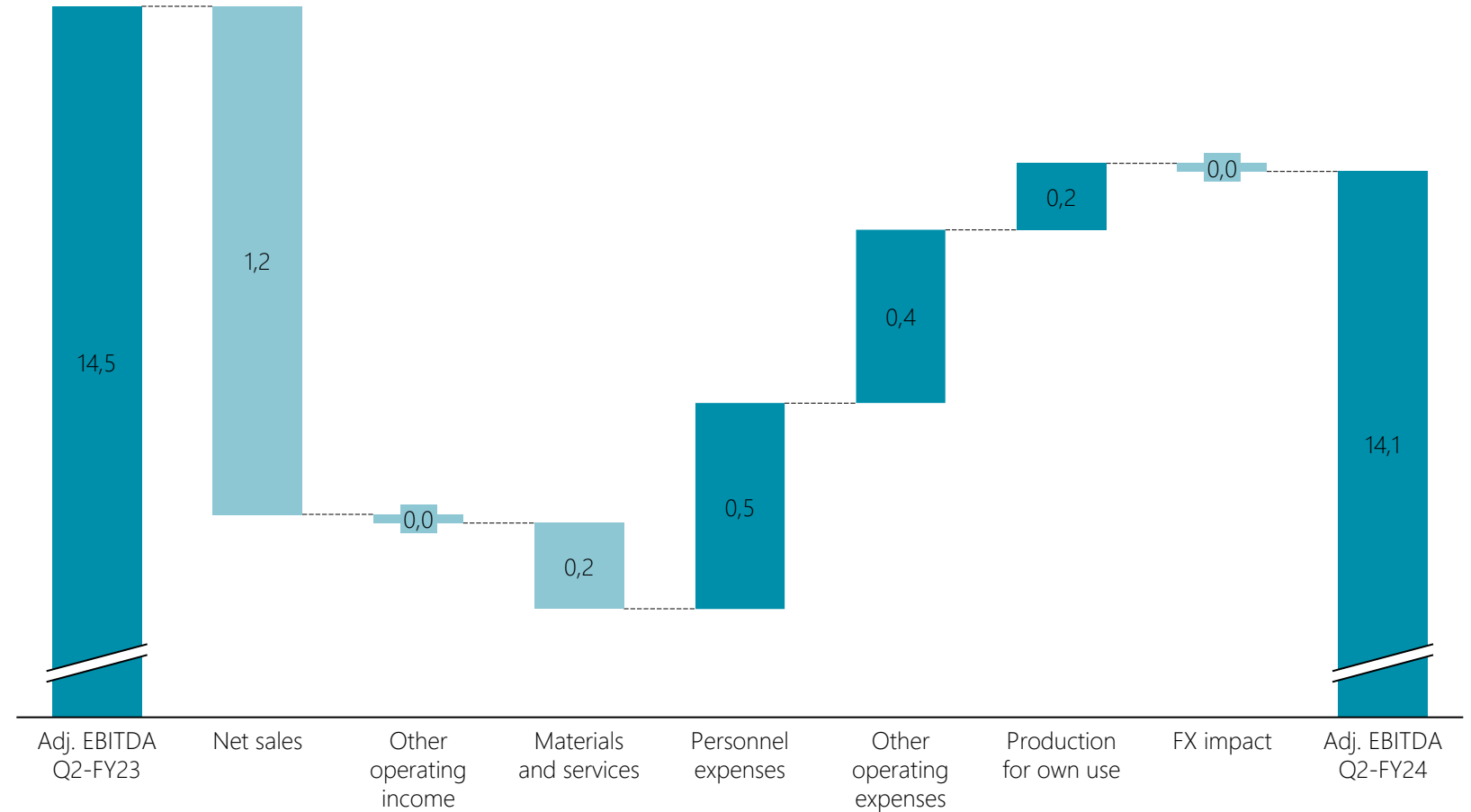
- Launching the new open banking (PSD2) service in Sweden, with real-time data creating great potential to support the traditional credit information services and enhance customer processes.
- Successful market penetration in the e-commerce vertical continues: Customers engaging with our core credit offerings independent of legacy systems.
- Our services connected to the Finnish positive credit register have received positive feedback from customers for effectively supporting various use cases.
- New legislation in Sweden for preventing over-indebtedness still underway.

# Adjusted EBITDA



## COMMENTS

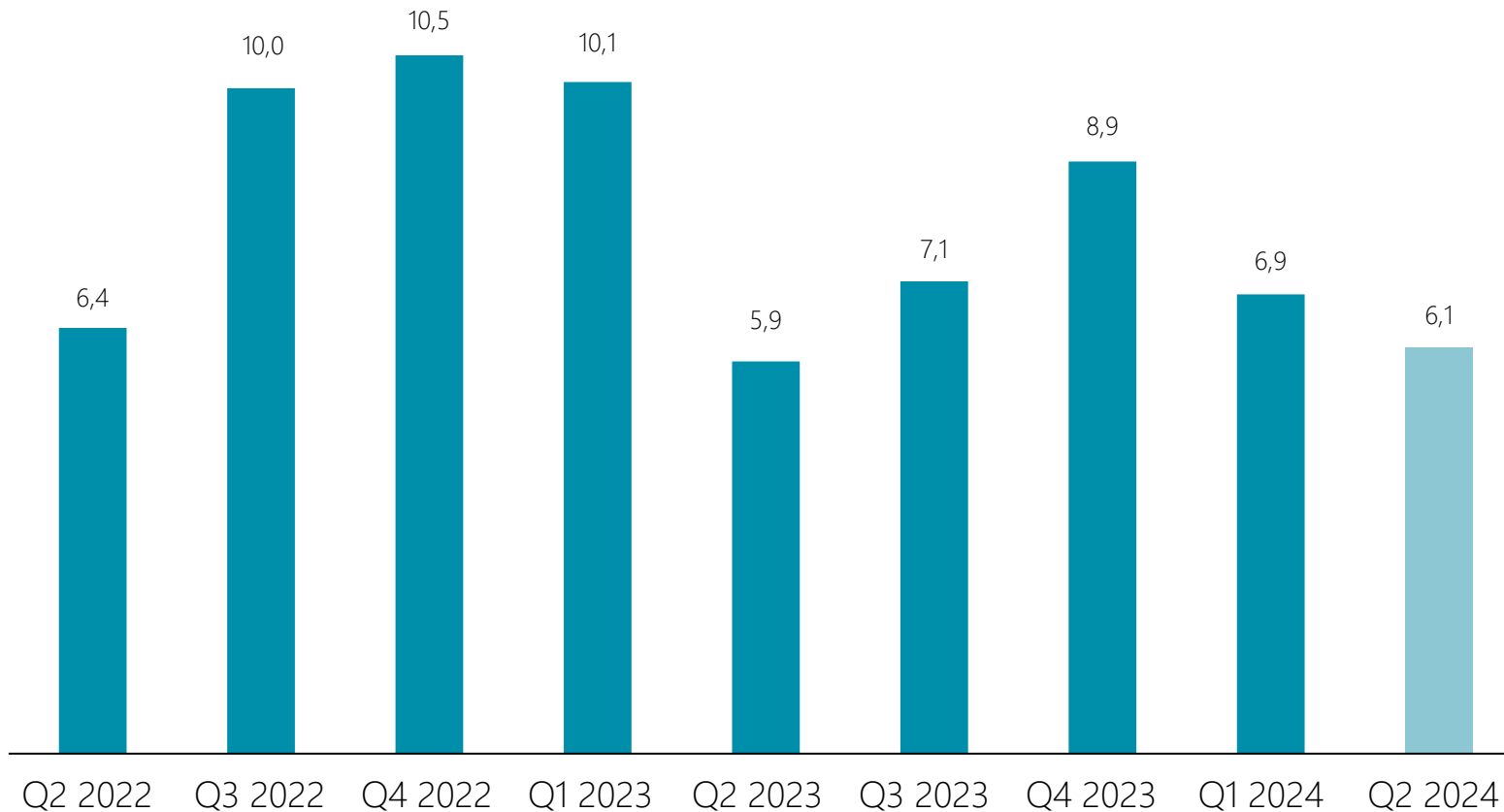
- Adjusted EBITDA margin was 36,7%, increase with 0,2%p y-on-y at comparable rates and 0,1%p y-on-y at reported rates.
- Adjusted EBITDA decreased year-on-year due to challenging market conditions resulting in lower revenue especially in consumer credit information services in Sweden. Also sales mix was less favorable.
- However, successful cost optimization, profitability improvement actions and timing of activities partly offset the negative topline development and turning margin development into positive.
- Adjusted EBITDA decrease y-on-y -2,5% with comparable rates and -2,6% with reported rates



# Free cash flow



Free cash flow, EUR million



## COMMENTS

- Cash conversion in Q2 2024 was 46,2% (42,7%). Adjusted cash conversion, comparing the adjusted free cash flow to Adjusted EBITDA was 51,1% (45,9%).
- Free cash flow remains still solid and increased slightly compared with the corresponding quarter to EUR 6,1 million (EUR 5,9 million).
- Adjusted free cash flow, excluding paid items affecting comparability improved compared to previous year and was EUR 7,2 million (EUR 6,7 million).
- Impact of the items affecting comparability in cash flow was EUR -1,2 million (EUR -0,8 million).



# Key indicators



EUR million (unless stated otherwise)	Q2 / 2024	Q2 / 2023	YTD / 2024	YTD / 2023	FY 2023
Net debt	143,3	147,7	143,3	147,7	139,7
Net debt / adjusted EBITDA	2,6	2,4	2,6	2,4	2,4
Gearing, %	52,9	55,9	52,9	55,9	49,4
Equity ratio, %	58,5	58,0	58,5	58,0	58,9
Free cash flow	6,1	5,9	12,9	16,0	32,0
Cash conversion, %	46,2	42,7	55,1	61,8	62,6
Gross investments	2,5	2,2	5,5	6,8	11,1

## COMMENTS

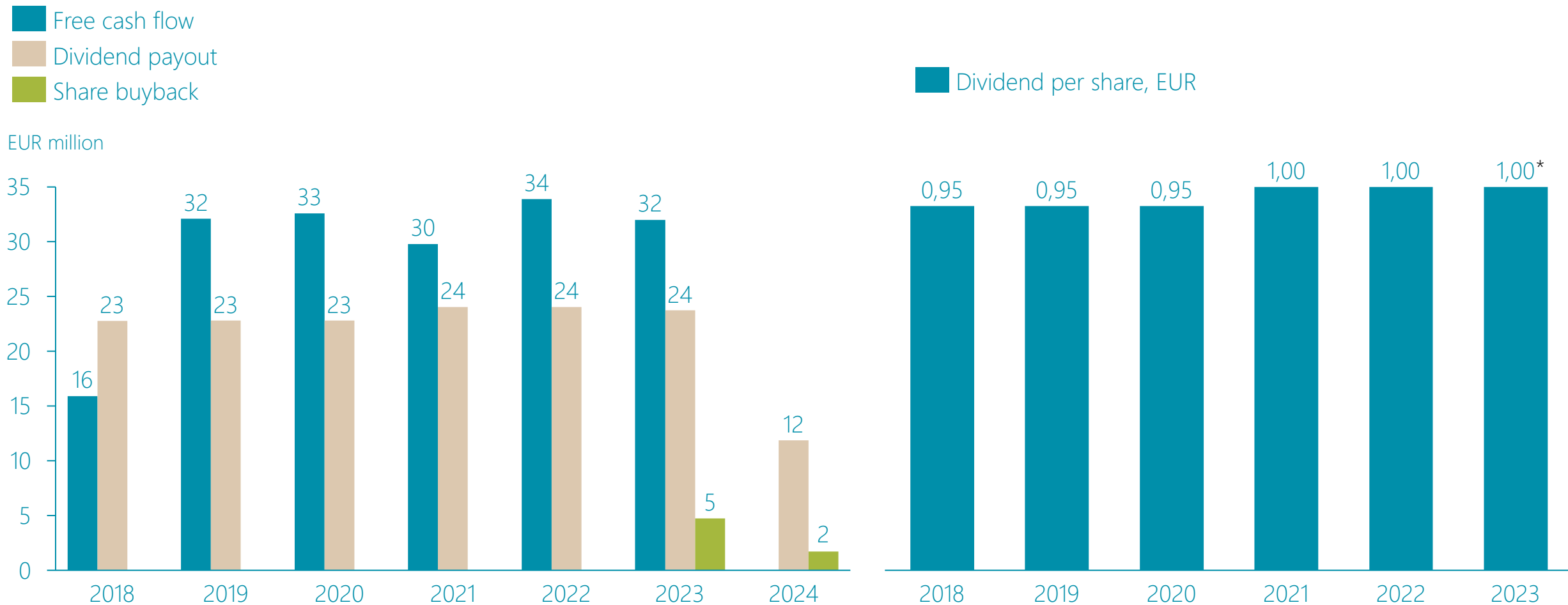
- Cash position at EUR 11,1 million (committed EUR 30 million facility remains fully unutilized).
- Net debt / adjusted EBITDA at 2,6x.
- Gross investments EUR 2,5 million (EUR 2,2 million).

# 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

# Updated Outlook and Guidance 2024



The Company's operating environment remains challenging due to uncertainty in the general economic situation, which is expected to continue to affect Enento's financial performance. Enento's Swedish consumer credit information sector continues to face a challenging operating environment, but Enento expects the environment to stabilize during the second half of the financial year. Enento will continue to prioritize cost control to maintain profitability.

Enento expects demand in its markets to stabilize during the second half of the year. The Company's year-on-year revenue development is consequently expected to improve in the second half of the financial year compared to the development in the first half of the year. For the full year 2024, Enento expects revenue to decline compared to 2023 (at comparable exchange rates and excluding the impact from the discontinued Tambur service).



# Enento as an investment

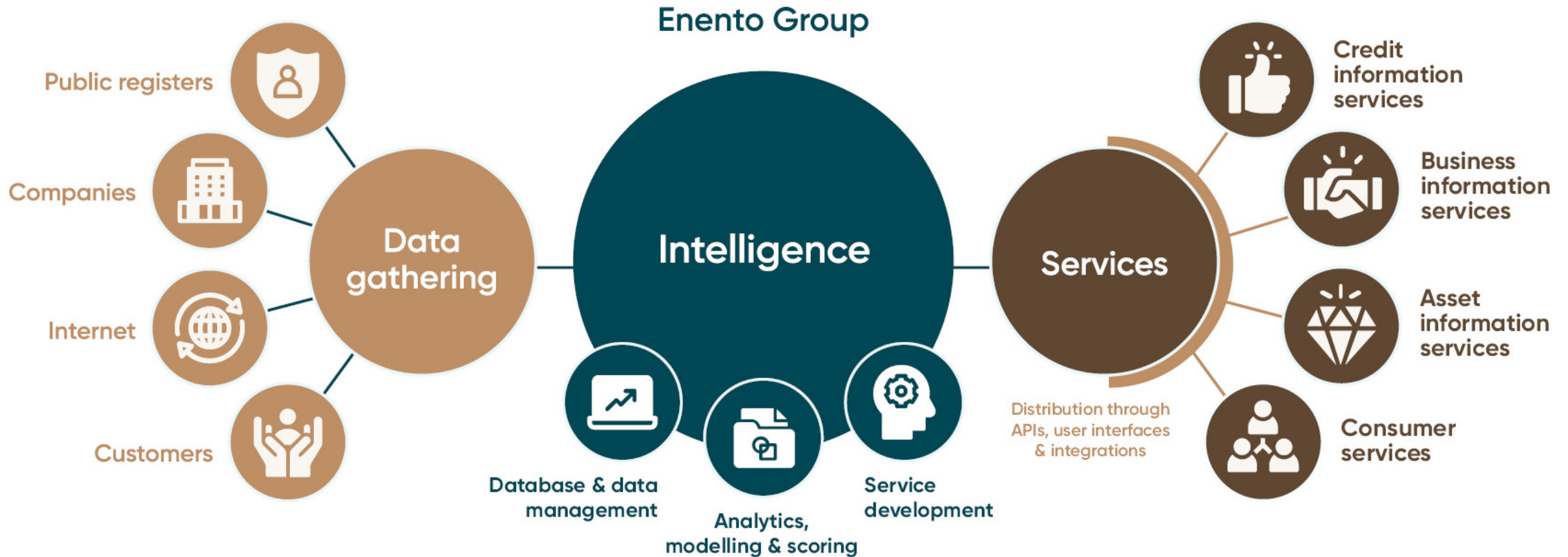


- 1 Nordic presence with strong market position, trusted well-known brands and resilient, scalable business model
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The image features a hand holding a pen, writing on a document. The document contains various financial charts, including a bar chart with categories like 'Actual', 'Budget', 'Travel', 'Medical', 'Food', 'Auto', and 'Other'. There are also pie charts and line graphs visible. The entire image is overlaid with a semi-transparent blue filter and a network of white dots and lines, suggesting a digital or analytical theme.

# Appendix

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



# 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

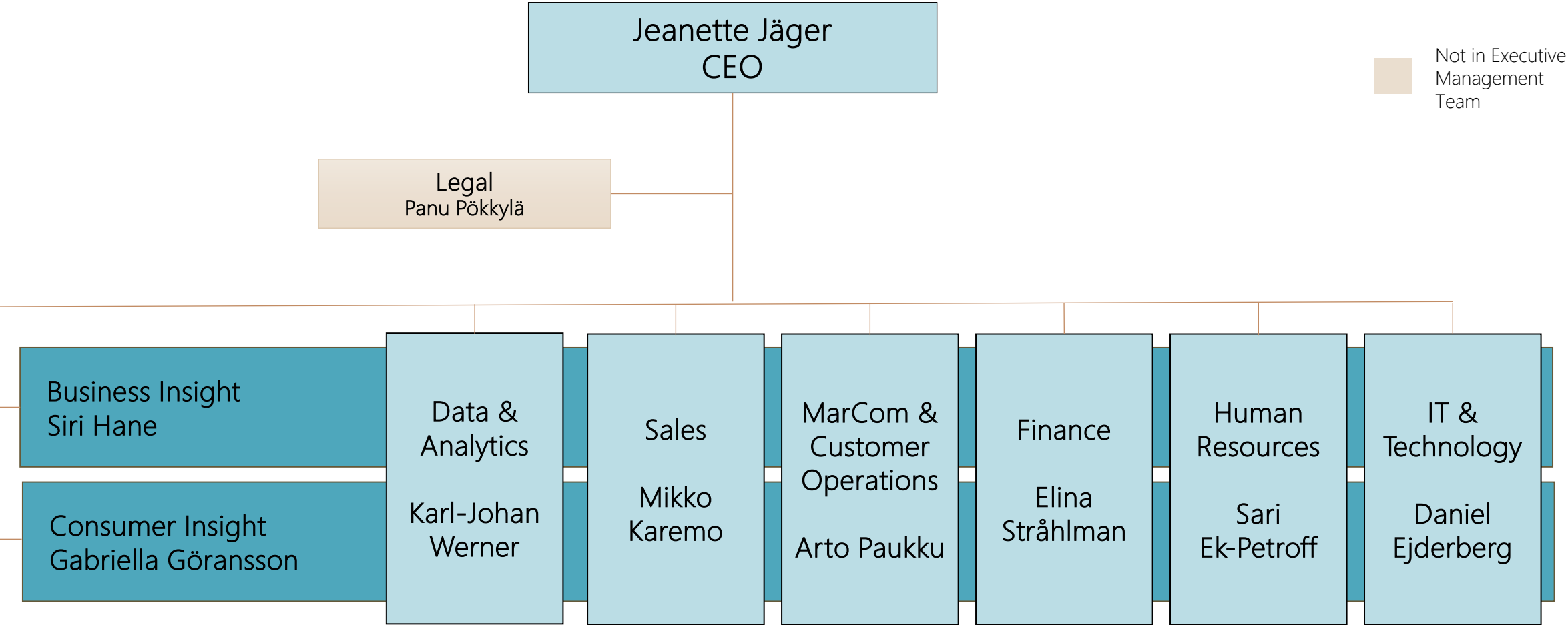
**2,4** x (2,2x)

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



We help our customers with sustainable services.



Enento Group's environmental impact.



Enento Group as a sustainable workplace.

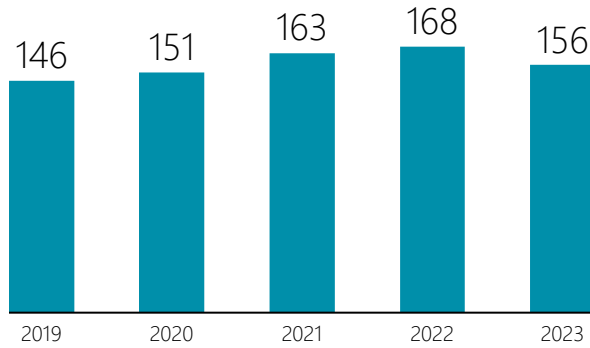


We contribute to a more sustainable economy in the society.

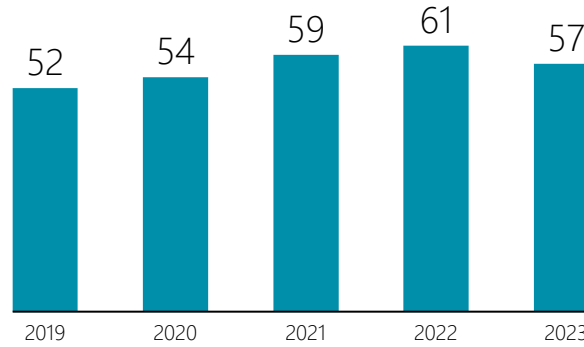
# Financial KPIs



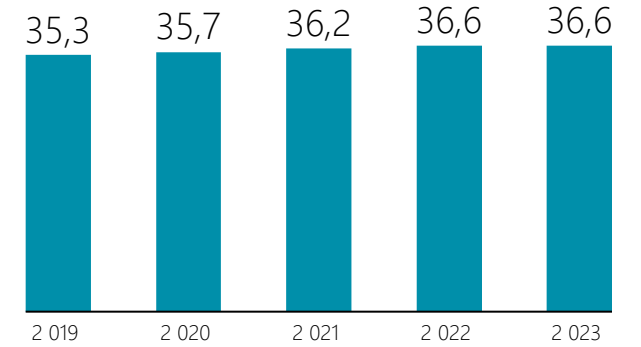
Net sales



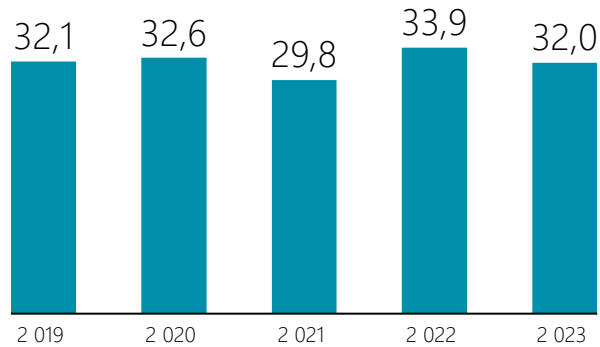
Adjusted EBITDA



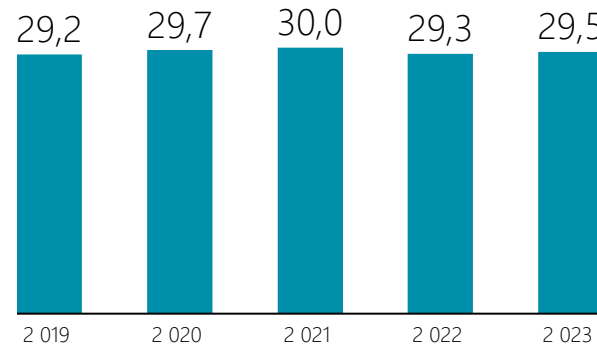
Adjusted EBITDA margin %



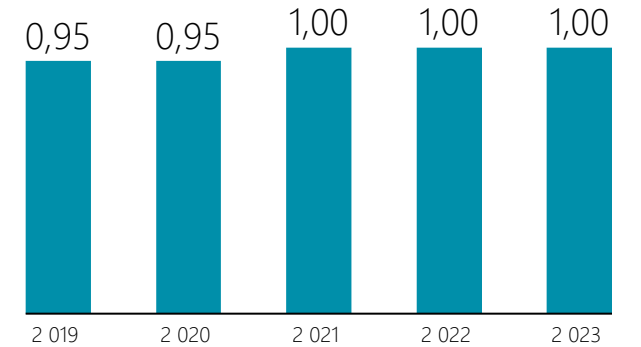
Free Cash Flow



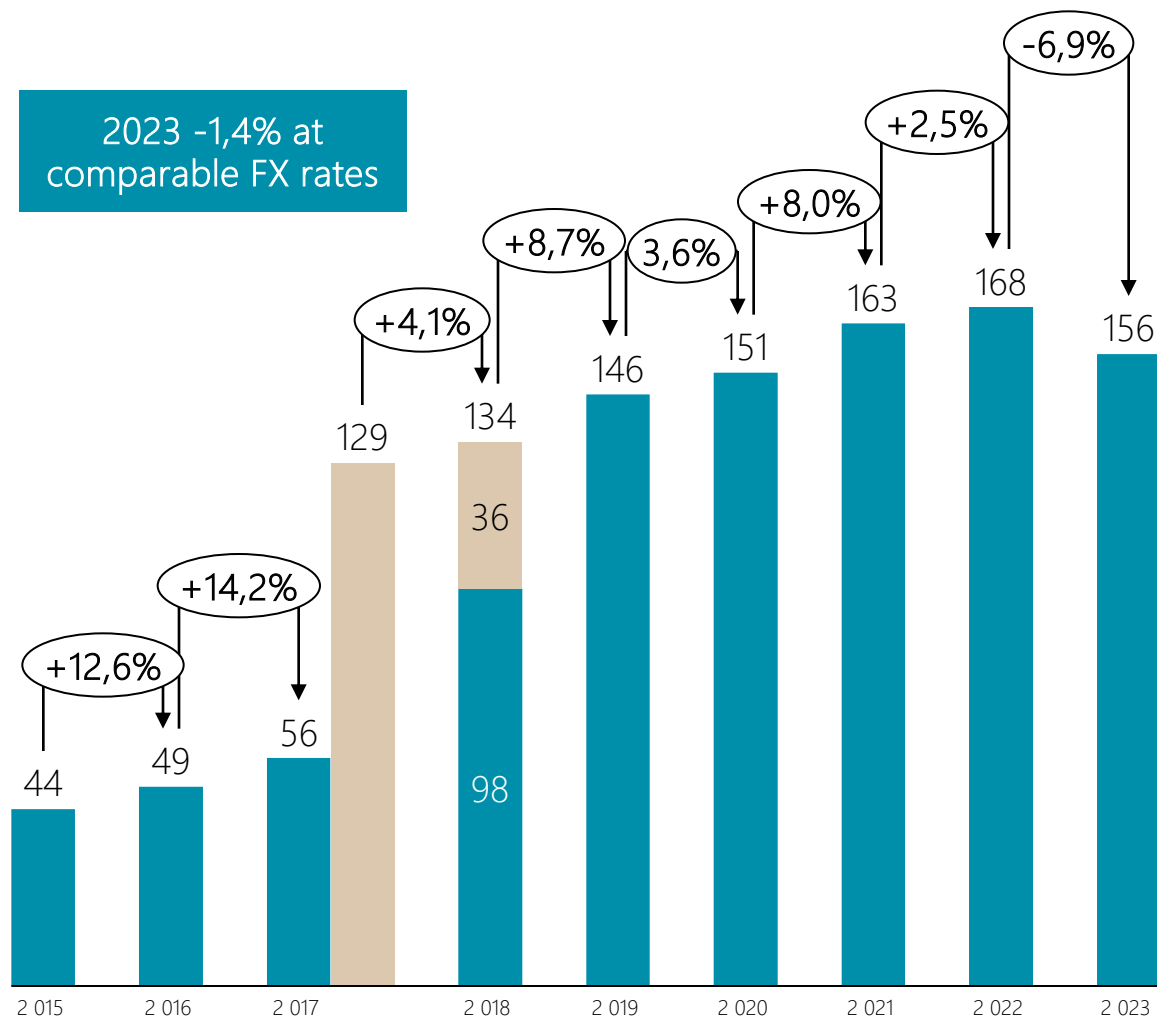
Adjusted EBIT margin %



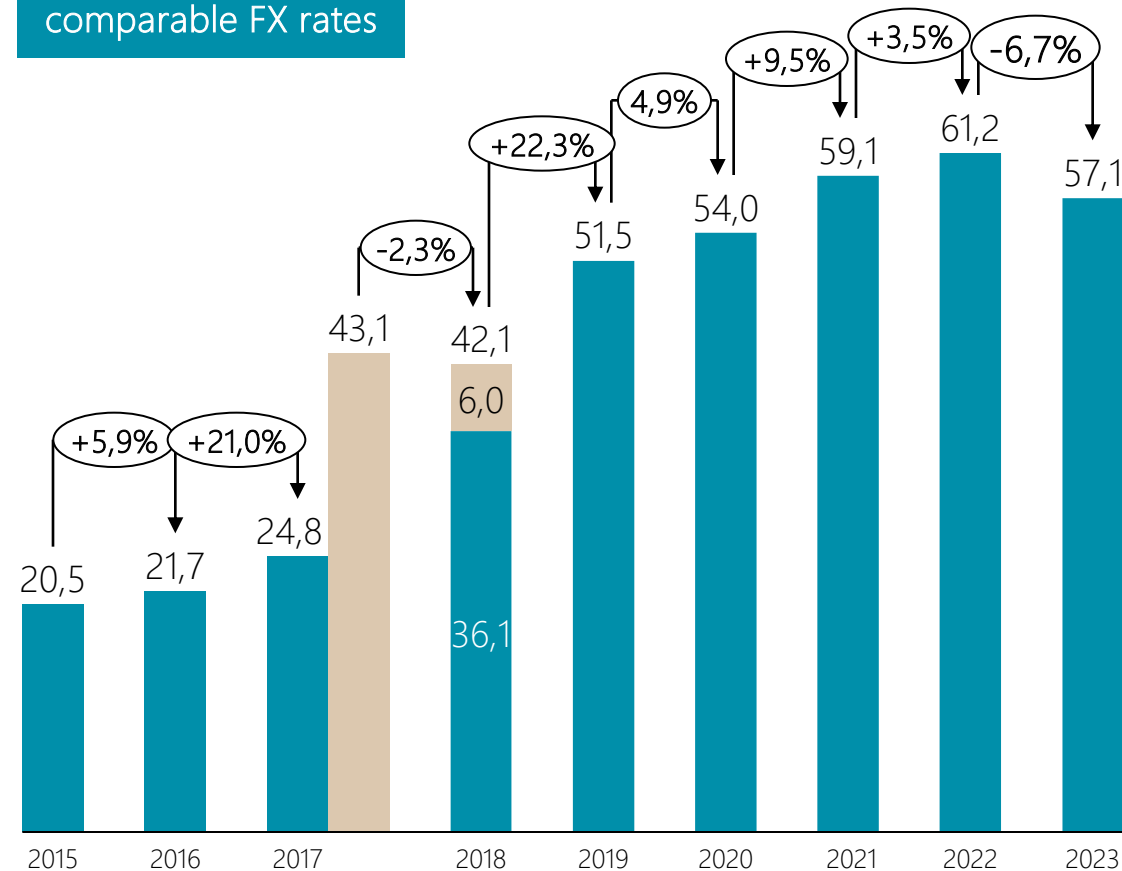
Dividend per share



# Solid revenue and profitability development track



2023 -2,9% at comparable FX rates



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



# Enento Group Plc

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