ENENTO GROUP PLC

# Board of Directors´ Report and Financial Statement

# 2023

This publication includes the Board of Directors´ Report including non-financial information, the Financial Statements including Notes to the Financial Statements, the Auditor´s Report and the Corporate Governance Statement.

Enento

# Contents

# Board of Directors' Report

# Board of Directors' Report 2023

## Business Overview

Enento Group Plc ("the Company") is a Finnish public limited liability company and the parent company to Enento Group ("Enento Group" or "the Group"). On the financial statements date, the Group consisted of the parent company Enento Group Plc, Suomen Asiakastieto Oy, Emaileri Oy, Proff AS, Proff ApS and UC AB and its subsidiaries UC Affärsinformation AB and Proff AB.

Enento Group is one of the leading Nordic providers of business and consumer information services. The Group operates in the business and consumer information services, collateral valuation, real estate information, sales and marketing information as well as consumer credit information markets in Finland, Sweden, Norway and Denmark.

Enento Group offers a comprehensive array of products and services that cater to a broad spectrum of needs in various sectors. The Group primarily focuses on financial and credit risk management, providing solutions for monitoring, decision-making, and automation. Additionally, Group addresses diverse customer requirements in sales and marketing, compliance, real estate and financing, collateral management, housing valuation, as well as personal financial management and credit information. Enento's clientele is diverse, encompassing financial institutions, financial service providers, professional services firms, insurance companies, as well as wholesale and retail companies. The Group also serves individual consumers.

Enento Group has comprehensive databases consisting of information gathered from the authorities and other public sources as well as privately acquired information. The data and databases are the basis for the Group's product and service offering and the development of new products and services. That data is processed or refined by the Group and made available to the customers mainly through integrations and online services.

Group's product and service offering ranges from basic information concerning corporations and private individuals to advanced risk management services, scoring, monitoring, decision-making, analyses and analytics. The Group delivers its products and services to clients for example, by integrating its services into the client's business processes, through customer interfaces, online subscription services and open online services that do not require separate subscription agreements. The Group also offers printed products and credit rating certificates. The Group has a strong track record of developing and launching new products and services.

Enento Group has a scalable business model that enables increasing net sales at a lower incremental cost. A large proportion of the Group's income is based on automated processes and the automatic sharing of information from the Group's own databases. The Group can use and relay the same data multiple times and include it in several services provided for different customers. The Group also earns income from advertising, particularly in Sweden and Norway.

Enento Group's organization consists of two types of units: business areas and functional units. The business areas are responsible for the Group's service offering and the functional units for the production, maintenance and active development of the operations in their own focus area and business processes. The functional units are Sales, Marketing, Communications and Customer Operations, IT and Technology, Data and Analytics, Human Resources, Legal and Finance.

The Group's business areas are:

**BUSINESS INSIGHT:** Business Area develops and provides leading business information and decision services and solutions for general risk management, credit risk management, compliance, financial management, customer acquisition, decision-making, fraud and credit loss prevention as well as for gaining knowledge of and identifying their customers. In addition, services in this business area include real estate and apartment information and their valuation. The services are also used for compliance purposes, such as to identify and monitor companies´ beneficial owners, persons in sanction lists and politically exposed persons.

**CONSUMER INSIGHT:** Business Area develops and provides leading consumer information and decisioning services in the Nordics. Consumer Insight serves both consumers and companies engaging in consumer business. Companies engaging in consumer business use consumer information, scoring, monitoring and decision services and solutions for general risk management, credit risk management, financial management, customer acquisition, decision-making, fraud and credit loss prevention. Services for consumers help consumers to understand and better manage their own finances, protecting them also from identity theft and fraud.

## Financial Results

### Net Sales

Enento Group's net sales in the financial year 2023 amounted to EUR 155,9 million (EUR 167,5 million) and decreased by 6,9 % at reported exchange rates compared with the previous year. The weakening trend in consumer lending volumes and macroeconomy especially in the Swedish markets turned the group net sales into decline. Continuing positive development in the Finnish, Norwegian and Danish markets was not enough to offset that decline. There was one business day less compared to the previous year in both Finland and Sweden. The weakening of Swedish krona had a significant impact to the decrease. With comparable exchange rates the net sales weakened by 2,6% compared with the previous year. The discontinuance of the Swedish housing transaction service Tambur from second quarter onwards had as well negative impact. Net sales declined by 1,4% excluding the impact from the discontinued Tambur service at comparable rates. Net sales from new products and services were EUR 14,8 million (EUR 7,8 million), which was 9,5 % (4,6 %) of the total net sales for the financial year.

### Financial Results

Enento Group's operating profit (EBIT) for the financial year 2023 amounted to EUR 30,4 million (EUR 25,8 million). Operating profit included items affecting comparability of EUR -6,1 million (EUR -11,5 million), arising mainly from expenses related to efficiency program. Operating profit also includes amortization from fair value adjustments related to acquisitions of EUR -9,5 million (EUR -11,8 million).

The adjusted EBITDA margin for the review period increased by 0,1 percentage points year-on-year and was 36,6% (36,6%).

The Group's depreciation, amortization and impairment for the review period amounted to EUR -20,6 million (EUR -29,8 million). Of the depreciation and amortization, EUR -9,5 million (EUR -11,8 million) resulted from amortization from fair value adjustments related to the acquisitions. The Group's depreciation of right-of-use assets (IFRS 16) during the review period amounted to EUR -2,3 million (EUR -2,7 million).

The Group's share of associated company's net income for the review period was EUR -0,8 million (EUR -0,9 million), including also amortization from fair value adjustments

Net financial expenses during the review period were EUR -7,4 million (EUR -2,7 million). Financial expenses related to lease liabilities (IFRS 16) were EUR -0,4 million (-0,0 million) in the review period, and recognized exchange rate losses amounted to EUR -0,4 million (EUR 0,3 million).

The Group's profit before income taxes for the review period was EUR 22,2 million (EUR 22,1 million).

The tax amount booked as expense for the review period was EUR -4,7 million (EUR -4,8 million).

The Group's profit for the review period was EUR 17,6 million (EUR 17,4 million).

### Cash Flow

Cash flow from operating activities amounted to EUR 36,8 million (EUR 44,8 million). The effect of the change in the Group's working capital on cash flow was EUR 1,0 million (EUR -4,0 million). The impact of items affecting comparability on operating cash flow was EUR -4,6 million (EUR -0,4 million).

The Group paid EUR 9,1 million (EUR 9,5 million) in taxes during the review period.

Cash flow from investing activities for the review period amounted to EUR -9,2 million (EUR -14,8 million). The cash flow from investing activities consisted of service development costs and acquisitions of equipment.

Cash flow from financing activities for the review period amounted to EUR -30,8 million (EUR -33,6 million). The cash flow from financing activities for the review period consisted of distribution of funds to shareholders, repayments of lease liabilities (IFRS 16) and purchases of own shares.

### Statement of financial position

At the end of the review period, the Group's total assets were EUR 490,3 million (EUR 499,1 million). Total equity amounted to EUR 282,9 million (EUR 294,9 million) and total liabilities to EUR 207,1 million (EUR 204,1 million). The change in equity mainly consists of the distribution of equity repayment, result for the review period and the purchases of own shares. Of the total liabilities, EUR 154,4 million (EUR 151,2 million) were long-term interest-bearing liabilities. Of the total liabilities, EUR 15,6 million (EUR 18,0 million) were deferred tax liabilities, EUR 2,6 million (EUR 1,4 million) current interest-bearing lease liabilities and EUR 34,4 million (EUR 33,5 million) current non-interest-bearing liabilities. Goodwill amounted to EUR 340,9 million (EUR 340,7 million) at the end of the review period.

Enento Group's cash and cash equivalents at the end of the review period were EUR 17,4 million (EUR 20,8 million), and net debt was EUR 139,7 million (EUR 131,8 million).

## Capital expenditure

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. The Group's gross capital expenditure in the review period amounted to EUR 11,1 million (EUR 12,6 million). Capital expenditure on intangible assets was EUR 9,7 million (EUR 12,5 million) and capital expenditure on property, plant and equipment was EUR 1,5 million (EUR 0,1 million).

## Research and Development

The product development activities of Enento Group involve development of the product and service offering. In 2023, the capitalized development and software costs of the Group amounted to EUR 9,7 million (EUR 12,5 million). Capitalized development and software costs consist of costs related to the Group's product and service offering, investments in Nordic service platform as well as IT infrastructure. The Group had no material research activities in 2023.

## Personnel

At the end of the financial year, Enento Group had a total of 401 (443) employees, of whom 173 (185) were employed by the Group companies in Finland, 178 (212) by the Swedish subsidiary, 41 (41) by the Norwegian subsidiary and 9 (5) by the Danish subsidiary. Of the Group's personnel, 2 (2) worked in management, 99 (161) in business areas, 165 (121) in Sales Units and Marketing and Communications, 58 (71) in IT and Technology, 45 (52) in Data and Analytics and 32 (36) in Finance, Legal and HR. The table below presents Enento Group's number of employees as well as wages and salaries for 2021–2023.

### KEY FIGURES DESCRIBING THE GROUP'S PERSONNEL

| Personnel | 2023 | 2022 | 2021 |
|---|---|---|---|
| Average number of personnel | 404 | 447 | 432 |
| Full time | 390 | 428 | 416 |
| Part time and temporary | 14[1] | 19 | 16 |
| Geographical distribution | | | |
| Finland | 172 | 182 | 178 |
| Sweden | 184 | 217 | 207 |
| Norway | 41 | 42 | 43 |
| Denmark | 7 | 6 | 4 |
| Wages and salaries for the financial year (EUR million) | 29,8 | 29,7 | 29,2 |

[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 7 in 1.1.-31.12.2023.

The Group's personnel expenses for the financial year 2023 amounted to EUR 40,1 million (EUR 40,8 million). This figure includes an accrued cost of EUR 0,2 million (EUR 0,3 million) from the management's long-term incentive plan. More information on the management's long-term incentive plan is provided in note 5.5 Related parties in the notes to the consolidated financial statements.

## Shares and shareholders

Enento Group Plc has one share class. Each share carries one vote at the General Meeting of Shareholders and each share confers equal right to dividends and net assets of the Company. The shares have no nominal value. The shares of the Company are entered in the book-entry securities system maintained by Euroclear Finland Ltd.

At the end of the financial year, the Company's share capital amounted to EUR 80 thousand (EUR 80 thousand) and the total number of shares was 23 794 856 (24 034 856) including the own shares held by the parent company 4 676 (0).

The Annual General Meeting of Shareholders on 28 March 2023 authorized the Board of Directors to decide on the repurchase of a maximum of 1 500 000 own shares of the Company. The authorization replaced the corresponding authorization issued to the Board of Directors by the Annual General Meeting held on 28 March 2022. The maximum amount corresponds to approximately 6,2 % of the Company's shares and voting rights. The authorization is effective for 18 months from the date of the resolution. Further information on the authorization is provided under "Authorizations of the Board of Directors".

The Board of Directors of Enento Group Plc decided to launch a share buyback program on 24 April 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 240 000, representing approximately 1 % of the company's total number of shares and votes. The program commenced on 27 April 2023, and it was completed on 30 June 2023. Enento Group repurchased 240,000 shares for an average price of EUR 18,9942 per share. The shares were cancelled on 20.12.2023.

The Board of Directors of Enento Group Plc decided to launch a second share buyback program on 18th 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 will be completed by 8 February 2024. During 2023, Enento Group repurchased 4 676 shares in addition to the shares of the previous buyback program.

## Share price and volume

During the financial year, a total of 12 488 195 (2 557 740) shares were traded, and the total value of the exchanged shares was EUR 235,4 million (EUR 62,6 million). The highest share price during the financial year was EUR 23,35 (EUR 34,50), the lowest price was EUR 15,80 (EUR 18,96), the average price was EUR 18,85 (EUR 24,48) and the closing price was EUR 19,48 (EUR 21,40). Market capitalization measured at the closing price of the financial year was EUR 463,5 million (EUR 514,3 million).

## Shareholders

According to the book-entry securities system, the Company had 7 144 (5 042) shareholders, including 9 (9) nominee-registered shareholders, on 31 December 2023. A list of the largest shareholders is available on the Company's investor pages at enento.com/investors.

### SIGNIFICANT SHAREHOLDERS ON 31 DECEMBER 2023

| Shareholder | | Number of shares | % of shares |
|---|---|---|---|
| 1 | Mandatum Holding Oy | 2 920 000 | 12,27 % |
| 2 | SEB AB | 2 441 920 | 10,26 % |
| 3 | Nordea Bank Abp | 2 315 315 | 9,73 % |
| 4 | Otava Oy | 1 670 000 | 7,02 % |
| 5 | Long Path Partners | 1 205 846 | 5,07 % |
| 6 | Kayne Anderson Rudnick | 1 185 834 | 4,98 % |
| 7 | Handelsbanken Fonder | 990 969 | 4,16 % |
| 8 | Swedbank Robur Fonder | 728 063 | 3,06 % |
| 9 | Fjärde AP-fonden | 678 956 | 2,85 % |
| 10 | Ilmarinen Mutual Pension Insurance Company | 624 494 | 2,62 % |
| 11 | Sp-Fund Management Company | 595 025 | 2,50 % |
| 12 | Nordea Funds | 586 052 | 2,46 % |
| 13 | Evli Fund Management Company | 450 800 | 1,89 % |
| 14 | Elo Mutual Pension Insurance Company | 422 000 | 1,77 % |
| 15 | Danske Invest | 412 507 | 1,73 % |
| 16 | Kaleva Mutual Insurance Company | 358 446 | 1,51 % |
| 17 | Royce & Associates LLC | 358 164 | 1,51 % |
| 18 | Varma Mutual Pension Insurance Company | 345 000 | 1,45 % |
| 19 | Invesco | 330 487 | 1,39 % |
| 20 | SEB Fonder | 325 180 | 1,37 % |
| | **20 largest shareholders total** | **18 945 058** | **79,62 %** |
| | **All shares** | **23 794 856** | **100,00 %** |

## SHAREHOLDER STRUCTURE BY SECTOR, 31 DECEMBER 2023

| Sector | Number of shareholders | % of shareholders | Number of shares | % of shares |
|---|---|---|---|---|
| Private companies | 601 | 8,41 % | 1 258 627 | 5,29 % |
| Financial institutions and insurance companies | 52 | 0,73 % | 18 400 274 | 77,33 % |
| Public corporations | 11 | 0,15 % | 1 476 812 | 6,21 % |
| Private individuals and nonprofit organizations | 6 456 | 90,37 % | 2 000 348 | 8,41 % |
| Foreign countries | 24 | 0,34 % | 658 795 | 2,77 % |
| **Total** | **7 144** | **100 %** | **23 794 856** | **100 %** |

The information is based on the list of the Company's shareholders maintained by Modular Finance AB. The data is compiled and processed from various public sources, including Euroclear Finland and Morningstar, and from direct shareholder disclosures. Whilst all efforts have been made to secure as updated and complete information as possible, neither Company nor Modular Finance AB can guarantee the accuracy of the data.

## MANAGEMENT'S SHARE OWNERSHIP ON 31 DECEMBER 2023

| Board of Directors | Number of shares |
|---|---|
| **Lapveteläinen Patrick, Chairman of the Board** | 10 000 |
| Related party ownership | 8 000 |
| **Forsberg Erik** | 1 500 |
| Related party ownership | 0 |
| **Johansson Martin** | 3 000 |
| Related party ownership | 0 |
| **Kerppola Nora** | 14 000 |
| Related party ownership | 0 |
| **Kuusisto Tiina** | 0 |
| Related party ownership | 0 |
| **Parhiala Minna** | 0 |
| Related party ownership | 0 |
| **Total** | **36 500** |

| Management | Number of shares |
|---|---|
| **Jäger Jeanette, CEO** | 3 300 |
| Related party ownership | 0 |
| **Darner Andreas** | 0 |
| Related party ownership | 0 |
| **Ejderberg Daniel** | 0 |
| Related party ownership | 0 |
| **Ek-Petroff Sari** | 0 |
| Related party ownership | 0 |
| **Göransson Gabriella** | 1 326 |
| Related party ownership | 0 |
| **Hane Siri** | 3 606 |
| Related party ownership | 0 |
| **Karemo Mikko** | 12 347 |
| Related party ownership | 0 |
| **Paukku Arto** | 70 |
| Related party ownership | 0 |
| **Stråhlman Elina** | 4 007 |
| Related party ownership | 0 |
| **Werner Karl-Johan** | 3 656 |
| Related party ownership | 0 |
| **Total** | **28 312** |

| Auditor | Number of shares |
|---|---|
| **Grandell Martin, auditor in charge** | 0 |
| Related party's ownership | 0 |
| **Total** | **0** |

# Management

## Board of Directors

The Company's Board of Directors consists of a minimum of four and maximum of eight members. The Annual General Meeting elects the Board members and decides on their remuneration. The Board of Directors elects the Chairman of the Board and also, if necessary, the Vice Chairman of the Board from among its members. The term of office of the Board members ends at the conclusion of the first Annual General Meeting following their election. There are no limitations to the number of terms a person can be a Board member.

Enento Group Plc's Annual General Meeting held on 28 March 2023 adopted the financial statements and discharged the Board members and CEO from liability for the financial year ended 31 December 2022. The Annual General Meeting resolved that the Chairperson of the Board of Directors be remunerated EUR 54 000 annually and that the members of the Board of Directors be remunerated EUR 38 500 annually. In addition, an attendance fee of EUR 500 is paid for attending a Board meeting. For attending the Board Committee meetings, the Chairpersons of the Committees will be remunerated EUR 500 per meeting and the Committee members will be remunerated EUR 400 per meeting.

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting of 28 March 2023 re-elected as members of the Board Patrick Lapveteläinen, Martin Johansson, Tiina Kuusisto, Minna Parhiala and Erik Forsberg. Nora Kerppola was elected as a new member. Following these elections, the Board of Directors consisted of six members. In its organisational meeting held on 28 March 2023, the Board of Directors elected Patrick Lapveteläinen as the Chairman of the Board. The Board of Directors met 18 times in 2023. In addition, the Board made six separate resolutions in accordance with Chapter 6, Section 3 of the Finnish Companies Act without convening a meeting.

## Board Committees

The Board of Directors appoints two committees from among its members: i) the Audit Committee and ii) the Nomination and Remuneration Committee. The Board of Directors may also appoint other committees, if deemed appropriate. The committees assist the Board of Directors by preparing and drawing up proposals and recommendations for the Board of Director's consideration.

On 28 March 2023, the Board of Directors nominated Erik Forsberg, Martin Johansson and Nora Kerppola as members of the Audit Committee. Erik Forsberg was nominated as the Chairman of the Audit Committee.

The Nomination and Remuneration Committee consists of at least three members. On 28 March 2023, the Board of Directors decided not to appoint the Nomination and Remuneration Committee.

## Authorizations of the Board of Directors

### SHARE ISSUE AUTHORIZATION 28 MARCH 2023

The Annual General Meeting of Shareholders held on 28 March 2023 authorized the Company's Board of Directors to decide on one or more share issues, including the right to issue new shares or transfer shares held by the Company. The maximum number of shares covered by the authorization is 1 500 000. The Board of Directors was also authorized to decide on a directed share issue. The authorization can be used for material arrangements from the Company's point of view, such as financing or implementing business arrangements or investments or for other purposes determined by the Board of Directors, in which case there would be a significant financial reason for issuing shares, potentially in the form of a directed share issue.

The company's Board of Directors was authorized to decide on all other share issue conditions, including payment term, specification grounds for subscription of shares and subscription price or issue shares without payment or that subscription price can be paid by cash, but also fully or partially by other assets.

The authorization is effective for 18 months from the close of the Annual General Meeting, until 28 September 2024. The authorization replaced the corresponding authorization issued to the Board of Directors by the Annual General Meeting held on 28 March 2022.

### AUTHORIZATION FOR REPURCHASING OWN SHARES 28 MARCH 2023

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of maximum of 1 500 000 company's own shares, in one or several instalments. The shares will be repurchased with the Company's unrestricted shareholders' equity, and the repurchases will reduce funds available for the distribution of profits. The shares can be repurchased for example to develop the company's capital structure, carry out or finance potential corporate acquisitions or other business arrangements, to be used as a part of the company's incentive program or to be otherwise conveyed further, retained as treasury shares, or cancelled.

In accordance with the resolution of the Board of Directors, shares may be repurchased also in a proportion other than that in which shares are owned by the shareholders (directed acquisition) at the market price of the shares at marketplaces on which the company shares are traded or a price otherwise established on the market at the time of the repurchase. The Board of Directors decides how shares are repurchased. Among other means, derivatives may be used in acquiring the shares.

According to the authorization, the Board of Directors decides on any other matters related to the repurchase of shares.

The authorization is effective for 18 months from the close of the Annual General Meeting, until 28 September 2024. The authorization replaced the corresponding share repurchase authorization issued to the Board of Directors by the Annual General Meeting held on 28 March 2022.

#### USAGE OF THE AUTHORIZATION FOR REPURCHASING OWN SHARES

Enento communicated on 24 April 2023, that its Board of Directors decided to exercise the authorization. The repurchases started on 27 April 2023 and ended on 30 June 2023. During this period, Enento repurchased a total of 240 000 own shares for an average price of EUR 18,99 per share. The shares were repurchased in public trading on Nasdaq Helsinki Ltd. at the market price prevailing at the time of purchase.

Enento communicated also on 18 December 2023, that its Board of Directors decided to exercise the authorization. The repurchases started on 21 December 2023 and end no later than 8 February 2024. During this period, Enento repurchases maximum a total of 55 000 own shares. The shares were repurchased in public trading on Nasdaq Helsinki Ltd. at the market price prevailing at the time of purchase.

The Company publishes a separate Corporate Governance Statement.

### CEO and Executive Team

Jeanette Jäger is the Chief Executive Officer (CEO) of the Company. At the end of the financial year 2023, the other members of the Executive Team were Elina Stråhlman (Finance), Gabriella Göransson (Consumer Insight), Siri Hane (Business Insight), Mikko Karemo (Sales Units), Arto Paukku (Marketing and Communications, Customer Operations), Daniel Ejderberg (IT and Technology), Karl-Johan Werner (Data and Analytics), Andreas Darner (Strategy and Transformation) and Sari Ek-Petroff (HR).

## Auditor

Authorized Public Accountants PricewaterhouseCoopers Oy served as the Company's auditor in 2023. The auditor in charge was Martin Grandell, Authorized Public Accountant.

## Loans, Liabilities and Commitments to Third Parties

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. If this extension option would be used, the loans would mature in September 2027. At the end of December 2023, the Company had used EUR 0 (EUR 0) of its revolving credit facility. Group has a multi-currency cash pool arrangement with Danske Bank A/S. An overdraft of EUR 15,0 million is included in the cash pool arrangement. The overdraft had not been utilized on 31 December 2023.

Enento Group's cash and cash equivalents on 31 December 2023 amounted to EUR 17,4 million (EUR 20,8 million).

Further information on loans, liabilities and commitments to related parties is provided in note 4.4 Financial assets and liabilities, note 4.5 Commitments and contingent liabilities and note 5.5 Related parties in the consolidated financial statements.

## Group Structure

At the end of the financial year, Enento Group consisted of Enento Group Plc, its wholly-owned subsidiaries Suomen Asiakastieto Oy, Emaileri Oy, Proff AS and Proff ApS as well as UC AB and its wholly-owned subsidiaries UC Affärsinformation AB and Proff AB.

## Non-financial information

Enento Group's Board of Directors and management are responsible for the management of corporate responsibility. Enento Group complies with laws and regulations of its operating countries, the Articles of Association, rules and guideline of Nasdaq Helsinki and Corporate Governance Code for listed companies in its administration. In practical work, responsibility issues are guided by the Group's Code of Ethics. Furthermore, operations are governed by policies and operating practices approved by the Board of Directors and Executive Team. All the partners must also conform to the laws and agreements. The Code of Ethics, along with key Group-level policies guidelines, is published online on the Company's investor pages.

### Enento Group's business model and governance

Enento Group's mission is to maintain and create trust in the markets: in trading and the concluding of agreements between companies as well as between companies and private parties. Trust is created through the provision of services that help companies verify the reliability of their contractual counterparties. The foundation for these services consists of Enento Group's Nordic databases of up-to-date information on companies and consumers. From this data, Enento Group develops digital services that enhance the operational efficiency of its customers, promote sustainability, and contribute to lowering the Group's carbon footprint.

The Group's operations are guided by

- The strategy approved by the Board of Directors
- The Group's annual budget and operating plan
- The Group's management and governance model

Suomen Asiakastieto Oy and UC AB, both subsidiaries of Enento Group Plc, have been certified according to ISO 9001:2015 since 2015 and 2021. In the recertification audit in December 2023 both sites were audited and the outcome was very good with no non-conformities but a long list of processes that are considered to be best practice. The new certification is valid from 4th of January 2024 and valid until 15th of January 2027. The key processes defined in the system are related to the customer-driven development and management of products and services.

## Enento Group's strategy 2024–2026 and sustainability

Enento Group aims for growth and increased profitability by strengthening its current position and seizing new opportunities within credit and business information services. Investing in scalable growth, digitalizing sales, marketing and distribution as well as leveraging Nordic capabilities and a continued focus on cost-efficiencies will enable Enento to achieve these goals.

Enento has two main objectives for the strategy period: to retain and strengthen its leading position in credit information, and to become a leading provider of business information.

Sustainability is at the core of Enento's business. The Group contributes to ssustainable society by building trust and supporting our customers to be more sustainable, through making responsible decisions and preventing over-indebtedness. Our goal is to create a broad Nordic offering of sustainability services to support customers' decision-making. The Group's overall impact on society is very positive.

## Environmental issues

The carbon footprint of Enento Group's own operations is low. The most significant environmental impact arise from travelling, commuting and IT. In 2023 the Group achieved its target of carbon neutrality. The long-term goal is to become Net Zero in 2030, following the methodology of the Science Based Target Initiative. In order to achieve this goal, the sources and quantities of emissions have been determined, and a carbon footprint has been determined on the basis of these, as well as a plan that we started to implement with several activities during 2022.

The Group's largest offices are located in Helsinki (headquarters) and Stockholm. Both are in locations with good public transport connections. They are modern activity-based offices in which fewer heated square metres per employee are needed. The lessors of both of the premises monitor electricity consumption, the use of warm and cold water, district heating, district cooling and waste management on a monthly basis.

Digital service production and data processing account for part of the Group's total emissions. The Group's IT environments have mainly been virtualized and procured as outsourced data centre services that operate energy-efficiently. Our suppliers of data centre services use renewable energy without carbon dioxide ($CO^2$) emissions. More detailed annual comparison figures are published in a separate Annual and sustainability review. There are no significant risks associated with the Group's environmental aspects since our emissions are proportionately very low.

## Social and employee-related issues

In 2023, the number of people employed by Enento Group on average was 404, of whom 172 worked in the Finnish companies, 184 in the Swedish companies, 41 in the Norwegian company and 7 in the Danish company. The diversity of our people is good, with 55 % men and 45 % women of total employees. Approximately the same gender balance is reflected also among our leaders and managers. The overall voluntary employee turnover of permanent employees was around 11 % during 2023.

Enento Group emphasizes learning and competence development, collaborative culture with team spirit, the development of high-quality leadership and people management skills and well-being of its people in its approach to social responsibility. The Group's goal is to be an attractive employer that offers interesting jobs for people representing various competence backgrounds in a collaborative and empowering culture. Enento Group offers opportunities for all its people to develop their expertise and skills both at work and through various learning possibilities as well as seek new roles inside the Group within its Nordic offices. In the recruitments Enento Group follows non-discriminatory and transparent process.

The Group ensures the fulfilment of its social responsibility through fair and safe working conditions, both mentally and physically. We follow our Group's values and Code of Ethics in everything we do, and our following policies ensure the fairness of our processes: Recruitment Policy, Remuneration Policy, Working Environment Policy, Remote Work Policy and Diversity and Equality Policy. Enento Group respects human rights in all aspects and there were no violations related to discrimination or other unfair treatment during 2023.

The Group also has a whistleblowing channel to enable our employees to report any suspected violations anonymously. Enento strives to achieve transparency and a high level of business ethics. Our employees are the most important source of insight for revealing possible misconduct that needs to be addressed. Our whistleblowing service offers a possibility to alert the company/organisation about suspicions of misconduct in confidence. It is an important tool for reducing risks and maintaining trust in our operations by enabling us to detect and act on possible misconduct at an early stage.

The quality of leadership, trust, friendly work environment, clear work objectives and competence development are the key factors influencing the employees' engagement to work and well-being at work. 2022 launched bi-weekly pulse survey with Winningtemp continued with excellent response rates giving teams and Enento good feedback on how to develop our culture and ways of working in the future.

During 2023, the Grow Talk model continued, which is a process with several dialogues during the year between manager and employee – to encourage and support each employee to grow as a professional and to succeed together with colleagues. Grow Talk discussions start with an annual personal target-setting discussion held in the first quarter of the year. The target-setting discussion is followed by monthly follow-up discussions with the supervisor and evaluation discussions held twice a year. The purpose of the discussions is to create commitment and build an understanding of how each employee contributes to the achievement of the shared goals. Another purpose of the discussions is to ensure each employee's well-being and possibility to develop in their work.

The Group continued to develop its managers and leaders with "We Lead Emotional Agency" program. This year-long program consisted of self-studies, virtual sessions together as well as a learning buddy concept. We follow the quality of leadership with the Leadership Index in the Winningtemp pulse survey and that has been at an excellent level. Team collaboration development was also one of our topics during 2023 and with that we used Workplace Big5 tool to facilitate the workshops. Our Enento Academy provided learning opportunities for all employees with for example GDPR and Agile working methods modules. In the Winningtemp pulse survey tool, Personal Development topic has increased the most during 2023 showing the learning organization development.

The well-being of our people was during 2023 a clear focus area and we continued the Meeting Free Wednesdays, Health Hour and Auntie's occupational well-being service. We also had our first "Empowered People" week with sessions on various topics related to self-leadership, well-being and resilience. We also received a "Mental Friendly Workplace" award from Mieli ry.

## Ensuring information security and data protection

Enento Group requires an organization and processes that support a purposeful and systematic approach to information security. Information is the most important asset for Enento Group and it depends on having accurate and reliable information. A systematic approach to information security ensures that information is confidential, available and has a high level of integrity. This is critical for the business to continue its operations and achieve its goals. Insufficient information security can lead to information leakage that can affect the business and damage the trust of our partners and employees. To maintain our very high level of trust, we need to always be one step ahead when it comes to securing the information of our customers and their end-customers.

The Group processes data with care and in compliance with the law, and data protection is ensured in the processing of personal data. The Group has in place different processes to ensure secure processing of personal data and reporting possible incidents so they can be addressed accordingly. Information security, privacy and confidentiality are addressed in the Group's Code of Ethics, Information Security Policy, General Data Protection Policy, Data Protection Governance Policy and Safety Policy. Furthermore, the confidentiality obligation is included in the employment agreement.

## Respect for human rights

Enento Group operates in the Nordic countries, where respect for human rights and equal treatment of people are generally at a very high level. At Enento Group, the requirement that human rights and equality must be respected applies to personnel and partners alike. The Code of Ethics includes practices and procedures for dealing with issues related to respect

for human rights. There were no suspected violations of human rights or violations related to discrimination or other unfair treatment of employees observed in 2023.

The Group has a whistleblowing channel to enable employees to report suspected violations anonymously.

### Anti-corruption and bribery

Enento Group's internal guidelines prohibit corruption and bribery. The Group's practices and procedures reduce opportunities for taking action that would be contrary to the rules. The Ethical principles include operational guidelines for handling issues related to corruption and bribery. No corruption or bribery cases or other violations related to unethical business practices were reported in 2023.

## Risks and uncertainties

Enento Group is exposed to a number of risks and uncertainties that are related, for instance, to the market conditions and the Group's industry, strategy, business and financing. The realization of such risks could have a considerable adverse effect on Enento Group's business, financial situation, performance and future outlook.

### Market and strategic risks

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.

War in Ukraine and the armed conflict in Israel increase the economic uncertainty in the Nordic countries and globally. The conflicts have 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.

Enento Group operates in a number of product and service markets in which competition is continuously becoming tougher and customers' needs keep changing. Information services are available more easily than before. This is primarily attributable to better availability of public information, increase of digital information and new service providers, who may increase competition in the markets. Better availability of information may also provide the Group's customers with better opportunities for in-house development of services, such as analysis services.

Tendering carried out by customers and general cost-awareness may put some pressure for lower prices on the Group's markets. In addition, price pressures caused by Enento Group's competitors may have a negative effect on the Group's margins and result and hamper its opportunities to acquire new customers on the current terms and conditions.

No customer of the Group accounted for more than ten per cent of the Group's total invoicing in 2023. Even though the Group's customer base is diverse, the loss of one or more major customers or a significant decrease in sales to one or more such customers for any reason could have a very harmful effect on the Group's business, financial position, business result and future outlook.

The gathering, storage and use of information is subject to strict regulations, for example data privacy legislation. In Sweden, a licence is required for certain operations of the Group, such as credit register-related operations. In addition, according to UC's shareholder agreement, UC's minority shareholders may veto certain decisions concerning UC's credit register and the control of credit register data. This may restrict Enento Group's possibilities to materially change business operations related thereto. The Group and its employees must also comply with numerous other laws and regulations. Changes to the regulatory framework may require Enento Group to adapt its service offering or strategy. These changes can include an introduction of governmental credit registers on which there already are plans in the Nordic countries. Any actions in breach of regulations concerning operations subject to a licence may lead to changing of Enento Group's operations, imposing additional conditions to the licence or cancellation of the licence. The above may also lead to higher costs, force the Group to stop providing some products or services, or prevent or delay development of its operations, or the Group may end up in legal proceedings or become subject to legal claims.

Enento Group has a lot of goodwill recognized on acquisitions. Impairment of goodwill and other assets could have a material effect on the Group's reported result.

### Operational risks

Safe and uninterrupted functioning of Enento Group's IT network and systems, cyber security and mitigation of cyber risks, are critical for the company's business. Unauthorized access to or disclosure of information as well as loss or abuse of information may lead to a breach of data protection and other applicable laws by Enento Group, harm to reputation, loss of income, claims or measures taken by the authorities.

In its business, Enento Group relies on information from external sources, such as government offices and other public sources, customers and other sources. If one or more of them stopped providing information for any reason or considerably increased the price of the information provided, this could have a harmful effect on Enento Group's ability to offer its products and services to its customers.

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. The Group's financial result may suffer if the development of new products or services or improvements to existing products are delayed for reasons related to possible technical challenges, problems related to external IT development resources, information acquisition or regulatory requirements.

Enento Group has invested and will continue to invest in its technical infrastructure, including equipment and software. If Enento Group fails in its technological investments, its income may not develop as expected and its expenses may increase. In addition, the Group may end up in an unfavourable competitive position in the market if it cannot, for example, offer certain new products and services or gather certain type of new information.

Despite testing and information quality control, products and services developed and supplied by Enento Group as well as the operating systems and software it uses may contain errors or faults. Material defects or errors in the Group's information, products or services as well as delays in providing products and services may harm its reputation or lead to loss of income, increased costs, regulatory measures or legal claims. Enento Group's IT network and infrastructure may be exposed to damage and problems resulting from many reasons. Such damage or problem may lead to a failure of Enento Group's IT infrastructure, which in turn may complicate the company's work and lead, for instance, to breaches of contract.

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.

The Group's brands and reputation are important competitive advantages. The company's success is also based on its own technologies, processes, methods and information. The company protects its intellectual rights with trademarks and domain names, for instance, and by relying on business secrets and the development of products and technology. Failure to protect intellectual rights, damage to reputation or negative views of the company in the market may have a negative effect on the company.

Enento Group's success also depends on its management and other professional personnel as well as its ability to recruit competent personnel and develop, train and retain them. The Group's inability to retain or recruit new employees may have a material harmful effect on the Group.

Disproportionately high sickness absences and especially long sick leave for key personnel pose a risk to the development of the Group's business. In information work, the most significant health hazards consist of inadequate work ergonomics and stress caused by work pressure. A good working atmosphere and high-quality management, as well as early intervention in problem areas, prevent the need for sick leaves.

Enento Group has taken out insurances to cover various risks or loss events. The Group's insurance coverage may be insufficient or the Group may not be able to maintain its current insurance coverage, in which case the company may suffer losses not covered by its insurances.

Enento Group is exposed to various financing risks, including currency exposure, interest rate risk and solvency risk. The Group's financing risks and their management are described in note 4 in Notes to the consolidated financial statements.

# Financial targets, Dividends and Outlook

## Financial targets

The Board of Directors of Enento Group has adopted long-term financial targets and dividend policy for the Group. The long-term financial targets are:

- 5 to 10 per cent annual average net sales growth
- Adjusted EBITDA margin around 40 % in 2026
- Net debt to Adjusted EBITDA below 3x while maintaining an efficient capital structure
- Share of new services from net sales around 10 % in 2026

## Dividend Policy

The Company's dividend policy is to distribute as dividends at least 70 per cent of the Company's net profit, whilst taking into consideration the business development and investment needs of the Group. Any dividends to be paid in future years, their amount and the time of payment will depend on Enento Group's future earnings, financial condition, cash flows, investment needs, solvency and other factors.

Enento Group distributed funds to its shareholders totaling EUR 24 035 thousand for the financial year 2023 and EUR 24 035 thousand for the financial year 2022. The capital repayment was EUR 1,00 per share for the financial year 2023 and EUR 1,00 per share for the financial year 2022.

Pursuant to the Companies Act, the Annual General Meeting of Shareholders resolves on the distribution dividend based on the Board of Directors' proposal. Dividends can only be distributed once the Annual General Meeting of Shareholders has approved the financial statements. If dividends are distributed, all shares confer equal rights to dividends.

## Proposal for the Distribution of Funds

At the end of the financial year 2023, distributable funds of the Group's parent company amounted to EUR 394 864 841,53, of which the profit for the financial year was EUR 20 637 301,42. The Board of Directors proposes that a dividend of EUR 0,50 per share be paid for the financial year ended 31 December 2023 (totaling EUR 11 875 928,00 based on the Group's registered total number of shares at the time of the proposal, notwithstanding shares held in treasury). The dividend will be paid to a shareholder registered in the Group's shareholders' register held by Euroclear Finland Oy on the payment record date of 27 March 2024. The Board of Directors proposes that the funds be paid on 5 April 2024.

The Board of Directors further proposes that the Annual General Meeting authorizes the Board, at its discretion, to resolve on the further distribution of dividend up to a maximum of EUR 0,50 per share (totaling EUR 11 875 928,00 based on the Company's registered total number of shares at the time of the proposal, notwithstanding shares held in treasury). It is the intention of the Board of Directors that the dividend payment pursuant to this authorization would be carried out in November 2024. The Company will separately publish resolutions of the Board of Directors on the dividend payment and confirm the record and payment dates in connection with such resolutions. The Board may also decide not to use this authorization.

## Future outlook

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.

# Key financial information for the Group

## KEY INCOME STATEMENT AND CASH FLOW FIGURES AND RATIOS

| EUR million (unless otherwise mentioned) | 2023 | 2022 | 2021 |
|---|---|---|---|
| Net sales | 155,9 | 167,5 | 163,5 |
| EBITDA | 51,0 | 55,6 | 58,0 |
| EBITDA margin, % | 32,7 | 33,2 | 35,5 |
| Adjusted EBITDA | 57,1 | 61,2 | 59,1 |
| Adjusted EBITDA margin, % | 36,6 | 36,6 | 36,2 |
| Operating profit (EBIT) | 30,4 | 25,8 | 35,2 |
| Operating profit (EBIT) margin, % | 19,5 | 15,4 | 21,6 |
| Adjusted EBIT[1] | 46,0 | 49,1 | 49,0 |
| Adjusted EBIT margin, % | 29,5 | 29,3 | 30,0 |
| Free cash flow | 32,0 | 33,9 | 29,8 |
| Cash conversion, %[1] | 62,6 | 56,0 | 51,5 |
| Adjusted free cash flow | 36,5 | 34,3 | 30,1 |
| Adjusted cash conversion | 64,0 | 56,1 | 51,0 |
| Net sales from new products and services | 14,8 | 7,8 | 12,0 |
| New products and services of net sales, % | 9,5 | 4,6 | 7,3 |

[1] The cash conversion 2022, % does not include the impact of write-downs made to development investments in December 2022 of EUR 10,9 million.

## KEY BALANCE SHEET RATIOS

| EUR million (unless otherwise mentioned) | 2023 | 2022 | 2021 |
|---|---|---|---|
| Balance sheet total | 490,3 | 499,1 | 543,8 |
| Net debt | 139,7 | 131,8 | 141,6 |
| Net debt to adjusted EBITDA, x | 2,4 | 2,2 | 2,4 |
| Return on equity, % | 6,1 | 5,7 | 8,2 |
| Return on capital employed, % | 6,8 | 5,4 | 7,3 |
| Equity ratio, % | 58,9 | 60,3 | 59,4 |
| Gearing, % | 49,4 | 44,7 | 44,7 |
| Gross investments | 11,1 | 12,6 | 15,7 |

## SHARE-RELATED KEY FIGURES

| EUR (unless otherwise stated) | 2023 | 2022 | 2021 |
|---|---|---|---|
| Earnings per share, basic | 0,74 | 0,72 | 1,08 |
| Earnings per share, diluted | 0,73 | 0,72 | 1,08 |
| Earnings per share, comparable | 1,05 | 1,11 | 1,49 |
| Equity per share | 11,89 | 12,27 | 13,16 |
| Dividend (capital repayment) per share | 1,00[1] | 1,00 | 1,00 |
| Dividend (capital repayment) per earnings, % | 137,0[1] | 138,9 | 92,6 |
| Effective dividend (capital repayment) yield, % | 5,1[1] | 4,7 | 3,0 |
| Price per earnings | 26,7 | 29,7 | 30,6 |
| | | | |
| Share price development | | | |
| Average price | 18,85 | 24,48 | 35,57 |
| Highest price | 23,35 | 34,50 | 43,20 |
| Lowest price | 15,80 | 18,96 | 31,10 |
| Closing price | 19,48 | 21,40 | 33,00 |
| | | | |
| Market capitalization, EUR million | 463,5 | 514,3 | 793,2 |
| Trading volume, pcs | 12 488 195 | 2 557 740 | 3 080 974 |
| Trading volume, % | 52,48 | 10,64 | 12,82 |
| | | | |
| Adjusted number of shares[2] | | | |
| Weighted average during financial year | 23 892 230 | 24 034 856 | 24 030 363 |
| At the end of the financial year | 23 794 856 | 24 034 856 | 24 034 856 |
| | | | |
| Number of shares adjusted for share issue, diluted[2] | | | |
| Weighted average during financial year | 23 901 324 | 24 046 707 | 24 039 950 |
| At the end of the financial year | 23 785 762 | 24 046 707 | 24 044 443 |

[1] The Board of Directors proposes to the Annual General Meeting a dividend of EUR 0,50 per share, followed by a second instalment of up to EUR 0,50 in November, subject to Board decision.The share related key figures have been calculated based on the total of EUR 0,50 + EUR 0,50.

[2] Includes own shares held by parent company 4 676 (0) pcs.

## Alternative performance measures used in financial reporting

Enento Group Plc discloses a summary on the use of alternative performance measures used by the Group, definitions of the performance measures used and their matching with the financial statements figures prepared according to IFRS Accounting Standards in accordance with the ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures[1].

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 Accounting Standards 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 Accounting Standards, but they are derived from the consolidated financial statements prepared according to IFRS Accounting Standards 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 Accounting Standards. Not all companies calculate alternative performance measures in a uniform way, and thus the alternative performance measures of the Company are not necessarily comparable with similarly named performance measures of other companies.

Certain non-operational or non-cash valuation transactions with significant income statement impact are adjusted as items affecting comparability, if they arise from:

- Efficiency program
- M&A and integration-related expenses
- restructuring expenses, including expenses arising from redundancy and other costs directly associated with the operational efficiency program
- external expenses arising from significant regulatory changes
- compensation for damages
- legal actions

[1] Alternative Performance Measure refers to a financial measure other than financial measure defined or specified in IFRS Accounting Standards.

Alternative performance measures are defined as follows:

- **EBITDA**
  EBITDA is the profit (loss) for the financial year before (i) income taxes, (ii) financial income and expenditure and (iii) depreciation and amortization.
- **Adjusted EBITDA**
  Adjusted EBITDA is defined as EBITDA excluding items affecting comparability.
- **Adjusted EBIT**
  Adjusted EBIT is defined as EBIT excluding items affecting comparability and amortization from fair value adjustments related to acquisitions.
- **Net sales of new products and services**
  Net sales of new products and services include the total sales of products launched during the past 24 months. New products and services are a significant driver of growth in the company and consumer data market. The impact of new products and services is especially important in times of poor economy, because they dilute the impact of the poor economic situation on the demand for current products and services. New products and services replace or update old products and services. They are often more advanced than old products and services, or they respond to potential market demand. In addition to customer needs, the development of new products and services is also guided by opportunities recognized by service providers. According to the Company's view, company and consumer data markets in its countries of operation are somewhat immature compared to many European countries, and there is potential for new products and services in the market.
- **Free cash flow**
  Free cash flow consists of the cash flow from operating activities before (i) paid interests and other financing expenses, (ii) received interests and other financing income deducted by (iii) acquisitions of tangible and intangible assets.
- **Adjusted free cash flow**
  Adjusted free cash flow is defined as free cash flow excluding items affecting comparability.
- **Cash conversion**
  Cash conversion is calculated by dividing free cash flow by EBITDA.
- **Adjusted cash conversion**
  Adjusted cash conversion is defined as cash conversion excluding items affecting comparability.
- **Net debt**
  Net debt is calculated as difference of interest-bearing liabilities and cash and cash equivalents. Interest-bearing liabilities include loans from financial institutions (short- and long-term loans) and lease liabilities, and cash and cash equivalents include short-term deposits, cash assets and bank accounts.
- **Net debt to adjusted EBITDA**
  Net debt to adjusted EBITDA is calculated by dividing net debt by adjusted EBITDA.
- **Return on equity**
  Return on equity is calculated by dividing (i) profit (loss) for the financial year by (ii) total equity (average for the financial year).
- **Return on capital employed**
  Return on capital employed is calculated (i) by adding

financial expenses to the profit (loss) before taxes and (ii) by dividing the sum by the average of the difference of the balance sheet total and non-interest-bearing debts of the opening and closing balance sheet.

- **Gearing**
  Gearing is calculated by dividing net debt by total equity.
- **Equity ratio**
  Equity ratio is calculated by dividing (i) total equity by (ii) balance sheet total, deducted by advances received.
- **Gross investments**
  Gross investments are fixed asset acquisitions with long-term effect, from which no sales of property or renunciation of business have been deducted. As a general rule, fixed assets comprise property, plant and equipment and intangible assets.
- **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 the weighted average number of shares in issue.
- **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 to 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 alternative performance measures, 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.

## Reconciliation of alternative performance measures to the closest IFRS performance measure

### ADJUSTED EBIT

| EUR thousand | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Operating profit** | **30 418** | **25 764** | **35 249** |
| Amortization from fair value adjustments related to acquisitions | 9 537 | 11 833 | 12 647 |
| Items affecting comparability | | | |
| M&A and integration related expenses | 710 | 352 | 207 |
| Restructuring expenses | 2 243 | 317 | -98 |
| Efficiency program | 2 695 | - | - |
| Expenses related to regulatory changes | - | - | 1 135 |
| Insurance compensations | - | - | -100 |
| Paid damages | 440 | - | - |
| Other costs affecting comparability | - | 10 859 | - |
| Total items affecting comparability | 6 089 | 11 529 | 1 144 |
| **Adjusted operating profit** | **46 044** | **49 126** | **49 040** |

### EBITDA AND ADJUSTED EBITDA

| EUR thousand | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Operating profit** | **30 418** | **25 764** | **35 249** |
| Depreciation, amortization and impairment | 20 600 | 29 795 | 22 749 |
| **EBITDA** | **51 018** | **55 559** | **57 997** |
| Items affecting comparability | | | |
| M&A and integration related expenses | 710 | 352 | 207 |
| Restructuring expenses | 2 243 | 317 | -98 |
| Efficiency program | 2 695 | - | - |
| Expenses related to regulatory changes | - | - | 1 135 |
| Insurance compensations | - | - | -100 |
| Paid damages | 440 | - | - |
| Other costs affecting comparability | - | 5 011 | - |
| Total items affecting comparability | 6 089 | 5 681 | 1 144 |
| **Adjusted EBITDA** | **57 107** | **61 240** | **59 141** |

### FREE CASH FLOW

| EUR thousand | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Cash flow from operating activities** | **36 804** | **44 792** | **43 945** |
| Paid interest and other financing expenses | 6 591 | 2 587 | 2 193 |
| Received interest and other financing income | -358 | -283 | -60 |
| Acquisition of tangible assets and intangible assets | -11 080 | -13 187 | -16 236 |
| **Free cash flow** | **31 957** | **33 909** | **29 842** |

### ADJUSTED FREE CASH FLOW

| EUR thousand | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Cash flow from operating activities** | **36 804** | **44 792** | **43 945** |
| Paid expenses affecting comparability | 4 580 | 429 | 305 |
| Paid interest and other financing expenses | 6 591 | 2 587 | 2 193 |
| Received interest and other financing income | -358 | -283 | -60 |
| Acquisition of tangible assets and intangible assets | -11 080 | -13 187 | -16 236 |
| **Adjusted free cash flow** | **36 537** | **34 338** | **30 147** |

## FORMULAS FOR KEY FIGURES

| | |
|---|---|
| EBITDA | Operating profit + depreciation, amortisation 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) external expenses arising from significant regulatory changes, iv) compensation paid for damages, (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 products and services | Net sales of new products and services is calculated as net sales of those products and services introduced within the past 24 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 | $\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$ |
| Return on equity, % | $\frac{\text{Profit (loss) for the financial year}}{\text{Total equity (average for the financial year)}} \times 100$ |
| Return on capital employed, % | $\frac{\text{Profit (loss) before taxes + Financial expenses}}{\text{Total assets – non-interest-bearing (average for the financial year)}} \times 100$ |
| Gearing, % | $\frac{\text{Interest -bearing liabilities – cash and cash equivalents}}{\text{Total equity}} \times 100$ |
| Equity ratio, % | $\frac{\text{Total equity}}{\text{Total assets – advances received}} \times 100$ |
| Dividend / earnings, % | $\frac{\text{Dividend (capital repayment) per share}}{\text{Earnings per share}} \times 100$ |
| Effective dividend yield, % | $\frac{\text{Dividend (capital repayment) per share}}{\text{Market value per share on the last day of the financial year}} \times 100$ |
| Price / Earnings | $\frac{\text{Market value per share on the last day of the financial year}}{\text{Earnings per share}}$ |
| Earnings per share, basic | Profit for the period attributable to the owners of the parent company divided by the 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 the 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 the 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 property, plant and equipment and intangible assets. |

# Financial Statements

# Consolidated Statement of Comprehensive Income

| EUR thousand | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Net sales** | 2.1 | **155 900** | **167 529** |
| Other operating income | 2.2 | 399 | 412 |
| Materials and services | 2.2 | -26 623 | -27 685 |
| Personnel expenses | 2.2 | -40 104 | -40 772 |
| Work performed by the entity and capitalized[1] | | 3 197 | 3 565 |
| **Total personnel expenses** | | **-36 907** | **-37 207** |
| Other operating expenses[1] | 2.2 | -41 714 | -47 489 |
| Depreciation, amortization and impairment[1] | 2.3 | -20 638 | -29 795 |
| **Operating profit** | | **30 418** | **25 764** |
| Share of results of associated companies | 5.4 | -755 | -932 |
| Finance income | 2.4 | 534 | 411 |
| Finance expenses | 2.4 | -7 952 | -3 134 |
| Finance income and expenses | | -7 418 | -2 722 |
| **Profit before income tax** | | **22 246** | **22 110** |
| Income tax expense | 2.5 | -4 683 | -4 754 |
| **Profit for the financial year** | | **17 563** | **17 355** |

[1] In comparison year 2022 Enento Group made a partial write-down to platform development investments. The write-down included an impairment of intangible assets of EUR -5,8 million and a write-down of work in progress of EUR -5,0 million, of which EUR -4,0 million is included in other operating expenses and EUR -1,0 million on row work performed by the entity and capitalized.

| | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Items that may be reclassified to profit or loss:** | | | |
| Translation differences on foreign units | | -21 | -21 755 |
| Hedging of net investments made in foreign units | | -136 | 5 038 |
| Income tax relating to these items | | 27 | -1 008 |
| | | **-130** | **-17 725** |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of post-employment benefit obligations | 4.6 | -360 | 3 278 |
| Income tax relating to these items | | 79 | -675 |
| | | **-281** | **2 603** |
| | | | |
| **Other comprehensive income for the financial year, net of tax** | | **-410** | **-15 122** |
| | | | |
| **Total comprehensive income for the financial year** | | **17 153** | **2 234** |
| | | | |
| **Profit attributable to:** | | | |
| Owners of the parent company | | 17 563 | 17 355 |
| | | | |
| **Total comprehensive income attributable to:** | | | |
| Owners of the parent company | | 17 153 | 2 234 |
| | | | |
| **Earnings per share attributable to the owners of the parent during the financial year:** | | | |
| Basic, EUR | 2.6 | 0,74 | 0,72 |
| Diluted, EUR | 2.6 | 0,73 | 0,72 |

# Consolidated Statement Of Financial Position

| EUR thousand | Note | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Goodwill | 3.2 | 340 873 | 340 712 |
| Other intangible assets | 3.2 | 88 675 | 98 029 |
| Property, plant and equipment | 3.3 | 1 845 | 1 561 |
| Right-of-use assets | 3.3 | 8 608 | 4 531 |
| Investments in associated companies | 5.4 | 3 164 | 3 933 |
| Financial assets and other receivables | 4.4 | 128 | -6 |
| **Total non-current assets** | | **443 293** | **448 761** |
| **Current assets** | | | |
| Account and other receivables | 3.4 | 29 695 | 29 525 |
| Cash and cash equivalents | 4.4 | 17 350 | 20 785 |
| **Total current assets** | | **47 045** | **50 310** |
| **Total assets** | | **490 337** | **499 071** |

| EUR thousand | Note | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to owners of the parent** | | | |
| Share capital | 4.3 | 80 | 80 |
| Invested unrestricted equity reserve | 4.3 | 241 191 | 270 499 |
| Translation differences | | -14 193 | -14 063 |
| Retained earnings | 4.3 | 55 849 | 38 344 |
| **Equity attributable to owners of the parent** | | **282 927** | **294 859** |
| Share of equity held by non-controlling interest | | 0 | 0 |
| **Total equity** | | **282 927** | **294 860** |
| **Provisions** | 3.6 | **354** | **89** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | 4.4 | 154 425 | 151 187 |
| Deferred tax liabilities | 3.8 | 15 619 | 17 989 |
| Other non-current liabilities | | – | 11 |
| **Total non-current liabilities** | | **170 044** | **169 188** |
| **Current liabilities** | | | |
| Financial liabilities | | 2 593 | 1 411 |
| Advances received | 3.7 | 10 088 | 10 196 |
| Account and other payables | 3.7 | 24 331 | 23 328 |
| **Total current liabilities** | | **37 012** | **34 934** |
| **Total liabilities** | | **207 056** | **204 122** |
| **Total equity and liabilities** | | **490 337** | **499 071** |

# Consolidated Statement of Changes In Equity

| EUR thousand | Attributable to owners of the parent: 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 | – | – | – | 17 563 | 17 563 | – | 17 563 |
| Other comprehensive income for the period | | | | | | | |
| Translation differences | – | – | -21 | – | -21 | – | -21 |
| Hedging of net investments | – | – | -136 | – | -136 | – | -136 |
| Income tax relating to these items | – | – | 27 | – | 27 | – | 27 |
| **Items that may be reclassified to profit or loss** | – | – | -130 | – | -130 | – | -130 |
| Defined benefit plans | – | – | – | -360 | -360 | – | -360 |
| Income tax relating to these items | – | – | – | 79 | 79 | – | 79 |
| **Items that will not be reclassified to profit or loss** | – | – | – | -281 | -281 | – | -281 |
| Other comprehensive income for the period, net of tax | – | – | -130 | -281 | -410 | – | -410 |
| Total comprehensive income for the period | – | – | -130 | 17 282 | 17 153 | – | 17 153 |
| | | | | | | | |
| Transactions with owners | | | | | | | |
| Distribution of funds | – | -24 035 | – | – | -24 035 | – | -24 035 |
| Management's incentive plan | – | – | – | 223 | 223 | – | 223 |
| Purchases of own shares | – | -5 273 | – | – | -5 273 | – | -5 273 |
| **Equity at 31.12.2023** | 80 | 241 191 | -14 193 | 55 849 | 282 927 | 0 | 282 927 |

| EUR thousand | Attributable to owners of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Share capital** | **Invested unrestricted equity reserve** | **Translation differences** | **Retained earnings** | **Total** | **Share of equity held by non-controlling interest** | **Total equity** |
| **Equity at 1.1.2022** | **80** | **294 533** | **3 662** | **18 118** | **316 394** | **0** | **316 394** |
| Profit for the period | - | - | - | 17 355 | 17 355 | - | 17 355 |
| Other comprehensive income for the period | | | | | | | |
| Translation differences | - | - | -21 755 | - | -21 755 | - | -21 755 |
| Hedging of net investments | - | - | 5 038 | - | 5 038 | - | 5 038 |
| Income tax relating to these items | - | - | -1 008 | - | -1 008 | - | -1 008 |
| **Items that may be reclassified to profit or loss** | - | - | -17 725 | - | -17 725 | - | -17 725 |
| Defined benefit plans | - | - | - | 3 278 | 3 278 | - | 3 278 |
| Income tax relating to these items | - | - | - | -675 | -675 | - | -675 |
| **Items that will not be reclassified to profit or loss** | - | - | - | 2 603 | 2 603 | - | 2 603 |
| Other comprehensive income for the period, net of tax | - | - | -17 725 | 2 603 | -15 122 | - | -15 122 |
| Total comprehensive income for the period | - | - | -17 725 | 19 958 | 2 234 | - | 2 234 |
| Transactions with owners | | | | | | | |
| Distribution of funds | - | -24 035 | - | - | -24 035 | - | -24 035 |
| Management's incentive plan | - | - | - | 267 | 267 | - | 267 |
| **Equity at 31.12.2022** | **80** | **270 499** | **-14 063** | **38 344** | **294 859** | **0** | **294 860** |

# Consolidated Statement of Cash Flows

| EUR thousand | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Profit before income tax | | 22 246 | 22 110 |
| Adjustments: | | | |
| Depreciation, amortization and impairment | 2.3 | 20 638 | 29 795 |
| Finance income and expenses | 2.4 | 8 172 | 3 654 |
| Profit (-) / loss (+) on disposal of property, plant and equipment | | -239 | -49 |
| Change in provisions | | 284 | 90 |
| Management's incentive plan | 5.2 | 223 | 267 |
| Other adjustments[1] | | -169 | 4 720 |
| Cash flows before change in working capital | | 51 156 | 60 587 |
| | | | |
| Change in working capital: | | | |
| Increase (-) / decrease (+) in account and other receivables | | -694 | -4 182 |
| Increase (+) / decrease (-) in account and other payables | | 1 689 | 144 |
| Change in working capital | | 995 | -4 039 |
| | | | |
| Interest expenses paid | 2.4 | -6 591 | -2 587 |
| Interest income received | 2.4 | 358 | 283 |
| Income taxes paid | 2.5 | -9 115 | -9 452 |
| **Cash flow from operating activities** | | **36 804** | **44 792** |

| EUR thousand | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Cash flows from investing activities** | | | |
| Purchases of property, plant and equipment | 3.3 | -1 455 | -140 |
| Purchases of intangible assets | 3.2 | -9 625 | -13 047 |
| Proceeds from sale of property, plant and equipment | | 479 | 210 |
| Proceeds from sale of intangible assets | | 1 407 | |
| Investments in associated companies | 5.4 | - | -1 835 |
| **Cash flows from investing activities** | | **-9 194** | **-14 811** |
| | | | |
| **Cash flows from financing activities** | | | |
| Purchase of own shares | | -4 650 | - |
| Repayments of interest-bearing liabilities | 4.4 | -2 127 | -9 556 |
| Dividends paid and other profit distribution | 4.3 | -24 035 | -24 052 |
| **Cash flows from financing activities** | | **-30 811** | **-33 608** |
| | | | |
| **Net increase/decrease in cash and cash equivalents** | | **-3 201** | **-3 627** |
| | | | |
| Cash and cash equivalents at beginning of the financial year | | 20 785 | 25 318 |
| Net change in cash and cash equivalents | | -3 201 | -3 627 |
| Translation differences of cash and cash equivalents | | -233 | -906 |
| **Cash and cash equivalents at end of the financial year** | | **17 350** | **20 785** |

[1] Other adjustments in comparison year 2022 include an adjustment to write-down of work-in-progress of EUR 5,0 million.

# Notes to the Consolidated Financial Statements

**Accounting principles are presented in connection with notes in sections 2–5.**

**Critical accounting estimates and judgements are presented in connection with notes in sections 3–5.**

## 1 Basis of preparation

### 1.1 General information

Enento Group Plc ("the Company") is a Finnish public limited liability company and the parent company to Enento Group ("Enento Group" or "the Group"). The registered address of Enento Group Plc is Hermannin rantatie 6, PO BOX 16, 00581 Helsinki, Finland.

Enento Group is one of the leading Nordic providers of business and consumer information services. The Group operates in the business and consumer information services, collateral valuation, real estate information, sales and marketing information as well as consumer credit information markets in Finland, Sweden, Norway and Denmark.

Enento Group offers a comprehensive array of products and services that cater to a broad spectrum of needs in various sectors. The Group primarily focuses on financial and credit risk management, providing solutions for monitoring, decision-making, and automation. Additionally, Group addresses diverse customer requirements in sales and marketing, compliance, real estate and financing, collateral management, housing valuation, as well as personal financial management and credit information. Enento's clientele is diverse, encompassing financial institutions, financial service providers, professional services firms, insurance companies, as well as wholesale and retail companies. The Group also serves individual consumers.

Enento Group has comprehensive databases consisting of information gathered from the authorities and other public sources as well as privately acquired information. The data and databases are the basis for the Group's product and service offering and the development of new products and services. That data is processed or refined by the Group and made available to the customers mainly through integrations and online services.

Group's product and service offering ranges from basic information concerning corporations and private individuals to advanced risk management services, scoring, monitoring, decision-making, analyses and analytics. The Group delivers its products and services to clients for example, by integrating its services into the client's business processes, through customer interfaces, online subscription services and open online services that do not require separate subscription agreements. The Group also offers printed products and credit rating certificates. The Group has a strong track record of developing and launching new products and services.

Enento Group has a scalable business model that makes it possible to increase net sales at lower incremental cost. A large proportion of the Group's income is based on automated processes and the automatic sharing of information from the Group's own databases. The Group can use and relay the same data multiple times and include it in several services provided for different customers. The Group also earns income from advertising, particularly in Sweden and Norway.

The Board of Directors of Enento Group Plc has approved these consolidated financial statements for publication on 9 February 2024. Under the Finnish Limited Liability Companies Act, shareholders can approve or reject the consolidated financial statements in the Annual General Meeting held after the release. The Annual General Meeting is also entitled to amend the consolidated financial statements.

The consolidated financial statements are presented in thousands of euros and under the historical cost convention unless otherwise stated. Amounts presented in the consolidated financial statements are rounded, so the sum of individual figures may differ from the sum reported.

Enento Group publishes in addition to the audited group consolidated financial statement in PDF-format also the ESEF (European Single Electronic Format) financial statement in xHTML-format. The ESEF financial statement has not been audited or assured by the auditor.

### 1.2 New standards and interpretations and changes in accounting policies

The consolidated financial statements of Enento Group have been prepared in accordance with the IFRS Accounting Standards as adopted by the European Union, observing the IFRS Accounting Standards, amendments and interpreations applicable as per 31 December 2023.

Enento Group has adopted the new IFRS Accounting Standards and interpretations that took effect during the accounting period and that are relevant to its operations. The IFRS Accounting Standards and amendments thereto that took effect in 2023 did not have material impact on the income statement or the financial position of the Group or on the presentation of the financial statements.

New IFRS Accounting Standards, IFRS Accounting Standard amendments or interpretations that have already been published but are not yet in effect are not expected have a material impact on the Group.

Enento Group has announced an efficiency program in January 2023. The restructuring and other direct costs connected to the program are treated as items affecting comparability. Investments that meet capitalization criteria are treated as normal investments. The operating expenses related to the efficiency program are reported as items affecting comparability. See note 2.2 Costs, expenses and other income.

## 1.3 Consolidation

The consolidated financial statements include the Parent company Enento Group and all subsidiaries over which Enento Group has control. Enento Group controls the entity when it has directly or indirectly more than one half of the voting rights or when Enento Group has otherwise in control of the company. Control exists when the Enento Group has rights to variable returns from its involvement with the subsidiary and can affect those returns through its power over the subsidiary. The mutual owning of shares of the Group companies is eliminated by acquisition method.

Subsidiaries are consolidated from the date on which control is achieved until the date on which control ceases by using the acquisition method. Intercompany transactions, receivables and liabilities as well as unrealized gains and losses on transactions between group companies are eliminated. When needed, the financial statements by subsidiaries have been adjusted to comply with the Group´s accounting policies.

Associated companies are companies where Enento Group has significant influence but does not have control and they are accounted for using the equity method.

## 1.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss unless they are allocated as net investment hedge. In such a case, the exchange rate differences are recognized in other comprehensive income and accumulated into translation differences in equity. For more information related to the net investment hedge, see note 4.1 Financial risk management.

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the Group have been translated into the presentation currency of the Group, euro. Assets and liabilities on the statement of financial position have been translated using the closing rate and income and expenses have been translated using the average exchange rate of the reporting period. Conversion of the profit for the financial year using different exchange rates for the income statement and balance sheet causes a translation difference in the balance sheet recognized in equity.

## 1.5 Segment reporting

The Group constitutes a single operating segment, which is consistent with the way internal reporting is provided to the chief operating decision-maker and the way chief operating decision-maker determines allocation of resources and assessment of performance.

The CEO has been determined as the chief operating decision-maker. The CEO is responsible for resource allocation, evaluating the Group's result as well as strategic and operational decision-making.

## 1.6 Operating profit (EBIT)

IAS Standard 1 Presentation of Financial Statements does not define operating profit. The Group has defined the concept as follows: operating profit is the net total which is formed when other operating income is added to net sales and the following items are detracted: the cost of materials and services, personnel expenses, other operating expenses, the cost adjustment of work performed by the entity and capitalized, depreciation, amortization and potential impairment loss. All other items of the income statement are presented below the operating profit line.

## 1.7 Critical accounting estimates and judgements

The management of Enento Group makes estimates and assumptions concerning the future as well as exercises judgement in applying the accounting principles when preparing financial statements. Estimates and judgements are continually evaluated, and they are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. For Enento Group, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are defining cash-generating units, allocating goodwill and assumptions used in goodwill testing (note 3.2), business combinations (note 5.3), accounting for the shareholder agreement (note 5.3), capitalized development expenses (note 3.2) and impairment testing of shares in associated companies (5.4) . The critical accounting estimates and judgements are presented in connection with these notes.

# 2 Financial performance

## 2.1 Net sales

### Accounting principles: Revenue recognition

Enento Group provides information services. The majority of revenue is transaction-based, generated from the delivery of individual pieces or bundles of credit, business and market information. The information is collected by the Group from several data sources, e.g. its customers, trade registers, population registers and real estate registers, processed or refined by the Group and made available to the customers mainly through integrations and online services.

The major sales transactions are derived from the following business areas and performance obligations:

**BUSINESS INSIGHT:**
Various businesses use information and decision services and solutions for general risk management, credit risk management, compliance, financial management, customer acquisition, decision-making, fraud and credit loss prevention as well as for gaining knowledge of and identifying their customers. In addition, services in this business area include real estate and apartment information and information about apartments and their valuation. The services are also used for compliance purposes, such as to identify companies´ beneficial owners, persons in saction lists and politically exposed persons.

**BUSINESS INSIGHT ENTERPRISE** business line is responsible for service offering and service development for the strategic and large customers in the key customer verticals. The revenue stream includes four main types of performance obligations: reporting services (transactions), customised service packages for online services and customer-specific projects and customer management services.

Reporting services (transactions) are information services typically delivered as reports, bundles of information or individual pieces of information when the customer places an order. Order and delivery are usually performed simultaneously. Regardless of the physical form of a report that Enento Group delivers to a customer, Enento Group considers that the nature of its performance is a service as a report consists of information that is valid only at the time it is extracted/issued. Revenue is recognized at the point in time when the performance obligation is satisfied by the delivery of information.

Customised service packages include, in practice, an unlimited number of transactions of predetermined information services for the contract period delivered to the customer whenever needed. The services in the customised packages are substantially the same and have the same pattern of transfer to the customer. The agreements include fixed charges, i.e. minimum charges irrespective of the customer's actual use of the enquiry-based services. Enento Group has concluded that it provides a series of distinct services (i.e. stand ready to deliver). Therefore, a customised service package contract includes one performance obligation that is recognized as revenue over time on a straight-line basis. Orders outside the service package, if any, are separate performance obligations. If a customer orders additional reports or information, the promises in additional orders are distinct performance obligations with stand-alone selling prices and are recognized as revenue as separate contracts.

Enento Group also provides customer-specific projects. The scope of work is defined on a contract-by-contract basis. These contracts may include several deliverables such as different types of formulas to calculate the credit rating of private customers for consumer credit or mortgage loans. Each of the deliverables is a distinct performance obligation. Contracts for customer projects are analysed separately to conclude whether revenue is recognized over time or at a point in time due to customised contract terms. Projects may include subsequent services linked to the formula, such as input data for the formulas or support services. Revenue from services provided after the customer project – i.e. support and maintenance services for the formulas created in the customer project – is recognized over time.

Customer management services help sales and marketing professionals improve the efficiency of their work and boost customer management by providing target group tools, services for surveying potential customers, register updates and maintenance, as well as various target group extractions. Performance obligations related to Customer management services are each of the services provided, e.g. a service for receiving alerts about changed information concerning selected entities or a service that enables the customer to perform searches of entities based on selected criteria, such as location or line of business. Revenue from these services is recognized over time on a straight-line basis. If a customer orders additional reports or information, the commitments associated with the additional orders are distinct performance obligations with stand-alone selling prices and are recognized as revenue as separate contracts.

**BUSINESS INSIGHT PREMIUM SOLUTIONS** business line provides business information services for the needs of SMEs. This area consists of digital services for small and micro companies with easy-to-use applications and user interfaces for the evaluation of risks and sales potential, acquisition of other relevant information on customers and business partners and proof of own creditworthiness. The revenue stream includes three types of performance obligations: certificates and analysis (transactions), standardized service packages for online services and corporate and governmental reports.

Revenue from sales is recognized when control transfers to the customer at the point in time when the ordered certificate or analysis is delivered to the customer. The performance obligation is the deliverable provided, e.g. analysis of an entity's credit rating or a certificate of an entity's payment behaviour, each of which is a distinct performance obligation.

Standardised service packages for online services include an unlimited number of predetermined information services provided whenever needed during the contract period. The services in the standardised packages are substantially the same and have the same pattern of transfer to the customer. Enento Group has determined that it provides a series of distinct services (i.e. stand ready to deliver) which are accounted for as one performance obligation. Revenue from standardised service packages is recognized over time on a straight-line-basis. Orders outside the service package, if any, are separate performance obligations and recognized as revenue at the point in time when the service is performed and delivered to the customer.

Enento Group sells corporate and governmental reports with market industry information and regional reports published for periods of three or four months. The revenue is invoiced and recognized at the point in time of publication and delivery of each report.

**BUSINESS INSIGHT FREEMIUM SOLUTIONS** business line develops freemium-model business information websites in all Nordic markets. Enento Group provides advertising services by providing advertisement space on its websites. The performance obligation is to publish the advertisement on the Group's webpages during the contract period, and the revenue is recognized over time on a straight-line basis during the advertisement period.

**BUSINESS INSIGHT REAL ESTATE AND COLLATERAL INFO SOLUTIONS** business line provides real estate and apartment information services as well as information about apartments and their valuation. The revenue stream includes two types of performance packages which are online services (transactions) and service packages.

The online services are reports, bundles of information or individual pieces or information and the revenue is recognized similarly - at the point of time when the information has been delivered - as for the Reporting services (transactions) that is explained above in connection with Business Insight Enterprise business line.

For service packages, each of the services provided is a performance obligation, e.g. a drafting service and property valuation service. The drafting service provides tools for effectively using the public authorities' e-services, such as contract templates. Revenue from these services is recognized over time on a straight-line basis.

**BUSINESS INSIGHT COMPLIANCE SOLUTIONS** business line provides customers with compliance risk management related services, in relation to company owner information, politically exposed persons and sanctions. The revenue stream includes two types of performance packages which are online services (transactions) and service packages.

The online services are reports, bundles of information or individual pieces or information and the revenue is recognized similarly - at the point of time when the information has been delivered - as for the Reporting services (transactions) that is explained above in connection with Business Insight Enterprise business line.

For service packages, each of the services provided is a performance obligation. Revenue from these services is recognized over time on a straight-line basis.

**CONSUMER INSIGHT:**
Companies engaging in consumer business use consumer information, scoring, monitoring and decision services and solutions for general risk management, credit risk management, financial management, customer acquisition, decision-making, fraud and credit loss prevention. Services for consumers help consumers to understand and better manage their own finances, protecting them also from identity theft and fraud.

**CONSUMER INSIGHT CREDIT INFORMATION** business line provide decision services and solutions for general risk management, credit risk management, decision-making, fraud and credit loss prevention. The revenue stream includes three main types of performance obligations which are reporting services (transactions), customised service packages and customer-specific projects. These performance obligation types are explained in detail above in connection with Business Insight Enterprise business line.

**CONSUMER INSIGHT CONSUMER MARKETING INFORMATION** business line provide services to help sales and marketing professionals improve the efficiency of their work and boost customer management by providing target group tools, services for surveying potential customers, register updates and maintenance, as well as various target group extractions. Performance obligations related to Customer management services are each of the services provided, e.g. a service for receiving alerts about changed information concerning selected entities or a service that enables the customer to perform searches of entities based on selected criteria, such as location or line of business. Revenue from these services is recognized over time on a straight-line basis. If a customer orders additional reports or information, the commitments associated with the additional orders are distinct performance obligations with stand-alone selling prices and are recognized as revenue as separate contracts.

**CONSUMER INSIGHT DIRECT-TO-CONSUMER** business line services are mainly ID security and blocking services that notify customers immediately if their credit information is queried or changed. These services are delivered continuously over time and recognized as revenue over time on a straight-line basis.

### INVOICING, PAYMENT TERMS, CONTRACT ASSETS AND LIABILITIES

Private customers and entities ordering one-off analyses and certificates through the Group's online services are typically charged directly through the customers' credit cards on the website when the order is placed. The corresponding service is provided immediately or within days of the payment. The majority of corporate customers are invoiced as services have been transferred to the customer or on a monthly basis. Typical payment terms are 14–30 days. The Group also provides some continuous services with a fee invoiced yearly, twice a year, quarterly or monthly, which indicate that the transaction price includes financing component. As the Group applies the practical expedient for significant financing components, the Group does not adjust transaction prices for the effects of the time value of money when it expects that the period between transferring the promised good or service to a customer and the customer paying for that good or service will be one year or less. Customer-specific projects have milestone payments but the timing differences between payments and revenue recognition do not typically exceed one year. Due to annual fees and milestone payments related to projects, the recognition of contract assets or liabilities depends on the timing of invoicing. The annual fees and milestone payments are invoiced either in advance, during the contract period or after providing the service. A contract asset is recognized if a fee is not invoiced as the services are provided. Contract assets are transferred to accounts receivable when the underlying services have been invoiced. Contract liabilities, i.e. advances received, are recognized if payment is received prior to providing the underlying services. Contract liabilities are recognized as revenue when the underlying services have been provided.

### PRINCIPAL OR AGENT

Enento Group's revenue is generated from the sale of credit, business and market information that is collected by the Group from several data sources, e.g. its customers, the trade register, the population register and the real estate register. The vast majority of the information is processed or refined by the Group and stored in the Group's databases. The management has analysed whether Enento Group acts as a principal or as an agent related to the information sold. For the majority of the information sold to customers, the Group takes control over the information collected, has discretion in establishing selling prices and has the primary responsibility for the information provided. Therefore, the management has concluded that the Group acts as a principal in most of its information services. The Group also provides its customers with official reports derived from registers maintained by the authorities at the customer's request. The official reports are forwarded as is to customers as PDF files with no data input or modification by Enento Group, and pricing is set by the authority in question. Enento Group has concluded that it does not have control over the official reports and acts as an agent in the arrangement and recognizes revenue from the official reports as net amounts.

### FIXED ACCESS FEES

The Group's management has exercised judgement with regard to online services contracts that include a fixed access fee that do not transfer a promised good or service to the customer. These fixed access fees are advance payments for reporting services (transactions) and should be recognized on the basis of the satisfaction of the underlying performance obligation, i.e. allocated to each piece of delivered information. Instead, these fixed fees have been recognized as revenue in a linear fashion over the term of the contract for the sake of clarity. As the volume of delivered online services (transactions) under these contracts does not vary significantly during the year, the recognition of revenue over time has been judged to be reasonable by the management.

### PENALTIES

Enento Group recognizes as revenue the transaction price to which Enento Group expects to be entitled in exchange for transferring goods and services to the customer. Amounts collected on behalf of third parties, e.g. value added taxes, are excluded. Some of the Group's contracts include service level agreements (SLA) that include penalties to be paid if the provided services are not in accordance with the agreed service level. As penalties have not been realized in the past, the management has concluded that even though the contracts include a variable consideration, it is highly unlikely that a significant reversal of revenue will occur in the future. Therefore, penalties have not been deducted from the transaction price. Telephone sales to small and micro companies have resulted in reversals of revenue in the past. The time between the issue of invoice and the issue of credit note is on average two months. Based on historical data, and in the absence of indicators that future reversal rate should change, the Group has adjusted transaction prices for the last two months' telephone sales.

### CONTRACT COSTS

Enento Group pays sales commissions to external and internal salespersons when obtaining a contract. Sales commissions are activated as assets and amortized on a straight-line basis that is consistent with the pattern of the transfer of the services to the client, usually over one year. Sales commission assets are presented under current prepaid expenses and accrued income in the statement of financial position.

### NET SALES BY COUNTRY

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Finland | 71 289 | 68 952 |
| Sweden | 75 262 | 89 161 |
| Norway | 8 396 | 8 728 |
| Denmark | 953 | 688 |
| **Total** | **155 900** | **167 529** |

Net sales based on the vendor company country.

### NET SALES BY MARKET AREA

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Finland | 62 548 | 61 123 |
| Sweden | 76 655 | 85 494 |
| Norway | 12 976 | 16 742 |
| Denmark | 1 066 | 818 |
| Other EU countries | 1 504 | 2 387 |
| Other countries | 1 151 | 966 |
| **Total** | **155 900** | **167 529** |

Net sales based on the customer company country.

### NET SALES BY PRODUCTS AND SERVICES

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Business Insight | 88 649 | 92 100 |
| Consumer Insight | 67 251 | 75 429 |
| **Total** | **155 900** | **167 529** |

Enento Group's organisation consists of two types of units: business areas and functional units.

The Group's net sales decreased by 6,9 % compared to 2022. The weakening trend in consumer lending volumes and macroeconomy especially in the Swedish markets turned the group net sales into decline. Continuing positive development in the Finnish, Norwegian and Danish markets was not enough to offset that decline.

Net sales for the financial year 2023 included EUR 31 thousand (EUR 51 thousand) in revenue from long-term customer projects which is recognized under the percentage-of-completion method.

In 2023 contract costs recognized as sales commissions in financial statement were EUR -11,2 million (EUR -12,3 million). Activated sales commission assets amounted to EUR 0,6 million (EUR 0,6 million) at the end of the financial year 2023.

Assets and liabilities based on contracts with customers are presented in note 3.5.

## 2.2 Costs, expenses and other income

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Materials | -22 862 | -24 193 |
| External services | -3 761 | -3 492 |
| Personnel expenses including pensions (note 4.6) | -40 104 | -40 772 |
| Salaries and benefits[1] | -29 605 | -29 726 |
| Management's long-term incentive plan | -223 | -267 |
| Pension costs - defined contribution plans | -5 257 | -5 427 |
| Pension costs - defined benefit plans (note 4.6) | -91 | -196 |
| Social security costs | -4 927 | -5 157 |
| Selling, administrative and other expenses | -41 714 | -47 489 |
| Paid commissions on sales | -11 160 | -12 307 |
| IT expenses | -19 106 | -19 137 |
| Marketing expenses | -2 243 | -3 384 |
| Purchased services | -3 628 | -3 268 |
| Office expenses | -1 363 | -1 487 |
| Other employment expenses | -1 160 | -1 065 |
| Write-down of work in progress | - | -4 049 |
| Other expenses | -3 054 | -2 791 |
| Depreciation and amortization (note 2.3) | -20 638 | -29 795 |
| **Total costs, expenses, depreciation and amortization** | **-129 078** | **-145 741** |
| | | |
| **Other income** | **399** | **412** |

[1] For the financial year 2023, the personnel expenses include an accrued cost of EUR 223 thousand from the management's long-term incentive plan and, for the financial year 2022, EUR 267 thousand.

The majority of expenses of operations costs and expenses arise from materials such as data acquisition as well as from the cost of external services such as data management. Selling, administrative and other expenses include costs related to IT, paid commission on sales, travelling as well as other miscellaneous administrative costs.

In 2023 the personnel expenses included restructuring costs of EUR 2 428 thousand (EUR 317 thousand). The impact of the efficiency program was in Office expenses EUR 137 thousand (EUR 0 thousand), IT expenses EUR 1 439 thousand (EUR 0 thousand), Purchased services EUR 918 thousand (EUR 0 thousand) and in Depreciations EUR 38 thousand (EUR 0 thousand).

Expenses recognized in profit or loss relating to short-term leases were EUR 51 thousand (EUR 70 thousand) and expenses recognized in profit or loss relating to low-value leases were EUR 183 thousand (EUR 249 thousand) in the financial year 2023. Other income includes rental income, gains on sale of property, plant and equipment as well as other miscellaneous income.

Other income includes rental income, gains on sale of property, plant and equipment as well as other miscellaneous income.

### AUDITOR'S FEES

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| PricewaterhouseCoopers | | |
| Statutory fees | -286 | -264 |
| Tax advisory | -3 | - |
| Other services | -19 | -24 |
| **Total** | **-308** | **-288** |

## 2.3 Depreciation, amortization and impairment

### Accounting principles: Depreciation and amortization

Depreciation and amortization are recorded on a straight-line basis over the economic useful lives of the assets, or over the lease contract periods, when applicable, if shorter.

Economic useful lives:

Capitalized development costs ............................. 5–10 years
Off the shelf software ............................. 3–5 years
Customer and contract database ............................. 3–20 years
IT systems, databases and technology ............................. 3–12 years
Trademarks ............................. 5–15 years
Machinery and equipment ............................. 3–10 years
Capitalized modernization and renovation expenses of office premises ............................. 5–10 years

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Amortization on intangible assets | -17 252 | -20 238 |
| Impairment of platform investment | - | -5 848 |
| Depreciation on property, plant and equipment | -3 386 | -3 709 |
| **Total** | **-20 638** | **-29 795** |

## 2.4 Finance income and expenses

Finance income and expenses comprise interest, foreign exchange gains and losses and other financial income and expenses, such as loan related fees to banks.

### Accounting principles: Foreign currency translation

Foreign exchange gains and losses related to cash and cash equivalents, borrowings and interests related to borrowings are presented under finance income and finance cost in the statement of profit or loss. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other operating income or operating expenses.

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Finance income | | |
| Interest income from cash in banks | 280 | 79 |
| Exchange rate gains[1] | 216 | 313 |
| Other finance income | 38 | 20 |
| **Total finance income** | **534** | **411** |
| | | |
| Finance expenses | | |
| Interest expenses from financial liabilities at amortized cost | -6 472 | -2 741 |
| Net interest expenses relating to defined benefit pension plans | 0 | -63 |
| Interest expenses for lease liabilities | -415 | -122 |
| Other interest expenses | -27 | -55 |
| Exchange rate losses[1] | -609 | -46 |
| Other finance expenses | -429 | -107 |
| **Total finance expenses** | **-7 952** | **-3 134** |
| | | |
| **Total** | **-7 418** | **-2 722** |

[1] Exchange rate gains and losses include exchange rate differences on financial assets and liabilities of EUR -310,3 (233,1) thousand and exchange rate gains and losses from accounts receivable and accounts payable of EUR -82,6 (33,6) thousand.

## 2.5 Income tax expenses

### Accounting principles: Income tax

The tax expense for the period includes taxes of subsidiaries based on taxable income for the period, together with tax adjustments from previous periods and changes in deferred taxes.

The current income tax charge is calculated on the basis of the tax laws of the subsidiaries operating countries, that have been enacted or substantively enacted at the balance sheet date.

### Accounting principles: Deferred tax assets and liabilities

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized and up to the amount of the deferred tax liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority.

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Current tax on profits for the financial year | -6 909 | -9 489 |
| Change in deferred taxes | 2 226 | 4 735 |
| **Total** | **-4 683** | **-4 754** |

Income taxes recognized in consolidated income statement differ from the income taxes calculated using the Finnish tax rate as follows:

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Result before income tax | 22 246 | 22 110 |
| | | |
| Tax calculated at Finnish tax rate | -4 449 | -4 422 |
| Different tax rates of foreign subsidiaries | -63 | -24 |
| Other: | | |
| Income not subject to tax | 4 | - |
| Non-deductible expenses | -210 | -123 |
| Other items | 20 | -188 |
| Taxes from previous years | 15 | 3 |
| **Total** | **-4 683** | **-4 754** |
| | | |
| Effective tax rate, % | 21,1 % | 21,5 % |
| | | |
| Tax rate of parent company, % | 20,0 % | 20,0 % |

## 2.6 Earnings per share

### Accounting principles: Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent company by the weighted average number of shares during the year. Diluted earnings per share is calculated by adjusting the weighted average number of shares by the effect of potential diluting shares due to Group's management's long-term incentive plan.

| | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Profit attributable to the owners of the Parent Company (EUR) | 17 562 976 | 17 355 376 |
| Weighted average number of shares (number of shares) | 23 892 230 | 24 034 856 |
| **Basic earnings per share** | **0,74** | **0,72** |
| | | |
| Management's incentive plan (pcs) | 9 094 | 11 851 |
| Number of shares, weighted average, diluted | 23 901 324 | 24 046 707 |
| **Diluted earnings per share** | **0,73** | **0,72** |

# 3 Acquisitions, capital expenditure and net working capital

## 3.1 Acquisitions

### Critical accounting estimates and judgements: Business combinations

Net assets acquired in business combinations are measured at fair value. The measurement of the fair value of the acquired net assets is based on market values of similar assets or estimates of expected cash flows (e.g. intangible assets such as customer relationships, technology, marketing and trademarks). The management of Enento Group has exercised judgement and made assumptions in determining the fair values of the acquired intangible assets that are based on assumptions and estimates on expected long-term development of net sales and profitability, useful lives of the assets and discount rates. The management believes that the estimates and assumptions used are sufficiently reliable for determining fair values.

Enento Group has had no acquisitions during the financial period.

## 3.2 Goodwill and intangible assets

### Accounting principles: Goodwill

Acquisitions are accounted for using the acquisition method. Goodwill is calculated as the excess of acquisition cost over the fair values of identified assets and liabilities acquired. Goodwill typically represents the value of the acquired market share, business knowledge and the synergies obtained in connection with the acquisition. The carrying amount of goodwill is not amortized but is tested for impairment.

### Accounting principles: Goodwill impairment testing

Goodwill impairment review is undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the cash generating unit is compared to the recoverable amount, which is the higher of the value in use and the fair value less costs of disposal of the related cash generating unit. Any impairment loss of goodwill is recognized immediately as an expense and is not subsequently reversed.

### Critical accounting estimates and judgements: Defining cash-generating units, allocating goodwill and assumptions used in goodwill testing

The management of Enento Group has exercised judgement in defining the cash-generating units and the allocation of goodwill to those units. Based on the judgement, the Group's management has determined that goodwill is allocated for goodwill impairment testing purposes to the following cash-generating units: Finland, Sweden, and Norway and Denmark. The recoverable amounts of the Group's cash-generating units have been determined based on value-in-use calculations which require the use of estimates including projected future cash flows, estimates of discount rate and the economic development of the Group's operating countries. Enento Group tests the carrying value of goodwill annually or more frequently if events or changes in circumstances indicate that such carrying value may not be recoverable.

### GOODWILL IMPAIRMENT TESTING

The management monitors business performance at Group level. The Group has three cash-generating units – Finland, Sweden, and Norway and Denmark. The Group monitors goodwill at these levels. The recoverable amounts of the company's cash generating units are based on value in use calculations. These calculations use cash flow forecasts for four years, based on forecasts approved by the management and determined before tax.

Key parameters affecting the forecasts are the development of net sales and the most important expense items. The forecasts take into account the Group's market position in its market areas, the general economic environment and the realized development of the Group's cash generating units in the most important parameters affecting the forecasts. The average annual growths included in the forecasts do not exceed the Group's long-term goals in the forecast period. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates presented below.

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Finland | | |
| Goodwill, MEUR | 175,8 | 175,8 |
| Long-term growth rate | 1,5 % | 1,5 % |
| Discount rate | 13,8 % | 12,6 % |
| Sweden | | |
| Goodwill, MEUR | 161,9 | 161,5 |
| Long-term growth rate | 1,5 % | 1,5 % |
| Discount rate | 10,7 % | 11,0 % |
| Norway and Denmark | | |
| Goodwill, MEUR | 3,1 | 3,3 |
| Long-term growth rate | 1,5 % | 1,5 % |
| Discount rate | 16,8 % | 17,2 % |

The discount rates used are pre-tax and reflect specific risks relating to the CGU. The discount rates are based on the risk-free interest rates, risk factors (beta coefficient) and market risk premiums available on financial markets

As part of the performance review the management has performed a sensitivity analysis around the key parameters. There were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment.

**INTANGIBLE ASSETS**

Intangible assets consist primarily of capitalized development costs related to new products and services as well as IT systems, off the shelf software and intangible assets recognized separately from goodwill in connection with the company acquisitions.

### Accounting principles: Intangible assets

Intangible assets acquired in connection with company acquisitions are recognized separate from goodwill if they meet a definition of intangible asset and are separable or are based on agreements or legal rights. Intangible assets recognized in connection with acquisitions consist of, among other things, the value of customer agreements and related customer relations, the value of acquired IT systems, databases and technology as well as the value of trademarks. The value of customer agreements and customer relations is defined by the assumed length of customer relationship and on the basis of cash flows assessed.

Development costs of new products and services that are directly attributable to building and testing of new products and services controlled by Enento Group are recognized as intangible assets when it is probable that the development will generate future economic benefits for the Group, and certain criteria related to commercial and technological feasibility are met.

Directly attributable costs that are capitalized as part of the product include the software development employee costs and an appropriate portion of relevant overheads. The capitalized costs are presented in the consolidated income statement under "Work performed by the entity and capitalized". Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Amortizations are calculated along straight-line method over their useful economic lives. The applied useful economic lives are:

| | |
|---|---|
| Capitalized development costs | 5–10 years |
| Off the shelf software | 3–5 years |
| Customer and contract database | 3–20 years |
| IT systems, databases and technology | 3–12 years |
| Trademarks | 5–15 years |

### Critical accounting estimates and judgements: Capitalized development expenses

Costs incurred in the development phase of an internal project are capitalized as intangible assets if a number of criteria are met. The management has made judgements and assumptions when assessing whether a project meets these criteria, and on measuring the costs and the economic life as well as the future cash inflows generated by the development projects. Expected returns from capitalized development projects involve estimates and judgement from the management about the future net sales and related costs. These estimates involve risks and uncertainties, and it is possible that, following changes in circumstances, expected returns from capitalized development projects change.

Enento Group assesses indications of impairment for capitalized development projects. The value for capitalized development projects may decrease, if the expected returns from new services change.

### Accounting principles: Impairment of intangible assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized as an expense for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Prior impairments of intangible assets are reviewed for possible reversal at each reporting date.

| EUR thousand | Goodwill | Trademarks | Customers | Technology | Product development and software costs | Work in progress and advances paid | Total |
|---|---|---|---|---|---|---|---|
| Cost at 1.1.2023 | 340 712 | 29 746 | 24 318 | 64 648 | 43 988 | 12 043 | 515 455 |
| Additions | – | – | – | – | – | 9 760 | 9 760 |
| Disposals | – | – | – | – | –1 536 | –199 | –1 735 |
| Reclassifications | – | – | – | – | 15 451 | –15 451 | - |
| Translation differences | 161 | 39 | –67 | 30 | –202 | –41 | –81 |
| **Cost at 31.12.2023** | **340 873** | **29 786** | **24 251** | **64 678** | **57 700** | **6 113** | **523 400** |
| | | | | | | | |
| Accumulated amortisation at 1.1.2023 | – | –8 842 | –10 663 | –32 385 | –24 823 | – | –76 713 |
| Disposals | – | – | – | – | 1 442 | – | 1 442 |
| Amortisation for the financial year | – | –1 995 | –2 284 | –5 258 | –7 715 | – | –17 252 |
| Translation differences | – | –85 | –52 | –125 | –1 068 | – | –1 330 |
| **Accumulated amortisation at 31.12.2023** | **0** | **–10 922** | **–13 000** | **–37 768** | **–32 163** | **–** | **–93 853** |
| | | | | | | | |
| Net Book Value at 1.1.2023 | 340 712 | 20 904 | 13 655 | 32 262 | 19 165 | 12 043 | 438 741 |
| **Net Book Value at 31.12.2023** | **340 873** | **18 864** | **11 251** | **26 909** | **25 537** | **6 113** | **429 548** |

| EUR thousand | Goodwill | Trademarks | Customers | Technology | Product development and software costs | Work in progress and advances paid | Total |
|---|---|---|---|---|---|---|---|
| Cost at 1.1.2022 | 354 621 | 32 259 | 26 124 | 69 969 | 42 576 | 16 510 | 542 059 |
| Additions | – | – | – | – | – | 12 490 | 12 490 |
| Disposals | – | – | – | – | –8 094 | –274 | –8 368 |
| Write-downs of platform investments | – | – | – | – | – | –5 011 | –5 011 |
| Reclassifications | – | – | – | – | 11 030 | –11 030 | - |
| Translation differences | –13 909 | –2 513 | –1 806 | –5 321 | –1 524 | –641 | –25 715 |
| **Cost at 31.12.2022** | **340 712** | **29 746** | **24 318** | **64 648** | **43 988** | **12 043** | **515 455** |
| | | | | | | | |
| Accumulated amortisation at 1.1.2022 | – | –7 803 | –8 924 | –26 913 | –19 207 | – | –62 846 |
| Disposals | – | – | – | – | 8 094 | – | 8 094 |
| Amortisation for the financial year | – | –2 158 | –2 471 | –7 204 | –8 405 | – | –20 238 |
| Impairment of platform investments | – | – | – | – | –5 848 | – | –5 848 |
| Translation differences | – | 1 119 | 731 | 1 732 | 543 | – | 4 126 |
| **Accumulated amortisation at 31.12.2022** | **–** | **–8 842** | **–10 663** | **–32 385** | **–24 823** | **–** | **–76 713** |
| | | | | | | | |
| Net Book Value at 1.1.2022 | 354 621 | 24 456 | 17 201 | 43 056 | 23 369 | 16 510 | 479 213 |
| **Net Book Value at 31.12.2022** | **340 712** | **20 904** | **13 655** | **32 262** | **19 165** | **12 043** | **438 741** |

## 3.3 Tangible assets and Right-of-use assets

Enento Group's property, plant and equipment comprise machinery and equipment, other tangible assets and advances paid. Machinery and equipment comprise mainly IT, office machines and equipment. Other tangible assets comprise mainly capitalized modernization and renovation expenses of office premises.

Enento Group leases office premises, IT equipment and cars. Lease agreements are usually made for a fixed time period ranging from one year to nine years.

### Accounting principles: Tangible assets and Right-of-use assets

**PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses, when applicable.

Depreciation on tangible assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives, as follows:

Machinery and equipment........................................3–10 years

Capitalized modernization and renovation expenses
of office premises..........................................................5–10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss.

**RIGHT-OF-USE ASSETS**

Right-of-use (lease) assets are depreciated using straight-line method over the shorter of the asset's useful life or the lease term on a straight-line basis. The useful lives are as follows:

Premises..................................................................................1–9 years
Machinery and equipment...........................................1–5 years

For more information on leases, see note 4.4.

| EUR thousand | Machinery and equipment | Right-of-use, machinery and equipment | Right-of-use, premises | Other tangible assets | Total |
|---|---|---|---|---|---|
| Cost at 1.1.2023 | 10 805 | 1 459 | 12 231 | 257 | 24 752 |
| Additions | 1 470 | 1 706 | 4 692 | 88 | 7 956 |
| Disposals | -949 | -320 | -406 | -156 | -1 831 |
| Translation differences | -5 | 8 | 101 | -2 | 102 |
| **Cost at 31.12.2023** | **11 321** | **2 853** | **16 618** | **187** | **30 979** |
| | | | | | |
| Accumulated amortisation at 1.1.2023 | -9 323 | -666 | -8 493 | -178 | -18 659 |
| Disposals | 712 | 223 | 406 | 144 | 1 485 |
| Amortisation for the financial year | -987 | -458 | -1 884 | -57 | -3 386 |
| Translation differences | 24 | 0 | 8 | 3 | 35 |
| **Accumulated amortisation at 31.12.2023** | **-9 574** | **-902** | **-9 963** | **-87** | **-20 526** |
| | | | | | |
| Net book value at 1.1.2023 | 1 482 | 793 | 3 738 | 79 | 6 092 |
| **Net book value at 31.12.2023** | **1 745** | **1 952** | **6 656** | **99** | **10 452** |

| EUR thousand | Machinery and equipment | Right-of-use, machinery and equipment | Right-of-use, premises | Other tangible assets | Total |
|---|---|---|---|---|---|
| Cost at 1.1.2022 | 10 877 | 604 | 12 675 | 266 | 24 421 |
| Additions | 131 | 934 | 47 | 3 | 1 114 |
| Disposals | -162 | -42 | - | - | -205 |
| Translation differences | -40 | -37 | -491 | -11 | -579 |
| **Cost at 31.12.2022** | **10 805** | **1 459** | **12 231** | **257** | **24 752** |
| | | | | | |
| Accumulated amortisation at 1.1.2022 | -8 499 | -236 | -6 668 | -135 | -15 538 |
| Disposals | 97 | 16 | - | - | 113 |
| Amortisation for the financial year | -967 | -465 | -2 227 | -50 | -3 709 |
| Translation differences | 46 | 19 | 402 | 8 | 474 |
| **Accumulated amortisation at 31.12.2022** | **-9 323** | **-666** | **-8 493** | **-178** | **-18 659** |
| | | | | | |
| Net book value at 1.1.2022 | 2 377 | 369 | 6 007 | 130 | 8 883 |
| **Net book value at 31.12.2022** | **1 482** | **793** | **3 738** | **79** | **6 092** |

## 3.4 Accounts receivable and other receivables

Accounts receivable are amounts due from customers for goods sold or services performed in the ordinary course of business. These receivables are usually due within 14 to 30 days.

### Accounting principles: Accounts receivable

The Group applies the simplified impairment model for accounts receivable according to which the Group recognizes expected credit losses since the initial recognition of the receivable for the whole amount of expected credit losses during the receivables' lifetime. To measure the expected credit losses, the account receivables have been grouped based on shared credit risk characteristics and the days past due.

Account receivables and contract assets are finally derecognized when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, potential bankruptcy of the debtor or inability to prepare a payment plan with the Group and delay of the contractual payments for more than a year. Changes in credit loss allowances are recognized under cost and expenses in the consolidated statement of income.

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Accounts receivable | 21 778 | 20 793 |
| Credit loss allowance | -501 | -630 |
| Net carrying value | 21 277 | 20 163 |
| Prepaid expenses and accrued income | 7 981 | 9 012 |
| Other receivables | 437 | 350 |
| **Total** | **29 695** | **29 525** |

The fair values of accounts receivable and other receivables equal their carrying amount. The maximum exposure to credit risk is the carrying value of each receivable.

On 31 December 2023, the Group had due accounts receivable amounting to EUR 5 573 thousand (EUR 3 830 thousand). These relate to a number of individual customers.

The aging analysis of account receivables is as follows:

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Not due | 16 177 | 16 962 |
| Overdue by | | |
| Less than 1 month | 4 273 | 2 584 |
| 1–3 months | 539 | 400 |
| 3 months or more | 789 | 847 |
| **Total** | **21 778** | **20 793** |
| **Credit loss allowance** | **-501** | **-630** |
| **Total** | **21 277** | **20 163** |
| | | |
| Amount recognised as actual credit loss | 467 | 157 |

The amounts recognized as actual credit losses relate to sales receivables of a number of independent customers.

Credit loss matrix and reconciliation of the closing loss allowances are presented in note 4.1 Financial risk management.

## 3.5 Contract assets and liabilities

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Contract assets** | | |
| Accrued income | 860 | 934 |
| **Total** | **860** | **934** |
| | | |
| **Contract liabilities** | | |
| Advances received from contracts with customers | -10 088 | -10 196 |
| **Total** | **-10 088** | **-10 196** |

Of the opening balance for contract liabilities, EUR 10 196 thousand (EUR 10 738 thousand) has been recognized as revenue during the financial year 2023.

### TRANSACTION PRICE ALLOCATED TO REMAINING PERFORMANCE OBLIGATIONS

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Transaction price allocated to remaining performance obligations | 8 424 | 5 000 |

The Group has applied the practical expedient allowed by IFRS 15 and presented the transaction price allocated to remaining performance obligations, which is based on fixed monthly charges, only for customer contracts continuing for more than 12 months. Of the transaction price allocated to remaining performance obligations, EUR 4 699 thousand will be recognized as revenue in 2024, EUR 2 382 thousand in 2025, EUR 1 005 thousand in 2026 and EUR 338 thousand in 2027.

## 3.6 Provisions

### Accounting principles: Provisions

Provisions for restructuring expenses and legal claims are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. A provision for business restructuring is recognized when a detailed and formal plan has been established, there is a valid expectation that such a plan will be carried out and the plan has been communicated.

| EUR thousand | Restructuring provisions | Other provisions | Total |
|---|---|---|---|
| Book value 1.1.2022 | - | - | - |
| Additions | - | 89 | 89 |
| Book value 31.12.2022 | - | 89 | 89 |
| Additions | 354 | - | 354 |
| Reversal of unused provision | - | -89 | -89 |
| **Book value 31.12.2023** | 354 | - | 354 |

Restructuring provisions 354 (0 EUR) include efficiency program related termination benefits and they are short-term.

## 3.7 Other liabilities

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Advances received | 10 088 | 10 196 |
| Accounts payable | 9 252 | 8 228 |
| Other liabilities | 3 508 | 3 290 |
| Accrued expenses | 11 570 | 11 810 |
| **Total** | **34 419** | **33 524** |

Accrued expenses consist mainly of accruals of personnel expenses, including salaries, fringe benefits and vacation payable within 12 months. The accrued personnel expenses also include a liability for the amount expected to be paid under the short-term bonus plan if the criteria for paying such bonuses are met.

## 3.8 Deferred tax assets and liabilities

Typical temporary differences at Enento Group arise from revenue recognition, depreciation and amortization, defined benefit pension plans and lease contracts. Accounting principles are described in note 2.5 Income tax.

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of tax balances, is as follows:

| EUR thousand | 2023 | 2022 |
|---|---|---|
| 1 January | -17 988 | -22 712 |
| Charged to income statement | 2 226 | 3 796 |
| Recognized in comprehensive income | 79 | -698 |
| Translation differences | 63 | 1 625 |
| **At 31 December** | **-15 619** | **-17 988** |

### DEFERRED TAX ASSETS

| EUR thousand | Financial instruments | Defined benefit pension plans | Revenue recognition | Non-deductible net interest expense | Management's incentive plan | Other | Total |
|---|---|---|---|---|---|---|---|
| 1.1.2022 | 104 | 758 | 145 | - | 122 | 96 | 1 225 |
| Charged to income statement | -24 | -33 | -80 | - | 48 | -40 | -129 |
| Recognized in comprehensive income | - | -698 | - | - | - | - | -698 |
| Translation differences | -1 | -27 | -8 | - | - | 0 | -36 |
| **31.12.2022** | **79** | **-** | **57** | **-** | **170** | **56** | **363** |
| Charged to income statement | -48 | -79 | -22 | 325 | 42 | 74 | 291 |
| Recognized in comprehensive income | - | 79 | - | - | - | - | 79 |
| Translation differences | -2 | - | -1 | - | - | 2 | -1 |
| **31.12.2023** | **29** | **-** | **34** | **325** | **212** | **132** | **733** |

### DEFERRED TAX LIABILITIES

| EUR thousand | Financial instruments | Allocation of acquisitions | Capitalised development costs | Depreciation difference | Other | Total |
|---|---|---|---|---|---|---|
| 1.1.2022 | 50 | 17 467 | 6 162 | 235 | 22 | 23 937 |
| Charged to income statement | 8 | -2 434 | -1 446 | -58 | 6 | -3 925 |
| Translation differences | 0 | -1 237 | -422 | - | -2 | -1 661 |
| **31.12.2022** | **59** | **13 795** | **4 294** | **177** | **26** | **18 351** |
| Charged to income statement | -19 | -1 929 | -31 | 46 | -4 | -1 935 |
| Translation differences | - | -72 | 9 | - | - | -64 |
| **31.12.2023** | **40** | **11 794** | **4 272** | **223** | **22** | **16 352** |

# 4 Capital structure

## 4.1 Financial risk management

Enento Group's activities expose it to a variety of financial risks: interest rate risk, currency risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and performance.

Risk management is carried out by the Group's finance function under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, use of derivative financial instruments, and investment of excess liquidity.

### INTEREST RATE RISK

Enento Group's interest rate risk arises mainly from its loans from financial institutions amounting to EUR 148,0 million (EUR 147,9 million) on 31 December 2023 and which were issued with variable rates. Financial liabilities issued at variable interest rates expose the Group's cash flow to interest rate risk. The rise in interest rates may affect the cost of available financing and the Group's current financing costs. See also note 4.4 Financial assets and liabilities.

The sensitivity analysis presents the impact of a 0,5 percentage point change in the interest rate level in interest expenses for the financial perod by taking into account the loans from financial institutions. On 31 December 2023, the impact of 0,5 percentage point change in the interest rate level with all other variables held constant would have resulted in a change of EUR 596 thousand (EUR 635 thousand) in interest expenses. The interest rate sensitivity calculation takes into account the tax impact.

### CURRENCY RISK

#### Accounting principles: Net investment hedge

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is disposed of, the associated exchange differences, including the effective portion of the hedge, are reclassified to profit or loss as part of the gain or loss on sale. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

At the inception of a hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of the hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The Group operates in Finland, Sweden, Norway and Denmark. A significant proportion of the Group's sales and expenses are incurred in currencies other than the euro. The objective of currency risk management is to reduce the uncertainty arising from the potential impact of fluctuating exchange rates on the value of the future cash flows, receivables, liabilities and other balance sheet items. The Group is exposed to currency fluctuations, especially in relation to the Swedish krona.

Transaction risk arises from the foreign currency cash flows related to business operations and financing when transactions are carried out in a currency other than the functional currency of each Group company. Sales and purchases are mainly generated in the operating currency of each Group company. As a result, the Group is not exposed to significant transaction risk. The Group protects itself from transaction risks mainly by operational means. Currency derivatives (forward contracts) may be used if necessary to reduce or eliminate uncertainty arising from fluctuations in exchange rates.

The Group's operating result is particularly exposed to a translation risk related to foreign exchange rates arising from the translation of the income statements and balance sheets of foreign subsidiaries into the presentation currency of the Group's financial statements, which is the euro. The euro is also the functional currency of Enento Group Plc. The Group mainly uses operational means to minimise the negative impacts of exchange rate fluctuations. The Group aims to finance its Swedish operations in Swedish krona in order to cover the changes in operating profit due to exchange rate fluctuations partly in changes in finance costs.

Under normal circumstances, the Group does not use foreign currency derivative instruments to hedge against translation risks. On the reporting date, 31 December 2023, the Group does not have open currency derivatives.

The Group applies hedge accounting of net investment in a foreign operation for a loan. The Group has a bank loan of EUR 58,8 million, which is denominated in Swedish kronas (SEK) and has a maturity date of 23 September 2026 and it includes one one-year option for the extension of loan period. The loan has been drawn to finance an equity investment to be made in the Swedish subsidiary and its spot rate has been designated as a hedge of the net investment in this subsidiary. No ineffectiveness was recognized from net investments in foreign entity hedges.

The impacts of the loan denominated in SEK designated as a net investment hedge to the Group's financial position and profit for the period were as follows:

## NET INVESTMENT IN FOREIGN OPERATION

| EUR thousand (unless otherwise stated) | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Net investment in foreign operation | | |
| Carrying amount (bank loan) | 58 791 | 58 655 |
| SEK carrying amount (thousand) | 652 344 | 652 344 |
| Hedge ratio | 1:1 | 1:1 |
| Change in carrying amount of bank loan as a result of foreign currency movements (recognized in OCI) | -136 | 5 038 |
| Change in value of hedged item used to determine hedge effectiveness | 136 | -5 038 |
| Weighted average hedged rate for the year (EUR/SEK) | 11,4788 | 10,6294 |

The table below includes the estimated effect on the income statements and in the OCI of a currency weakening of an exposure currency against EUR. The sensitivities have been calculated based on a 5% weakening in SEK and NOK. A corresponding strengthening of the exposure currency would have an approximately equal opposite impact. A negative amount in the table reflects a potential net loss in the income statement and conversely, a positive amount reflects a net potential gain.

## FINANCIAL FOREIGN CURRENCY EXPOSURE AND ESTIMATED EFFECTS IN THE STATEMENT OF COMPREHENSIVE INCOME

| | 31.12.2023 | |
|---|---|---|
| EUR thousand | SEK | NOK |
| Foreign-currency cash and cash equivalents | 4 902 | -449 |
| Net investment in foreign operation | 58 791 | - |
| Exposure currency change by | 5 % | 5 % |
| Effect in the income statement (cash and cash equivalents) | -245 | 22 |
| Effect in the OCI (net investment in foreign operation) | 2 940 | - |

| | 31.12.2022 | |
|---|---|---|
| EUR thousand | SEK | NOK |
| Foreign-currency cash and cash equivalents | 10 335 | 4 004 |
| Net investment in foreign operation | 58 655 | - |
| Exposure currency change by | 5 % | 5 % |
| Effect in the income statement (cash and cash equivalents) | -517 | -200 |
| Effect in the OCI (net investment in foreign operation) | 2 933 | - |

The table below presents the translation exposure before and after the net investment hedge in the consolidated equity in SEK.

## HEDGED TRANSLATION EXPOSURE IN EQUITY

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Translation exposure on equity in SEK | 242 956 | 249 497 |
| SEK net investment hedges | -136 | 5 038 |
| Translation exposure after net investment hedge | 242 820 | 254 535 |
| Sensitivity before net investment hedge - SEK weakening 5% | -12 148 | -12 475 |
| Sensitividy after net investment hedge - SEK weakening 5% | -9 208 | -9 542 |

## CREDIT RISK

The Group is exposed to credit and counterparty risks through outstanding receivables from customers and cash balances. Credit and counterparty risks occur when counterparties are unable or unwilling to fulfil their obligations.

Credit risk is managed in the Group's finance function, which is responsible for preparing the credit policy complied with in Enento Group. The Group assesses the creditworthiness of a new customer, taking into account mainly its financial position and past experience with the customer. When the credit risk is assessed to be high, a guarantee payment is requested. The amount of guarantee payments received was immaterial for the periods presented. The Group's client base is widespread hence there are no large concentrations of credit risk. Major part of the net sales is coming from company clients and the share of consumer net sales is minor.

The Group holds excess cash (bank accounts and short-term deposits) with financial institutions whose credit rating is minimum 'A'. The Group's outstanding receivables are not exposed to significant credit risk, and its credit losses have been minor. See also note 3.4 Accounts receivable and other receivables.

Accounts receivable and contract assets are derecognized when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, potential bankruptcy of the debtor or inability to prepare a payment plan with the Group and delay of the contractual payments for more than a year.

In accordance with the accounting policies, the Group applies a simplified approach to the recognition of expected credit losses from the trade receivables, according to which expected credit losses on any trade receivables are recognized for the entire validity period according to the delay of payment and different types of trade receivables. The loss-related deductible item on 31 December 2023 and 31 December 2022 was specified as follows for the accounts receivable:

## AGE ANALYSIS OF ACCOUNTS RECEIVABLE AND LOSS ALLOWANCE

**31.12.2023**

| EUR thousand | Not due | Due 1–30 days | Due 31–60 days | Due 61–90 days | Due 91–180 days | Due 181–360 days | Due over 360 days | Total |
|---|---|---|---|---|---|---|---|---|
| Expected loss rate | 0,03 % | 0,39 % | 3,86 % | 9,18 % | 17,62 % | 50,00 % | 100,00 % | |
| Gross carrying amount – accounts receivable | 16 177 | 4 273 | 342 | 197 | 182 | 383 | 224 | 21 778 |
| **Loss allowance** | **6** | **17** | **13** | **18** | **32** | **192** | **224** | **501** |

**31.12.2022**

| EUR thousand | Not due | Due 1–30 days | Due 31–60 days | Due 61–90 days | Due 91–180 days | Due 181–360 days | Due over 360 days | Total |
|---|---|---|---|---|---|---|---|---|
| Expected loss rate | 0,03 % | 0,39 % | 4,49 % | 9,80 % | 22,75 % | 50,00 % | 100,00 % | |
| Gross carrying amount – accounts receivable | 16 962 | 2 584 | 310 | 90 | 163 | 258 | 425 | 20 793 |
| **Loss allowance** | **5** | **10** | **14** | **9** | **37** | **129** | **425** | **630** |

## RECONCILIATION OF LOSS ALLOWANCE

| EUR thousand | 2023 | 2022 |
|---|---|---|
| **1 January** | **630** | **759** |
| Increase in accounts receivable loss allowance recognised in profit or loss during the year | 443 | 163 |
| Receivables written off during the year as uncollectible | -467 | -157 |
| Reversal of unused allowance | -95 | -107 |
| Translation differences | -10 | -28 |
| **At 31 December** | **501** | **630** |

## LIQUIDITY RISK

The Group's ability to finance its operations depends mainly on the amount of cash flows from operations and the sources of financing available.

Cash flow forecasting is performed on a Group level, taking the Group's net debt position into account. The Group finance function monitors Enento Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed loan facilities at all times so that the Group does not breach loan limits or covenants.

Enento Group has a loan agreement for a term loan and revolving credit facility agreement with Danske Bank A/S, OP Corporate Bank Plc and Nordea Bank Plc for a total value of EUR 180,0 million, consisting of a term loan of EUR 150,0 million and a revolving credit facility of EUR 30,0 million. In accordance with the terms of the loan agreement, the parent company Enento Group Oyj has the term loan partly in EUR and partly in SEK. The loans mature in September 2026 and include one one-year extension option for the loan period. More information is provided in note 4.4 Financial assets and liabilities.

To facilitate efficient cash management in the Group, a multi-currency cash pool arrangement has been implemented with Danske Bank A/S. An overdraft of EUR 15,0 million is included in the cash pool arrangement. The overdraft had not been utilised on 31 December 2023.

Surplus cash is invested in bank accounts or short-term deposits with appropriate maturities providing sufficient liquidity. The Group has not made investments in short-term deposits in 2023 or 2022.

Financial liability maturities are presented in note 4.4 Financial assets and liabilities.

## 4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns and increase in value of invested capital for shareholders.

The Group defines capital as including equity and loans from financial institutions. The capital ratios monitored by the Group are the equity ratio, net debt and net debt to adjusted EBITDA with the latter being the most important ratio monitored by the Group with target below 3x. Net debt is calculated as loans from financial institutions (included in 'current and non-current interest-bearing liabilities') less short-term deposits and cash in hand and at banks. The management does not have a target level for net debt but follows it regularly.

### NET DEBT

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Cash and cash equivalents | 17 350 | 20 785 |
| | | |
| Non-current loans from financial institutions | 147 995 | 147 856 |
| Non-current lease liabilities | 6 429 | 3 331 |
| Total non-current financial liabilities | 154 425 | 151 187 |
| | | |
| Current lease liabilities | 2 593 | 1411 |
| Total current financial liabilities | 2 593 | 1 411 |
| | | |
| Total financial liabilities | 157 017 | 152 598 |
| | | |
| Net debt | 139 667 | 131 814 |

The reconciliation of net debt, showing changes in cash flows and other changes, is presented below:

### RECONCILIATION OF NET DEBT

| EUR thousand | Cash | Leases under 1 year | Leases over 1 year | Loans over 1 year | Total |
|---|---|---|---|---|---|
| Net debt 1.1.2022 | 25 318 | -2 335 | -4 264 | -160 283 | -141 564 |
| Cash flow | -3 627 | 2 715 | 0 | 6 841 | 5 929 |
| Exchange rate adjustments | -906 | 0 | 0 | 5 038 | 4 132 |
| Other changes | 0 | -1 791 | 933 | 547 | -311 |
| Net debt 31.12.2022 | 20 785 | -1 411 | -3 331 | -147 856 | -131 814 |
| Cash flow | -3 201 | 2 127 | 0 | 0 | -1 074 |
| Exchange rate adjustments | -233 | 0 | 0 | -136 | -369 |
| Other changes | 0 | -3 309 | -3 098 | -3 | -6 410 |
| Net debt 31.12.2023 | 17 350 | -2 593 | -6 429 | -147 995 | -139 667 |

## 4.3 Equity

### Accounting principles: Equity

Ordinary shares are classified as equity. When the company's own shares are repurchased, the acquisition cost, including directly attributable costs, is recognized as a deduction in equity until the shares are cancelled or reissued. The dividend proposed by the Board of Directors is not deducted from distributable equity until approved at the Annual General Meeting. The total shareholders' equity consists of the share capital, the invested unrestricted equity reserve, translation differences and accumulated losses.

### SHARES AND SHARE CAPITAL

The parent company has one share class, and each share has equal right to dividend. Each share carries one vote at the general meeting. All shares issued by the parent company are fully paid. The shares have no nominal value. The total number of shares was 23 794 856 on 31 December 2023 and 24 034 856 on 31 December 2022. In the financial year 2023 and 2022, the share capital of the Company amounted to EUR 80 000.

### RECONCILIATION OF NUMBER OF SHARES

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Number of outstanding shares in the beginning of the financial year | 24 034 856 | 24 034 856 |
| Purchase of own shares | -244 676 | - |
| Number of outstanding shares at the end of the financial year | 23 790 180 | 24 034 856 |
| Own shares held by the parent company | 4 676 | - |
| Total number of shares at the end of the financial year | 23 794 856 | 24 034 856 |

At the end of December 2023, the company had 4 676 shares in its possession. The shares in the company's possession represent 0,02% of the total number of shares. This corresponds to 0,02% of the total voting rights.

### INVESTED UNRESTRICTED EQUITY RESERVE

| EUR thousand | |
|---|---|
| 1.1.2022 | 294 533 |
| Return of capital | -24 035 |
| 31.12.2022 | 270 499 |
| Purchase of own shares | -5 273 |
| Return of capital | -24 035 |
| 31.12.2023 | 241 191 |

On 11 April 2023, the Company paid EUR 24 035 thousand from the invested unrestricted equity reserve as a capital return based on the resolution of the Annual General Meeting held on 28 March 2023.

### RETAINED EARNINGS

| EUR thousand | |
|---|---|
| **1.1.2022** | **18 118** |
| Management's incentive plan | 267 |
| Profit for the financial year | 17 355 |
| Other comprehensive income for the period | 2 603 |
| **31.12.2022** | **38 344** |
| Management's incentive plan | 223 |
| Profit for the financial year | 17 563 |
| Other comprehensive income for the period | -281 |
| **31.12.2023** | **55 849** |

Long-term incentive plans for the management are described in note 5.5 Related parties. An accrued expense of EUR 223 thousand (EUR 267 thousand) for the financial year 2023 has been recognized as an increase in equity. In 2023 there were no awards paid.

The Annual General Meeting authorized the Board of Directors on 28 March 2023 to decide on the repurchase of maximum of 1 500 000 company's own shares, in one or several instal-ments. The shares would be repurchased with the Company's unrestricted shareholders' equity, and the repurchases would reduce funds available for the distribution of profits. The shares could be repurchased for example to develop the company's capital structure, carry out or finance potential corporate acquisitions or other business arrangements, to be used as a part of the company's incentive program or to be otherwise conveyed further, retained as treasury shares, or cancelled.

In accordance with the resolution of the Board of Directors, shares may be repurchased also in a proportion other than that in which shares are owned by the shareholders (directed acquisition) at the market price of the shares at marketplaces on which the company shares are traded or a price otherwise established on the market at the time of the repurchase. The Board of Directors could decide how shares are repurchased. Among other means, derivatives may be used in acquiring the shares. According to the authorization, the Board of Directors could decide on any other matters related to the repurchase of shares. The authorization is effective for 18 months from the close of the Annual General Meeting, until 28 September 2024.

The Board of Directors of Enento Group Plc decided to launch a share buyback program on 24 April 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 240 000, representing approximately 1% of the company's total number of shares and votes. The program commenced on 27 April 2023, and it was completed on 30 June 2023. The company repurchased 240,000 shares for an average price of EUR 18.9942 per share. The shares were cancelled on 20.12.2023.

The Board of Directors of Enento Group Plc decided to launch a second share buyback program on 18th December 2023. 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 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 will be completed by 8 February 2024. During 2023, the company repurchased 4 676 shares in addition to the shares of the previous buyback program.

## 4.4 Financial assets and liabilities

### Accounting principles: Financial assets and liabilities

The Group classifies its financial assets as measured at amortized cost only if both of the following criteria are met:

- the asset is held within a business model the objective of which is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial liabilities at amortized cost are recognized initially at fair value, net of transaction costs incurred. The liabilities are subsequently carried at amortized cost using the effective interest rate method. The Group also has unused credit facilities and recognizes the related fees in the income statement on a straight-line basis. Lease liabilities are measured to the present value of future lease payments discounted with the incremental borrowing rate.

**LEASES**

The Group recognizes an asset (a right-of-use asset for the object of the lease) and a financial liability relating to payment of lease rents on the balance sheet for all lease agreements in the Group unless the lease agreement duration is 12 months or less or the leased item is of low value.

Enento Group leases mainly office premises, IT equipment and cars. Lease agreements are usually made for fixed time period ranging from one year to nine years. Some lease agreements include options to extend the lease agreement. The lease term is the time period during which the agreement is non-cancellable, also considering any extension and termination options if it is reasonably certain that such options will be exercised.

Lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar time period, terms, security and conditions.

Lease payments are allocated between principal and finance cost. Finance cost is charged to interest expenses. Leasing interest expenses are presented in note 2.4.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Depreciations of Right-of-use assets are presented in note 3.3.

Payments associated with short-term leases and all leases of low-value assets, less incentives received from lessor, are recognised as expenses on a straight-line basis over the lease term in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value lease assets comprise office furniture. Expenses on the short-term leases and low-value lease assets are presented in note 2.2.

## Financial instruments by category

### FINANCIAL ASSETS AT AMORTIZED COST

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Assets as per balance sheet** | | |
| Financial assets | 79 | 79 |
| Account receivables | 21 277 | 20 163 |
| Cash and cash equivalents | 17 350 | 20 785 |
| **Total** | **38 706** | **41 027** |

For more information on accounts and other receivables, see note 3.4 Accounts receivable and other receivables.

### FINANCIAL LIABILITIES AT AMORTIZED COST

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Liabilities as per balance sheet** | | |
| Financial liabilities | 159 115 | 153 951 |
| Accounts payable | 9 252 | 8 228 |
| **Total** | **168 367** | **162 179** |

The Group did not have any financial assets of liabilities at fair value through profit or loss in years 2023 and 2022.

Of Enento Group's loan agreement on 31 December 2023 EUR 89,2 million (EUR 89,2 million) were EUR-denominated and EUR 58,8 million (EUR 58,7 million) were SEK-denominated. More detailed information about the loan agreement is presented in note 4.1 Financial risk management.

The Group's management has determined that there is no essential difference between carrying value and fair value because there have not been significant changes in interest rates since the issue date of the loans and margins of loans are considered to reflect different conditions and the subordination of the loans with reasonable accuracy.

The loan includes a financial covenant that is net debt to EBITDA, calculated as defined under the terms of the financing agreement. The financial covenants are monitored and tested on a quarterly basis. The ratio of the Group's net debt to EBITDA adjusted according to the terms of the financing agreement was 2,4 (2,4) on 31 December 2023. The covenant limit in accordance with the financing agreement was 3,5 (3,5) on 31 December 2023. The Group met all the covenants in the months under review.

In addition to financial covenants, the financing agreement was linked on 9th March 2023 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 monitored and tested annually at the end of each financial year.

### MATURITY ANALYSIS OF FINANCIAL LIABILITIES AND INTEREST PAYMENTS

**31.12.2023**

| EUR thousand | Under 1 year | 1–2 years | 2–5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| Loans from financial institutions | 7 931 | 7 918 | 155 154 | - | 171 004 |
| Lease liabilities | 2 793 | 2 343 | 4 770 | - | 9 906 |
| Accounts payable | 9 252 | - | - | - | 9 252 |
| **Total** | **19 976** | **10 261** | **159 925** | **-** | **190 162** |

**31.12.2022**

| EUR thousand | Under 1 year | 1–2 years | 2–5 years | Over 5 years | Total |
|---|---|---|---|---|---|
| Loans from financial institutions | 5 510 | 5 531 | 151 984 | - | 163 025 |
| Lease liabilities | 1 514 | 962 | 1 983 | 550 | 5 008 |
| Accounts payable | 8 228 | - | - | - | 8 228 |
| **Total** | **15 252** | **6 493** | **153 967** | **550** | **176 262** |

The amounts disclosed in the above table are the contractual undiscounted cash flows.

## 4.5 Commitments and contingent liabilities

### OWN GUARANTEES

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Pledges | 79 | 316 |

Pledges are rental securities for office buildings.

### LEASE COMMITMENTS

The minimum rent commitments for short-term lease agreements amounted to EUR 5 thousand (EUR 13 thousand). The minimum rent commitments for short-term lease agreements are presented for leases with a term of 12 months or less.

### LOW VALUE LEASE AGREEMENT COMMITMENTS

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Due within the next financial year | 2 | 359 |
| Due later | - | 260 |
| **Total** | **2** | **619** |

The minimum lease payments for the Group's office equipment lease agreements are presented as low value lease commitments.

## 4.6 Pensions

### Accounting principles: Pensions

The Group operates both defined benefit and defined contribution pension plans.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Enento Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

The Group has a partially funded defined benefit plan in Sweden (BTP 2) that is administered by SPP Konsult AB. The BTP 2 plan applies to all employees at UC AB that have started before January 1, 2014, and are +25 years old. The benefits include old age pension, survivors´ pension and a disability pension. The old age pension is determined by the salary at retirement age.

The liability recognized on the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The plan assets include paid employer contributions and the arrangement has an asset ceiling. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms approximating the terms of the related obligation. The Group has derived its interest rate from the Swedish market of covered mortgage bonds, with an extrapolated duration corresponding to the Group's pension obligations. The fair value of any plan assets is measured on the reporting date.

Service cost is recognized as part of personnel expenses and net interest expenses are presented as part of finance costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience-based adjustments and changes in actuarial assumptions as well as the possible effect of asset ceiling are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and on the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments, curtailments and the fulfilment of obligations are recognized immediately in profit or loss as past service costs.

The Swedish special salary taxes on pension costs (SLP) constitute part of the actuarial assumptions and are therefore recognized as part of the net pension defined benefit liability.

Swedish tax on returns from pension funds is recognized on an ongoing basis in profit or loss for the period to which the tax relates and is therefore not included in the calculation of pension obligations. The tax relates to a hypothetical return on plan assets determined for tax purposes only and is recognized in other comprehensive income. In the case of unfunded or partially unfunded plans, the tax is included in the profit or loss for the year.

As a result of defined benefit pension plans, the Group is exposed to plan asset volatility risk, life expectancy risk and inflation risk materializing in the rate of salary increases.

## LIABILITIES RELATED TO DEFINED BENEFIT OBLIGATIONS

| EUR thousand | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Current value of defined benefit obligations | 16 983 | 15 299 |
| Fair value of plan assets | -17 797 | -17 370 |
| Net amount of current value of obligations and fair value of assets | -814 | -2 071 |
| Effect of minimum funding requirement / asset item | 814 | 2 071 |
| **Recognized net obligation** | **-** | **-** |

## CHANGE IN CURRENT VALUE OF DEFINED BENEFIT OBLIGATIONS

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Current value of defined benefit obligations on 1 January | 15 299 | 25 341 |
| Benefits paid | -696 | -620 |
| Current service cost | 91 | 191 |
| Interest expenses recognized in profit or loss | 590 | 436 |
| Actuarial gains (-) and losses (+): | | |
| Changes in financial assumptions | 1 442 | -8 269 |
| Experience adjustments | 166 | -167 |
| Translation differences | 91 | -1 613 |
| **Current value of defined benefit obligations on 31 December** | **16 983** | **15 299** |

## CHANGE IN FAIR VALUE OF PLAN ASSETS

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Fair value of plan assets on 1 January | 17 370 | 21 661 |
| Employer contributions | 453 | 414 |
| Interest income recognized in profit or loss | 674 | 373 |
| Income on plan assets excluding items included in interest income | -58 | -2 881 |
| Benefits paid | -696 | -620 |
| Translation differences | 53 | -1 577 |
| **Fair value of plan assets on 31 December** | **17 797** | **17 370** |

## PLAN ASSETS CONSIST OF THE FOLLOWING ITEMS:

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Shares | 18,00 % | 17,00 % |
| Debt investments | | |
| Government bonds | 15,00 % | 18,00 % |
| Mortgage loans | 6,00 % | 6,00 % |
| Corporate bonds | 25,00 % | 20,00 % |
| Real estate | 15,00 % | 15,00 % |
| Other investments | 21,00 % | 24,00 % |
| **Total** | **100,00 %** | **100,00 %** |

## ITEMS RECOGNIZED IN PROFIT OR LOSS

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Current service cost | -91 | -191 |
| Interest expenses/income | 3 | -63 |
| **Net expense recognized in profit or loss** | **-88** | **-254** |

## ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Remeasurements: | | |
| Actuarial gains (-) and losses (+) | -1 608 | -8 436 |
| Income on plan assets excluding items included in interest income | -58 | 2 881 |
| Change in the effect of the asset ceiling excluding interest | 1 306 | 2 167 |
| **Net amount recognized in other comprehensive income** | **-360** | **-3 388** |

## ACTUARIAL ASSUMPTIONS AND SENSITIVITY ANALYSIS

| | 2023 | 2022 |
|---|---|---|
| Discount rate | 3,6 % | 4,1 % |
| Salary increase rate | 2,0 % | 2,0 % |
| Inflation | 2,0 % | 2,0 % |
| Lifetime | DUS23 | DUS 21 |

## SENSITIVITY ANALYSIS OF THE EFFECT OF CHANGES

| EUR thousand | 2023 | 2022 |
|---|---|---|
| Discount rate, +1,0 % | -2 738 | -2 536 |
| Discount rate, -1,0 % | 3 447 | 3 196 |

The sensitivity analysis is based on the change in one assumption at a time while holding all assumptions constant.

The expected contributions to defined benefit obligations in 2024 are EUR 229,7 thousand.

The expected weighted average duration of the defined benefit obligation is 14 years.

# 5 Others

## 5.1 Management remuneration

### REMUNERATION OF BOARD OF DIRECTORS

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Patrick Lapveteläinen | 58 | 59 |
| Petri Carpén (until 28.3.2023) | 46 | 47 |
| Erik Forsberg | 45 | 46 |
| Martin Johansson | 44 | 46 |
| Nora Kerppola (starting 28.3.2023) | - | - |
| Tiina Kuusisto | 42 | 43 |
| Minna Parhiala | 43 | 43 |
| **Total** | **277** | **283** |

The remuneration of the Board of Directors has been reported on a payment basis.

### REMUNERATION OF THE EXECUTIVE TEAM MEMBERS (EXCLUDING THE CEO)

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Salaries and benefits | 1 651 | 1 489 |
| Performance - based incentives paid in cash[1] | 49 | 138 |
| Termination benefits | 245 | - |
| **Total** | **1 946** | **1 628** |

### REMUNERATION OF THE CEO

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Salaries and benefits | 315 | 342 |
| Performance - based incentives paid in cash[1] | 111 | 99 |
| Pension costs – defined contribution plans | 148 | 119 |
| **Total** | **574** | **559** |

The termination period for the CEO's employment contract is 6 months. In addition, in case of termination of the employment contract, the CEO is entitled to one-time payment under certain conditions that corresponds to six months' salary.

### REMUNERATION OF THE MANAGEMENT TOTAL

| EUR thousand | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Salaries and benefits | 1 967 | 1 831 |
| Performance - based incentives paid in cash[1] | 160 | 237 |
| Termination benefits | 245 | - |
| Pension costs – defined contribution plans | 148 | 119 |
| **Total** | **2 520** | **2 187** |

[1] The incentives have been reported on a payment basis and paid on the basis of the result for the previous financial year. In 2022, the CEO incentive was paid to the former CEO based on 2021 performance.

## 5.2 Share-based payments

### Accounting principles: Share-based payments

The Group has share-based incentive plans which include incentives paid as shares as well as cash components related to the withholding tax obligations associated with the share incentives. The benefits granted in accordance with the incentive plan are measured at fair value on the grant date and expensed on a straight-line basis over the vesting period.

The fair value of the equity-settled incentives is based on the market price of the share on the grant date. The share-based payments settled with equity instruments are not remeasured subsequently, and cost from these arrangements is recognized as an increase in equity. The total expense for share-based payments is recognized over the vesting period, which is the period over which vesting conditions are to be satisfied. Share-based payments, that are netted by the amount required to meet the withholding obligations to the tax authority and paid by the Group in cash are considered in their entirety as equity-settled. Withholding tax paid by the Group to the tax authority on behalf of the employee is recognized directly from equity. The cash-settled share-based incentives are measured at fair value at the end of each financial reporting period until the settlement date and recognized as a liability. The expensed amount of the benefits is based on the Group's estimate of the amount of benefits to be paid at the end of the vesting period. Market conditions and non-vesting conditions are considered in determining the fair value of the benefit.

Instead, the non-market criteria, such as profitability or increase in sales, are not considered in measuring the fair value of the benefit but taken into account when estimating the final amount of benefits. The Group updates the estimate of the final amount of the benefits at every financial reporting date and recognizes changes in estimates through the statement of profit or loss.

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 plans offer the participants the opportunity to earn rewards if the performance targets set by the Board of Directors are achieved.

The performance targets are in all current plans based on Enento Group's Total Shareholder Return (TSR) and Enento Group's cumulative adjusted EBITDA for the performance period. The achievement of the targets are measured independently from each other.

The plans consist each of one performance period covering the calendar years indicated in the name of the share plan. The potential rewards from the plan will be paid partly in Enento Group Plc shares and partly in cash, to be used immediately to cover withholding tax from the gross reward, after the end of the performance period. As a rule, no reward will be paid if a participant's employment or service ends before the reward payment. As for performance-based plan 2022-2024, a member of the Executive Team must hold all net shares received on the basis of the plan, until the member's shareholding in the company in total corresponds to the value of his or her annual gross salary and until his or her employment or service at Enento Group continues.

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

| | **Performance-based share plan 2020–2022** | **Performance-based share plan 2021–2023** | **Performance-based share plan 2022–2024** |
|---|---|---|---|
| Grant date | 25.2.2020 | 4.5.2021 | 13.5.2022 |
| Performance period begins | 1.1.2020 | 1.1.2021 | 1.1.2022 |
| Performance period ends | 31.12.2022 | 31.12.2023 | 31.12.2024 |
| Vesting conditions | Shareholding, employment until payment | Shareholding, employment until payment | Shareholding, employment until payment |
| | | | |
| Vesting date | 31.5.2023 | 31.5.2024 | 31.5.2025 |
| Maximum duration, years | 3,4 | 3,4 | 3,4 |
| Time to maturity, years | 0 | 0,4 | 1,4 |
| Persons at the end of the financial year | 0 | 24 | 32 |
| Settlement method | Shares | Shares | Shares |
| Expenses recognized for the review period, EUR thousand[1] | 62 (85) | 84 (135) | 77 (47) |

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

| **Changes in the plan during the period** | **Performance-based share plan 2020–2022** | **Performance-based share plan 2021–2023** | **Performance-based share plan 2022–2024** |
|---|---|---|---|
| Number | | | |
| **1.1.2023** | | | |
| Outstanding at beginning of period | 57 124 | 62 623 | 98 000 |
| Changes during period | | | |
| Granted | - | - | - |
| Forfeited | 57 124 | 7 203 | 12 542 |
| **31.12.2023** | | | |
| Outstanding at end of period | 0 | 55 420 | 85 458 |

The Board of Directors of Enento Group has decided on the establishment of a new share-based long-term incentive scheme for the company's management and selected key employees. The incentive scheme comprises a Performance Share Plan (also "PSP") and a share-based transition phase plan to cover the transition to the new long-term incentive (LTI) structure (the "Transition Phase Plan").

The first plan, PSP 2024–2026, commences effective as of the beginning of 2024 and the potential share rewards payable thereunder will be paid during H1 2027. The payment of the rewards is conditional on the achievement of the performance targets which the Board of Directors has set for the plan.

The performance targets based on which the share rewards potentially earned under PSP 2024–2026 will be paid are based the absolute total shareholder return of the company's share (absolute TSR) and financial measures and key figures of the company. Eligible for participation in PSP 2024–2026 are approximately 40 individuals, including the members of Enento Group's Executive Team.

If all the performance targets set for PSP 2024–2026 are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 109,000 shares. The estimated aggregate gross value of this first plan, based on the current value of Enento Group's share, is approximately EUR 1,9 million. The materialized value of the plan may deviate from this estimate as a result of share price development and the degree to which the performance targets set for the plan are achieved.

The Transition Phase Plan is established to cover specific incentive and retention needs during the transition phase to the new LTI structure. The Transition Phase Plan is a one-off plan commencing effective as of the beginning of 2024 and its performance period covers the calendar years 2024–2025. The potential rewards payable based on the Transition Phase Plan will be paid in listed shares of Enento Group during H1 2026. The payment of the share rewards is conditional on the achievement of the performance targets which the Board of Directors has set for the plan.

The performance targets based on which the share rewards potentially earned under the Transition Phase Plan will be paid are based on the absolute total shareholder return of the company's share (absolute TSR) and financial measures and key figures of the company. Eligible for participation in the Transition Phase Plan are approximately 40 individuals, including the members of Enento Group's Executive Team.

If all the performance targets set for the Transition Phase Plan are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 109 000 shares. The estimated aggregate gross value of this plan, based on the current value of Enento Group's share, is approximately EUR 1,9 million. The materialized value of the plan may deviate from this estimate as a result of share price development and the degree to which the performance targets set for the plan are achieved.

## 5.3 Group companies

### Critical accounting estimates and judgements: Accounting for the shareholder agreement

Enento Group Plc is party to a shareholder agreement concerning the control of UC's credit register and credit register information, as the company owned jointly by the sellers of UC shares received, as part of the transaction, a small number of UC's B shares, granting their holders certain administrative rights. The B shares do not entitle their holders to dividends or UC's result or balance sheet. Furthermore, according to UC's Articles of Association, among others, certain resolutions concerning the credit register and credit register information require a unanimous decision of the Board of Directors and the requirement for the making of such a decision at UC's General Meeting is that the minority shareholders vote in favour of the decision. These requirements are applied to changes containing a risk that UC is, from time to time, not able to fulfil its legal obligations and/or contractual obligations concerning, among others, the use, availability or processing of the credit register or credit register information, secured distribution of credit register information and the interface used for the delivery of credit information. Enento Group Plc has further undertaken not to transfer UC's shares to any other party, unless such a party is in possession of sufficient capacities and unless the party does not commit to the same restrictions as Enento Group in relation to the credit register and credit register information. The purpose of these arrangements has been to ensure the maintenance of the credit register and the control of credit register information provided by the sellers. The management of Enento Group has exercised judgement in reporting the B shares with a value of SEK 1 000 as a non-controlling interest in equity.

The following table presents the Group's subsidiaries and associated companies as of 31 December 2023. The Group had no joint arrangements as of 31 December 2023. All group companies are related parties of the Group.

| Parent company | Nature of activities | Country of |
|---|---|---|
| Enento Group Plc | Headquarter activities | Finland |

| Subsidiaries | | Country of | Group ownership (%) | Voting rights (%) |
|---|---|---|---|---|
| Suomen Asiakastieto Oy | Operative company | Finland | 100 | 100 |
| Emaileri Oy | Operative company | Finland | 100 | 100 |
| UC AB | Operative company | Sweden | 99,9[1] | 100 |
| UC Affärsinformation AB | Operative company | Sweden | 100 | 100 |
| Proff AB | Operative company | Sweden | 100 | 100 |
| Proff AS | Operative company | Norway | 100 | 100 |
| Proff ApS | Operative company | Denmark | 100 | 100 |

| Associated companies | Country of | | |
|---|---|---|---|
| Goava Sales Intelligence AB | Sweden | 48,2 | 48,2 |

[1] Enento Group Plc and the sellers of UC shares signed a shareholder agreement concerning the control of UC's credit register and credit register information. The company owned jointly by the sellers received, as part of the transaction, a small number of UC's B shares, granting their holders certain administrative rights. The B shares do not entitle to dividends and UC's result or balance sheet.

## 5.4 Shares in associated companies

### Critical accounting estimates and judgements: Impairment testing of shares in associated companies

Shares in associated companies are tested for impairment if events or changes in circumstances indicate that the carrying value of the associated companies may not be recoverable. The recoverable amounts of the associated companies are determined based on value in use or fair value less costs of disposal. The value-in-use calculations require the use of management estimates including projected future cash flows, estimates of discount rate and the economic development of the associated company.

| Name of entity | Country | Classification | Shareholding % 2023 | 2022 |
|---|---|---|---|---|
| Goava Sales Intelligence AB | Sweden | Associate | 48,2 | 48,2 |

**RECONCILIATION FROM OPENING TO CLOSING BALANCE 31.12.2023**

| EUR thousand | 2023 | 2022 |
|---|---|---|
| Cost at 1.1. | 3 933 | 3 370 |
| Additions | - | 1 728 |
| Share of net income | -755 | -932 |
| Translation differences | -15 | -233 |
| **Net book value 31.12.** | **3 164** | **3 933** |

**RECONCILIATION TO CARRYING AMOUNT:**

| EUR thousand | 2023 | 2022 |
|---|---|---|
| Opening net assets 1.1. | 2 677 | 3 160 |
| Additions | - | 1 728 |
| Profit for the period | -1 236 | -1 860 |
| Translation difference | -160 | -351 |
| **Closing net assets 31.12** | **1 281** | **2 677** |
| | | |
| Group's share in EUR | 618 | 1 290 |
| Goodwill | 2 546 | 2 643 |
| **Net book value 31.12.** | **3 164** | **3 933** |

**SUMMARISED FINANCIAL INFORMATION FOR GOAVA SALES INTELLIGENCE AB:**

| EUR thousand | 2023 | 2022 |
|---|---|---|
| Non-current assets | 756 | 761 |
| Current assets | 1 032 | 2 558 |
| **Total assets** | **1 788** | **3 319** |
| | | |
| Non-current liabilities | 61 | 184 |
| Current liabilities | 446 | 457 |
| **Total liabilities** | **507** | **642** |
| | | |
| Net assets | 1 281 | 2 677 |
| | | |
| Net sales | 1 099 | 1 118 |
| | | |
| **Profit for the financial year** | **-1 236** | **-1 860** |

The associated company Goava Sales Intelligence AB was tested for impairment at the end of financial year of 2023. The recoverable amount of the associated company is based on the value in use calculation. This calculation uses cash flow forecast for three years, based on the forecast approved by the management of the associated company and determined before tax. Key parameters affecting the forecasts are the development of net sales and the most important expense items. Discounted cash flows beyond the three-year period are gradually declining after the forecasted three years until the end of a period of 9 years (until 2032) after which the cash flows are extrapolated using the estimated long-term growth rate of 2 %. Discount rate (weighted average cost of capital, WACC) used in the calculation is 13,5%.

As part of the performance review the management has performed a sensitivity analysis around the key parameters by testing each parameter change individually. With the tested change of 0,5 % lower terminal growth rate or with a WACC higher by 0,25 percentage points, the sensitivity analysis showed no need for impairment. With a lower terminal growth rate or a higher WACC than the ones tested, an impairment would have been required.

## 5.5 Related parties

The related parties of Enento Group consist of group entities and the associated company and the shareholders exercising significant influence over the Company. The shareholders who have had the right to nominate a representative in the Company's Board of Directors are considered having 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. Related party transactions include transactions that are not eliminated in the group´s consolidated financial statements, presented below.

### 1.1.–31.12.2023

| EUR thousand | Sales of goods and services | Purchases of goods and services | Finance income and expenses |
|---|---|---|---|
| Shareholders having a significant influence over the Group | 10 133 | -419 | -2 215 |
| Associated company | 120 | -73 | 0 |
| **Total** | **10 254** | **-493** | **-2 215** |

### 31.12.2023

| EUR thousand | Receivables | Liabilities |
|---|---|---|
| Shareholders having a significant influence over the Group | 1 333 | 50 374 |
| Associated company | 4 | 0 |
| **Total** | **1 337** | **50 374** |

### 1.1.–31.12.2022

| EUR thousand | Sales of goods and services | Purchases of goods and services | Finance income and expenses |
|---|---|---|---|
| Shareholders having a significant influence over the Group | 11 618 | -501 | -950 |
| Associated company | 107 | -76 | - |
| **Total** | **11 725** | **-577** | **-950** |

### 31.12.2022

| EUR thousand | Receivables | Liabilities |
|---|---|---|
| Shareholders having a significant influence over the Group | 1 520 | 50 011 |
| Associated company | 80 | 0 |
| **Total** | **1 600** | **50 511** |

Liabilities to shareholders having a significant influence over the Group include a loan on market terms and conditions and loan-related accrued interest with Nordea Bank Oyj. The loan is on market terms and is described in more detail in note 4.4 Financial assets and liabilities.

Transactions with related parties have been carried out on an arm's length basis. During the financial year, the Group's related party transactions with key persons in management and members of the Board of Directors consisted of normal salaries and fees. Information concerning management remuneration is disclosed in note 5.1.

Members of the Board of Directors and the CEO and Executive Team owned a total of 64 812 shares (63 321 shares) shares at the end of the year 2023. The key management persons were paid a capital repayment of 61 061 EUR (56 735 EUR).

## 5.6 Events after the reporting date

There are no significant events reported after the end of financial year.

# Parent Company Income Statement (FAS)

| EUR | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Net sales** | 2 | **1 375 014,73** | **1 099 383,12** |
| Personnel expenses | 3 | -1 405 846,17 | -1 280 318,34 |
| Other operating expenses | 4 | -2 964 501,22 | -1 805 519,65 |
| **Operating loss** | | **-2 995 332,66** | **-1 986 454,87** |
| Finance income and expenses | | | |
| Income from group undertakings | 5 | 10 637 826,00 | 9 662 023,00 |
| Other interest and finance income | 5 | 256 533,87 | 5 322 111,36 |
| Interest expenses and other finance expenses | 5 | -8 057 051,38 | -3 282 373,78 |
| Impairment in non-current assets | 5 | -2 360 588,20 | - |
| Total finance income and expenses | | 476 720,29 | 11 701 760,58 |
| **Profit (loss) before appropriations and taxes** | | **-2 518 612,37** | **9 715 305,71** |
| Appropriations | | | |
| Group contributions | 6 | 26 251 937,28 | 26 004 141,49 |
| Income tax expense | 7 | -3 096 023,50 | -5 216 820,38 |
| **Profit for the financial year** | | **20 637 301,42** | **30 502 626,82** |

# Parent Company Balance Sheet (FAS)

| EUR | Note | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| | | | |
| **ASSETS** | | | |
| | | | |
| **Non-current assets** | | | |
| Investments | 8 | 548 172 611,41 | 550 533 199,61 |
| **Total non-current assets** | | **548 172 611,41** | **550 533 199,61** |
| | | | |
| **Current assets** | | | |
| Long-term receivables | 9 | 581 327,59 | 272 557,07 |
| Short-term receivables | 10 | 26 689 287,30 | 26 681 798,04 |
| Cash in hand and at banks | | 13 702 369,21 | 16 614 996,65 |
| **Total current assets** | | **40 972 984,10** | **43 569 351,76** |
| | | | |
| **Total assets** | | **589 145 595,51** | **594 102 551,37** |

| EUR | Note | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| | | | |
| EQUITY AND LIABILITIES | | | |
| | | | |
| **Shareholders' equity** | | | |
| Share capital | 11 | 80 000,00 | 80 000,00 |
| Invested unrestricted equity reserve | 11 | 258 887 340,74 | 288 195 250,22 |
| Retained earnings | 11 | 115 340 199,37 | 84 837 572,55 |
| Profit for the financial year | | 20 637 301,42 | 30 502 626,82 |
| **Total equity** | | **394 944 841,53** | **403 615 449,59** |
| | | | |
| **Liabilities** | | | |
| | | | |
| **Non-current liabilities** | | | |
| Loans from financial institutions | | 148 790 917,80 | 148 654 532,24 |
| **Total non-current liabilities** | | **148 790 917,80** | **148 654 532,24** |
| | | | |
| **Current liabilities** | | | |
| Accounts payable | 12 | 770 670,39 | 101 912,06 |
| Payables to Group companies | 12 | 40 760 061,34 | 37 622 882,99 |
| Other liabilities | 12 | 54 613,92 | 50 066,56 |
| Accrued expenses | 12 | 3 824 490,53 | 4 057 707,93 |
| **Total current liabilities** | | **45 409 836,18** | **41 832 569,54** |
| | | | |
| **Total liabilities** | | **194 200 753,98** | **190 487 101,78** |
| | | | |
| **Total equity and liabilities** | | **589 145 595,51** | **594 102 551,37** |

# Parent company statement of cash flows (FAS)

| EUR | Note | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Loss before appropriations and taxes | | -2 518 612,37 | 9 715 305,71 |
| Adjustments: | | | |
| Impairment in non-current assets | | 2 360 588,20 | - |
| Finance income and expenses | 5 | -2 837 308,49 | -11 701 760,58 |
| Cash flows before change in working capital | | -2 995 322,66 | -1 986 454,87 |
| | | | |
| Change in working capital: | | | |
| Increase (-) / decrease (+) in account and other receivables | | 231 145,37 | -439 948,41 |
| Increase (+) / decrease (-) in account and other payables | | -91 873,35 | 715 872,36 |
| Change in working capital | | 139 272,02 | 275 923,95 |
| | | | |
| Paid interest and other financing expenses | 5 | -6 244 789,56 | -2 258 137,91 |
| Dividends received | 5 | 10 637 826,00 | 9 662 023,00 |
| Interest and other finance income received | 5 | 256 533,87 | 44 470,51 |
| Income taxes paid | 7 | -5 323 619,92 | -3 576 812,61 |
| **Cash flow from operating activities** | | **-3 530 110,25** | **2 161 012,07** |
| | | | |
| **Cash flows from investing activities** | | | |
| Investments in associated companies | 8 | - | -1 834 901,74 |
| **Cash flows from investing activities** | | **-** | **-1 834 901,74** |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from short-term borrowings | | 3 921 250,79 | 2 138 259,59 |
| Repayments of short-term borrowings | | - | -6 822 456,80 |
| Group contributions received | 6 | 26 004 141,49 | 24 305 384,56 |
| Dividends paid and purchases of own shares | 11 | -29 307 909,48 | -24 034 856,00 |
| **Cash flows from financing activities** | | **617 482,80** | **-4 413 668,65** |
| | | | |
| **Net increase (+) / decrease (-) in cash and cash equivalents** | | **-2 912 627,45** | **-4 087 558,31** |
| | | | |
| Cash and cash equivalents at beginning of the financial year | | 16 614 996,65 | 20 702 554,97 |
| **Cash and cash equivalents at end of the financial year** | | **13 702 369,20** | **16 614 996,66** |

# Notes to the Parent Company Financial Statements

## 1 Accounting principles

Enento Group Plc is a Finnish limited liability company and the parent company of Enento Group. The Company listed its shares on the main list of Nasdaq Helsinki Ltd on 31 March 2015.

Enento Group Plc's financial statements have been prepared in accordance with the accounting principles based on the Finnish accounting legislation (FAS).

### 1.1 Valuation principles

**FINANCIAL INSTRUMENTS**

The fees paid on draw-down loans have been entered in accrued income. These will be discharged as financial expenses on the basis of time in equal proportions. At the time of loan amortization the respective share of the remaining fees in the balance sheet will be entered as expenses.

**DEFERRED TAX ASSETS**

Deferred tax assets are calculated on the temporary differences between taxation and the financial statement using the tax rates effective for future years confirmed on the balance sheet date. The balance sheet includes the deferred tax assets at their estimate realisable amount.

### 1.2 Items denominated in foreign currencies

Transactions in foreign currencies are entered at the exchange rates prevailing at the transaction dates. The unsettled balances on foreign currency receivables and liabilities are converted into euros at the rates of exchange prevailing at the end of the financial year.

### 1.3 Cash pooling arrangement

To facilitate efficient cash management in the Group, Enento Group Plc has implemented a multi-currency cash pool arrangement with Danske Bank A/S. The subsidiaries' bank accounts in Danske Bank have been included as member accounts in the arrangement. The positive balances of the subsidiaries' member accounts are shown in the balance sheet item "Payables to Group companies" and negative balances in the balance sheet item "Receivables from Group companies".

## 2 Net sales

**NET SALES BY MARKET AREA**

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Finland | 638 917,91 | 454 394,42 |
| Sweden | 656 743,49 | 581 627,75 |
| Other countries | 79 353,33 | 63 360,95 |
| **Total** | **1 375 014,73** | **1 099 383,12** |

Net sales consist of management fees from Group companies.

## 3 Personnel expenses

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Salaries and benefits | -1 227 746,07 | -1 117 140,52 |
| Pension expenses | -158 060,22 | -143 691,68 |
| Other social security expenses | -20 039,88 | -19 486,14 |
| **Total** | **-1 405 846,17** | **-1 280 318,34** |

The pension provision for the personnel is arranged at Elo Mutual Pension Insurance Company.

**SALARIES AND BENEFITS OF THE MANAGEMENT**

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Board members and CEO | -470 962,43 | -381 374,00 |
| **Total** | **-470 962,43** | **-381 374,00** |

The salaries and benefits paid to the management are itemised in more detail in the notes to the consolidated financial statements, in note 5.5 Related parties.

**NUMBER OF PERSONNEL ON AVERAGE**

| Employees | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Full time | 8 | 10 |
| Part time and temporary | - | - |
| **Total** | **8** | **10** |

## 4 Other operating expenses

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Other employment expenses | -148 590,64 | -51 595,01 |
| Expenses related to premises | -52 234,08 | -43 433,45 |
| Marketing expenses | -101 209,96 | -125 835,08 |
| Office expenses | -817 672,68 | -213 541,58 |
| IT expenses | -198 372,74 | -124 361,19 |
| Purchased services | -1 495 678,10 | -1 118 783,02 |
| Other expenses | -150 743,02 | -127 970,32 |
| **Total** | **-2 964 501,22** | **-1 805 519,65** |

### AUDITOR'S FEES

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| PricewaterhouseCoopers Oy | | |
| Statutory fees | -109 443 | -75 000 |
| Tax advisory | - | - |
| Other services | - | - |
| **Total** | **-109 443** | **-75 000** |

## 5 Finance income and expenses

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Income from group undertakings | | |
| Dividends | 10 637 826,00 | 9 662 023,00 |
| Other interest and finance income | | |
| Interest income | | |
| From Group companies | 18 416,45 | 355,38 |
| From parties outside the Group | 238 117,42 | 44 115,13 |
| Other finance income | | |
| From parties outside the Group | 0,00 | 5 277 640,85 |
| **Total finance income** | **10 894 359,87** | **14 984 134,36** |
| | | |
| Interest expenses and other finance expenses | | |
| Interest expenses | | |
| To Group companies | -623 993,06 | -70 467,46 |
| to parties outside the Group | -6 401 284,82 | -2 816 204,78 |
| Other finance expenses | | |
| to parties outside the Group | -1 031 773,50 | -395 701,54 |
| Impairment in non-current assets | -2 360 588,2 | - |
| **Total finance expenses** | **-10 417 639,58** | **-3 282 373,78** |
| | | |
| Total | 476 720,29 | 11 701 760,58 |

## 6 Appropriations

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Group contributions received | 26 251 937,28 | 26 004 141,49 |
| **Total** | **26 251 937,28** | **26 004 141,49** |

## 7 Income tax expenses

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| On business operations | -3 096 023,50 | -5 216 820,38 |
| Change in deferred tax asset | 324 683,50 | - |
| **Total** | **-2 771 340,00** | **-5 216 820,38** |

## 8 Investments

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Shares in Group companies | | |
| Cost at 1.1. | 544 896 936,41 | 544 896 936,41 |
| Additions | - | - |
| **Cost at 31.12.** | **544 896 936,41** | **544 896 936,41** |
| | | |
| Shares in associated companies | | |
| Cost at 1.1. | 5 636 263,20 | 3 801 361,46 |
| Additions | - | 1 834 901,74 |
| Impairment | -2 360 588,20 | - |
| **Cost at 31.12.** | **3 275 675,00** | **5 636 263,20** |
| | | |
| Net book value at 1.1. | 550 533 199,61 | 548 698 297,87 |
| **Net book value at 31.12.** | **548 172 611,41** | **550 533 199,61** |

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Group companies | Ownership (%) | Ownership (%) |
| Suomen Asiakastieto Oy, Helsinki | 100 | 100 |
| Emaileri Oy, Turku | 100 | 100 |
| UC AB, Stockholm | 99,99 | 99,99 |
| UC Affärsinformation AB, Stockholm | 100 | 100 |
| Proff AB, Stockholm | 100 | 100 |
| Proff AS, Oslo | 100 | 100 |
| Proff ApS, Frederiksberg | 100 | 100 |
| | | |
| Associated companies | | |
| Goava Sales Intelligence Ab, Stockholm | 48,2 | 48,2 |

All the group companies have been consolidated to the Parent Company's consolidated financial statements. A specification of the Group companies is included in note 5.3 to the consolidated financial statements.

## 9 Long-term receivables

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Deferred tax assets | | |
| From non-deductible net interest expenses | 324 683,50 | - |
| **Total deferred tax assets** | **324 683,50** | |

| EUR | 1.1.–31.12.2023 | 1.1.–31.12.2022 |
|---|---|---|
| Prepaid expenses and accrued income | | |
| Financial expenses periodised | 256 644,09 | 272 557,07 |
| **Total prepaid expenses and accrued income** | **256 644,09** | **272 557,07** |
| | | |
| Total | 581 327,59 | 272 557,07 |

# 10 Short-term receivables

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Receivables from Group companies | | |
| Accounts receivable | - | 394 693,13 |
| Prepaid expenses and accrued income | | |
| Group contribution | 26 251 937,28 | 26 004 141,49 |
| **Total receivables from Group companies** | **26 251 937,28** | **26 398 834,62** |
| | | |
| **Other receivables** | **144 794,30** | **5 102,40** |
| | | |
| Prepaid expenses and accrued income | | |
| Financial expenses periodised | 156 382,22 | 165 543,38 |
| Other periodised expenses | 136 173,50 | 112 317,64 |
| **Total prepaid expenses and accrued income** | **292 555,72** | **277 861,02** |
| | | |
| **Total** | **26 689 287,30** | **26 681 798,04** |

# 11 Equity

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| | | |
| Share capital at 1.1. | 80 000,00 | 80 000,00 |
| Share capital at 31.12. | 80 000,00 | 80 000,00 |
| | | |
| **Total restricted shareholders' equity** | **80 000,00** | **80 000,00** |
| | | |
| Invested unrestricted equity reserve at 1.1. | 288 195 250,22 | 312 230 106,22 |
| Capital repayment | -24 034 856,00 | -24 034 856,00 |
| Purchase of own shares | -5 273 053,48 | - |
| Total invested unrestricted equity reserve at 31.12. | 258 887 340,74 | 288 195 250,22 |
| | | |
| Retained profit at 1.1. | 115 340 199,37 | 84 837 572,55 |
| Distribution of dividend | - | - |
| Total retained profit at 31.12. | 115 340 199,37 | 84 837 572,55 |
| | | |
| Profit for the financial year | 20 637 301,42 | 30 502 626,82 |
| **Total unrestricted shareholders' equity** | **394 864 841,53** | **403 535 449,59** |
| | | |
| **Total equity** | **394 944 841,53** | **403 615 449,59** |

## DISTRIBUTABLE FUNDS

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Invested unrestricted equity reserve | 258 887 340,74 | 288 195 250,22 |
| Retained profit | 115 340 199,37 | 84 837 572,55 |
| Profit for the financial year | 20 637 301,42 | 30 502 626,82 |
| **Total** | **394 864 841,53** | **403 535 449,59** |

# 12 Current liabilities

## PAYABLES TO GROUP COMPANIES

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Accounts payable | - | 784 072,44 |
| Other liabilities | 40 760 061,34 | 36 838 810,55 |
| **Total** | **40 760 061,34** | **37 622 882,99** |

## OTHER CURRENT LIABILITIES

| EUR | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Accrued expenses | | |
| Holiday pay liabilities | 137 725,12 | 150 149,49 |
| Other accrued personnel expenses | 332 213,20 | 316 347,45 |
| Interest expenses | 2 097 563,43 | 1 352 666,53 |
| Taxes | 329 964,54 | 2 232 877,46 |
| Other | 927 024,24 | 5 667,00 |
| Total accrued expenses | **3 824 490,53** | **4 057 707,93** |
| | | |
| Other liabilities | | |
| Other | 54 613,92 | 50 066,56 |
| Total other liabilities | **54 613,92** | **50 066,56** |
| | | |
| Accounts payable | 770 670,39 | 101 912,06 |
| **Total other current liabilities** | **770 670,39** | **4 209 686,55** |
| **Total** | **45 409 836,18** | **41 832 569,54** |

# Board's proposal for the distribution of funds

At the end of the financial year 2023, distributable funds of the Group's parent company amounted to EUR 394 864 841,53, of which the profit for the financial year was EUR 20 637 301,42. The Board of Directors proposes that a dividend of EUR 0,50 per share be paid for the financial year ended 31 December 2023 (totaling EUR 11 875 928,00 based on the Group's registered total number of shares at the time of the proposal, notwithstanding shares held in treasury). The dividend will be paid to a shareholder registered in the Group's shareholders' register held by Euroclear Finland Oy on the payment record date of 27 March 2024. The Board of Directors proposes that the funds be paid on 5 April 2024.

The Board of Directors further proposes that the Annual General Meeting authorizes the Board, at its discretion, to resolve on the further distribution of dividend up to a maximum of EUR 0,50 per share (totaling EUR 11 875 928,00 based on the Company's registered total number of shares at the time of the proposal, notwithstanding shares held in treasury). It is the intention of the Board of Directors that the dividend payment pursuant to this authorization would be carried out in November 2024. The Company will separately publish resolutions of the Board of Directors on the dividend payment and confirm the record and payment dates in connection with such resolutions. The Board may also decide not to use this authorization.

After the financial year there are no material changes in the Company's financial position. The Company's liquidity is good and, based on the Board of Directors' view, the proposed distribution of profits does not compromise the Company's liquidity.

# Signatures To The Financial Statements

Helsinki, 9 February 2024

**Patrick Lapveteläinen**
Chairman of the Board

**Martin Johansson**
Member of the Board

**Nora Kerppola**
Member of the Board

**Tiina Kuusisto**
Member of the Board

**Erik Forsberg**
Member of the Board

**Minna Parhiala**
Member of the Board

**Jeanette Jäger**
CEO

# Auditor's Note

The report of the audit has been submitted today.

Helsinki, 9 February 2024

**PricewaterhouseCoopers Oy**
Authorised Public Accountants

**Martin Grandell**
Authorised Public Accountant

# Auditor's Report

**TO THE ANNUAL GENERAL MEETING OF ENENTO GROUP OYJ**

## Report on the Audit of the Financial Statements

### Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position and financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

**WHAT WE HAVE AUDITED**

We have audited the financial statements of Enento Group Oyj (business identity code 2194007-7) for the year ended 31 December 2023. The financial statements comprise:

- the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, which include material accounting policy information and other explanatory information
- the parent company's balance sheet, income statement, cash flow statement and notes.

### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**INDEPENDENCE**

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 2.2 to the Financial Statements.

### Our Audit Approach

**OVERVIEW**

- **Materiality:**
  Overall group materiality: € 1,5 million, which represents approximately 1% of net sales.
- **Audit Scope:**
  The group audit scope includes all significant legal entities in Finland and Nordic countries, covering the vast majority of revenues, assets and liabilities of the group.
- **Goodwill:**
  Goodwill in Enento Group's consolidated statement of financial position was € 340 873 thousand which is approximately 70% of the total assets of € 490 337 thousand. We have tested the impairment assessment and assessed the appropriateness of the estimates used by Group's management in their impairment assessment.
- **Net sales**:
  Enento Group's net sales in the financial year 2023 amounted to € 155 900 thousand. There is a risk in revenue recognition that revenue accounted for in the financial statements are not real or revenue has been recognised in incorrect amount or in incorrect accounting period, whether caused by fraud or error. We have tested revenue recognition principles as well as revenue transactions in order to respond to risks in revenue recognition.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

**MATERIALITY**

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

**Overall group materiality**
€ 1,5 million (previous year € 1,6 million)

**How we determined it**
Approximately 1% of net sales

**Rationale for the materiality benchmark applied**
We chose net sales as the benchmark because, in our view, it is a stable and an important benchmark in the group's current situation, against which the performance of the group is measured by users of the financial statements. As the group's profitability has not been stable, net sales is also a generally accepted benchmark. We chose 1% which is within the range of acceptable quantitative materiality thresholds in auditing standards.

**HOW WE TAILORED OUR GROUP AUDIT SCOPE**
We tailored the scope of our audit, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

The group audit scope included the group parent company and all subsidiaries to the parent company.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

| Key audit matter in the audit of the group | How our audit addressed the key audit matter |
|---|---|
| **GOODWILL** **Refer to note 3.2 of the financial statements**<br><br>The Group's goodwill amounted to € 340 873 thousand as at 31 December 2023 which is approximately 70% of total assets € 490 337 thousand. Goodwill is material to the consolidated financial statements. The Group's management uses significant judgement when assessing future estimated cash flows.<br><br>For the purpose of impairment testing, the recoverable amount of the Group's three cash-generating units have been determined based on value-in-use calculations which require the use of estimates. These calculations use cash flow projections based on financial estimates approved by the management covering a four-year period. Cash flows beyond the four-year period are extrapolated using the estimated growth rates.<br><br>Key parameters in the projections are the development of net sales and key cost items as well as long-term growth rate and discount rate. Management has performed a sensitivity analysis around the key parameters of the goodwill allocated to each cash generating units in which the combined effect of changes in the parameters is tested. | We tested the cash flow estimates prepared by the Group's management for years 2024-2026 as well as the determination of the discount rate used. We compared the used cash flow estimates to financial budgets and projections prepared by the management and approved by the board to verify that cash flow estimates used in the assessment are not greater than the financial budget. We assessed the reasonablenes and consistency of estimated profitability levels to approved financial budgets and cash flow estimates. We compared estimated growth rates used in the cash flow estimates to the Group's historic growth and tested mathematical accuracy of these cash flow estimates. We assessed appropriateness of the discount rate used in the calculations and tested the mathematical accuracy of the discount rate calculations.<br><br>We tested the sensitivity analysis prepared by management in order to ascertain the combined effect of changes in key parameters that would lead to impairment. We tested the mathematical accuracy of the sensitivity analysis related to the goodwill impairment assessment. |
| **NET SALES** **Refer to note 2.1 of the financial statements**<br><br>Enento Group provides information services. The majority of revenue is transaction based generated from the delivery of individual pieces or bundles of credit, business and market information. The information is processed or refined by the Group and made available to the customers mainly through online facilities.<br><br>Revenue is recognised at the point in time when the performance obligation is satisfied by the delivery of information or over time depending on performance obligation to be satisfied. The Group recognises as revenue transaction price to which Enento Group expects to be entitled in exchange for transferring goods and services to customer.<br><br>There is a risk in revenue recognition that revenue accounted for in the financial statements are not real or revenue has been recognised in incorrect amount or in incorrect accounting period, whether caused by fraud or error. The Company aims to ensure by its internal processes and controls that revenue recognition in the financial statements is materially correct. | We assessed and tested the effectiveness of sales process key controls. We also tested revenue transactions by using computer assisted audit techniques and by substantive testing procedures in order to respond to risk of fraud in revenue recognition and to the risk that recognised revenue is not real or has been recognised incorrectly. We also tested that revenue transactions have been accounted for in the correct financial period.<br><br>We audited journal entries related to revenue. In addition, we have performed analytical procedures to respond to risk of material misstatement in the financial statements. |
| We have no key audit matters to report with respect to our audit of the parent company financial statements. | |
| There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements. | |

## Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Other Reporting Requirements

## Appointment

We have been acting as auditors appointed by the annual general meeting since 5.5.2008. Our appointment represents a total period of uninterrupted engagement of 16 years. Authorised Public Accountant (KHT) Martin Grandell has acted as the responsible auditor since 30.3.2017, which represents a total period of uninterrupted engagement of 7 years. Enento Group Oyj became a public interest entity on 31.3.2015 as a result of the initial public offering.

## Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion

- the information in the report of the Board of Directors is consistent with the information in the financial statements
- the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 9 February 2024

**PricewaterhouseCoopers Oy**
Authorised Public Accountants

**Martin Grandell**
Authorised Public Accountant (KHT)

# Governance

# Corporate Governance Statement 2023

Enento Group Plc (the "Company" or "Enento") is a Finnish public limited liability company. The parent company of the Group is Enento Group Plc, the domicile is Helsinki, Finland. The shares of the Company are listed on Nasdaq Helsinki Ltd starting from 31 March 2015.

The Company's governance is subject to the Finnish Companies Act, the Finnish Securities Markets Act, the Accounting Act, the rules of Nasdaq Helsinki Ltd as well as the Company's Articles of Association. In addition, Enento complies fully with the Finnish Corporate Governance Code issued by the Securities Market Association in 2020 (the "CG Code"). The CG Code is available at www.cgfinland.fi.

This Company's Corporate Governance Statement is published separately from the Board of Directors' report.

The Company's governance is organised through the General Meeting, the Board of Directors and the Chief Executive Officer. Further, the Company has an Executive Team led by the Chief Executive Officer.

## General Meeting

The General Meeting is Enento's highest decision-making body, which normally convenes once a year. Its tasks and procedures are defined in the Finnish Companies' Act and the Company's Articles of Association. Certain important matters, such as amending the Articles of Association, approval of the financial statements, approval of the dividend, election of the members of the Board of Directors and the auditors fall within the sole jurisdiction of the General Meeting.

The General Meeting is convened by the Board of Directors. The Annual General Meeting shall be held within six (6) months of the end of the financial year. An Extraordinary General Meeting shall be held whenever the Board of Directors deems necessary, the auditor of the Company or shareholders with at least 10 % of the shares so demand in writing in order to deal with a given matter, or if this is otherwise required by law.

The General Meeting handles the matters presented on the agenda by the Board of Directors. According to the Finnish Companies Act, a shareholder may also request that his/her proposal be handled at the next General Meeting. Such a request shall be made in writing to the Company's Board of Directors at the latest on the date specified by the Company on its website. This date shall be published no later than by the end of the financial period preceding the general meeting. The request is always deemed to be on time, if the Board of Directors has been notified of the request no later than four (4) weeks before the delivery of the notice of the General Meeting.

According to the Company's Articles of Association, notices of the General Meetings shall be published on the Company's website no more than three months before the record date pursuant to the Limited Liability Companies Act (eight working days before the General Meeting) and at the latest three weeks before the General Meeting, however, always at least nine days before the said record date. In addition, the Board of Directors may decide to publish the notice in full or in part in an alternative manner as it deems appropriate. The notice shall contain information on the Member of the Board of Directors, their remuneration, the matters to be handled at the General Meeting and other information required under the Companies Act and the CG Code.

The notice of the General Meeting, documents to be submitted to the General Meeting (e.g. financial statements, report by the Board of Directors, auditor's report) and the resolution proposals to the General Meeting are made available on the Company's website at least three (3) weeks before the General Meeting.

The minutes of the General Meeting are published on the Company's website within two (2) weeks after the General Meeting. In addition, the decisions of the General Meeting are also published by means of a stock exchange release immediately after the General Meeting. The documents related to the General Meeting are available on the Company's website at least for a period of three (3) months after the General Meeting.

Shareholders may attend a General Meeting either in person or by proxy. Notification regarding the attendance to a meeting must be made by the date mentioned in the notice to the General Meeting.

Only shareholders, who are registered in Enento's shareholders' register maintained by Euroclear Finland Ltd on the record date (i.e. eight (8) working days before the General Meeting) are entitled to attend a General Meeting. Holders of nominee registered shares may be registered temporarily in said shareholders' register and therefore, they are advised to request from their custodian banks necessary instructions regarding such temporary registration and the issuing of proxy documents. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder.

The Board of Directors may decide that the shareholders may participate in the General Meeting by post or telecommunications or by other technical means.

Enento has one series of shares. Each share has one vote in all matters dealt with by a General Meeting. A shareholder shall have the right to vote at the General Meeting, if he/she has registered to participate in the meeting by the date specified in the notice to the General Meeting, which date shall not be earlier than ten (10) days before the meeting. A shareholder may at the General Meeting vote with different shares in a different manner and a shareholder may also vote with only part of his/her shares. The Articles of Association of Enento include no redemption clauses or voting limitations.

Most resolutions by the General Meeting require a simple majority of the votes cast at the meeting. In an election, the person receiving the highest number of votes shall be deemed elected. The General Meeting may, however, prior to an election, decide that to be elected, a person shall receive more than half of the votes cast. However, there are several matters, which according to the Companies Act require a two-third (2/3) majority of the votes cast and of the shares represented at the meeting.

All Members of the Board of Directors, the auditor and CEO shall attend the General Meeting.

The Annual General Meeting was held on 28 March 2023.

## Shareholders' Nomination Board

Based on the proposal by the Board of Directors, the sole shareholder of the Company resolved on 10 March 2015 to establish a Shareholders' Nomination Board for an indefinite period to prepare proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors and the remuneration of the Board Committees and the Nomination Board. According to the Charter of the Shareholders' Nomination Board, it shall comprise representatives of the Company's three largest shareholders who, on 30 September preceding the next Annual General Meeting, hold the largest number of votes calculated of all shares in the Company and, in addition, of the Chairperson of the Board of Directors as expert member.

The right to nominate the shareholder representatives lies with those three shareholders whose share of all the voting rights in the Company is on 30 September preceding the next Annual General Meeting the largest on the basis of the shareholders' register of the Company held by Euroclear Finland Ltd. However, holdings by a shareholder who, under the Finnish Securities Market Act, has the obligation to disclose its shareholdings (flagging obligation) that are divided into several funds or registers, will be summed up when calculating the share of all the voting rights, provided that such shareholder presents a written request to that effect to the Chairperson of the Company's Board of Directors no later than on 29 September preceding the next Annual General Meeting.

The aforementioned shareholders appoint, in accordance with the Charter of the Nomination Board, from the request of the Chairperson of the Company's Board of Directors their representatives to the Nomination Board after 30 September.

Shareholders' Nomination Board submits its proposal to the Board of Directors of the Company at the latest on 31 January preceding the next Annual General Meeting. Shareholders' Nomination Board reviews its performance and procedures once a year and gives out a report of its actions annually. The report is published in the Corporate Governance Statement.

## Principles concerning the diversity of the Board of Directors

The Company has defined the principles concerning the diversity of the Board of Directors in the following way:

In Enento Group Plc, the proposal concerning the composition of the Board of Directors is prepared and made to the Annual general Meeting by the Shareholders' Nomination Board, which consists of the representatives of the Company's three largest shareholders and of the chairperson of the Board of Directors as expert member. When making their proposal for the composition of the Board of Directors, the Shareholders' Nomination Board applies these diversity principles defined by the Company or the assessment of diversity.

Diversity of the Board of Directors supports the development of the Company's business and the achievement of strategic objectives as well as the promoting of customer insight. The complementing expertise of the members and experience in the lines of business essential for the Company (financing, commerce, information technology) are considered important. From the point of view of diversity, experience in international operational environment and international representation are considered essential. The objective is that both genders be represented in the Board of Directors. Long-term needs and adequate turnover shall be taken into account when electing the members of the Board of Directors.

## Realization of diversity of the Board of Directors

At the moment (2023), the Company's Board of Directors consists of six members, two of whom are foreign nationals. The members are experienced in Board duties in various types of companies. Of the members of the Board of Directors, one person was nominated in the general meeting in 2016; and one person became members of the Board of Directors in connection with the completion of the acquisition of UC AB in 2018. One person has been nominated by the general meeting in 2019, one in 2020, one in 2021 and one in 2023. Both genders are represented in the Company's Board of Directors.

These principles and the realization of diversity are presented as part of the Company's corporate governance.

## Report of the actions of the Shareholders' Nomination Board in 2023

### GENERAL

The Company's sole shareholder (before the Company's listing on the stock exchange) decided on 10 March 2015 to found the Shareholders' Nomination Board to prepare the proposals to the Annual General Meeting for the selection and remuneration of Board members and the remuneration of the Board committees and the Nomination Board. The term of the Nomination Board is until next Annual General Meeting.

The three largest shareholders according to the share register as at 30 September 2023 were Sampo Plc, Skandinaviska Enskilda Banken Ab (publ.) and Nordea Bank Abp.

The companies appointed Petri Niemisvirta (Sampo Plc), Peter Rabe (Nordea Bank AB (publ)) and Mats Torstendahl (Skandinaviska Enskilda Banken AB (publ)) as members of the Nomination Board. Patrick Lapveteläinen is an expert member of the Nomination Board as the Chairman of the Board of Directors.

### PERSONAL DETAILS ON THE SHAREHOLDERS NOMINATION BOARD MEMBERS ARE SET FORTH IN THE TABLE BELOW:

| Name | Occupation |
|---|---|
| Niemisvirta Petri | Mandatum Life Insurance, CEO |
| Rabe Peter | Nordea Bank AB (publ.), Managing Director, Head of Group M&A |
| Torstendahl Mats | Skandinaviska Enskilda Banken AB (publ), Deputy President & CEO |

The Board elected Petri Niemisvirta as Chairman. The Board assembled two times in November 2023 and in January 2024. All members of the Nomination Board participated to these meetings.

### SHAREHOLDERS' NOMINATION BOARD'S PROPOSAL TO ANNUAL GENERAL MEETING 2024

The Nomination Board proposes that the number of Board members be seven (7).

The Board proposes that Patrick Lapveteläinen, Martin Johansson, Minna Parhiala, Tiina Kuusisto, Erik Forsberg and Nora Kerppola be reelected as members of the Board of Directors. The Board proposes that Markus Ehrnrooth be elected as a new member of Board of Directors.

The Board proposes that the remuneration payable to the Board of Directors Chairperson be EUR 55 000 per year and to other Board members EUR 39 500 per year. An attendance fee of 500 euros shall be paid per Board of Directors meeting.

The chairpersons of Board of Directors committees shall be paid an attendance fee of EUR 500 and the committee members shall be paid an attendance fee of EUR 400 per committee meeting.

The Board proposes that no remuneration will be paid to the Nomination Board members.

The Board proposes that reasonable travelling expenses for the attendance to the meetings shall be paid to members.

The Board proposes that the aforementioned proposed remuneration will become effective immediately after the next Annual General Meeting of the Company.

The Board proposes that the Charter of the Shareholders Nomination Board will be amended so that the Nomination Board will in the future prepare and present to the AGM a proposal on the Chairperson of the Board of Directors. Some amendments of technical nature are also proposed to be made to the Charter of the Shareholders Nomination Board.

## Board of Directors

The Board's role is to manage the Company's business in the best possible way and in their work protect the interests of the Company and its shareholders. In accordance with the Articles of Association of Enento, the Board of Directors shall consist of a minimum of four (4) and a maximum of eight (8) members elected by the General Meeting. The members of the Board of Directors shall be appointed for one year at a time. The Shareholders' Nomination Board prepares a proposal on the composition of the Board to the Annual General Meeting for its decision.

Enento's Board members shall be professionally competent and as a group have sufficient knowledge of and competence, inter alia, in the Company's field of business and markets. A new Member of the Board must have induction of the activities. The majority of the directors shall be independent of the Company. In addition, at least two of the directors, representing the aforementioned majority, shall be independent of significant shareholders of the Company. Independency from the Company is determined based on the fact whether a person has been employed by any of the Enento Group companies within the last

5 years. Independency from the major shareholders is determined for example based on the fact whether a person has either directly or through controlling interest company owned Enento's shares during the last year or whether the person has an employment relationship or service contract with significant shareholder.

The Board has general authority to decide on and act in any matters not reserved by law or under the provisions of the Articles of Association to any other governing body of the Company. The Board of Directors is responsible for the management of the Company and its business operations. Additionally, the Board is responsible for the appropriate arrangement of the bookkeeping and financial administration.

The operating principles and main duties of the Board of Directors have been defined in the Charter for the Board of Directors and include, among other things, to:

- establish business objectives and strategy,
- appoint, continuously evaluate and, if required, remove the CEO from office,
- ensure that there are effective systems in place for monitoring and controlling the Group's operations and financial position compared to its stated objectives,
- ensure that there is satisfactory control of the Company's compliance with laws and other regulations applicable to the Company's operations, and
- ensure that the Company's external disclosure of information is marked by openness and is correct, timely, relevant and reliable, by way of, among other things, adopting a disclosure policy.

By the resolution of Annual General Meeting on 28 March 2023, Martin Johansson, Tiina Kuusisto, Patrick Lapveteläinen, Minna Parhiala, Erik Forsberg and Nora Kerppola were appointed as members to the Board of Directors.

## Independence of the Board of Directors

Under the Finnish Corporate Governance Code 2020, the majority of directors shall be independent of the Company. In addition, at least two directors of this majority shall be independent of the Company's major shareholders. The Board shall evaluate the independence of directors and report which directors it determines to be independent of the Company and which directors it determines to be independent of major shareholders.

Based on an evaluation by the Board of Directors pursuant to the Finnish Corporate Governance Code, all members of the Company's new Board of Directors are considered to be independent of the Company. In addition, all members of the Board, except for Patrick Lapveteläinen and Martin Johansson who have employment relationship with a major shareholder, are independent of the significant shareholders. Patrick Lapveteläinen and Martin Johansson are not independent of the company's significant shareholders as they have employment relationships or service contract with significant shareholders.

The Company is in compliance with recommendation 10 of the Corporate Governance Code.

## PERSONAL DETAILS OF THE BOARD MEMBERS:

| Name | Year of birth | Position | Education | Occupation | Positions of trust |
|---|---|---|---|---|---|
| Lapveteläinen Patrick | 1966 | Chairman (from 1 April 2016) | M.Sc. (Econ.) | - | Chairman of the Board: Mandatum Plc, Mandatum Life Insurance Company Limited, Mandatum Holding Oy, Mandatum Asset Management Oy, Leviathan Oy<br>Member of the Board: If P&C Insurance Holding Ltd, If P&C Insurance Ltd (publ.), Saxo Bank A/S |
| Forsberg Erik | 1971 | Board member (from 29 March 2021) | M.Sc. Business and Administration | - | Chairman of the Board: Collectia Group (Care DK Bidco Aps)<br>Member of the Board: Stillfront Group, Deltalite AB, Lectogo AB |
| Johansson Martin | 1962 | Board member (from 29 June 2018) | M.Sc. (Econ.) | Senior Advisor, Skandinaviska Enskilda Banken AB (publ.) | Chairman of the Board: Repono Holding AB, Försäkrings AB Suecia, Försäkringsaktiebolaget Skandinaviska Enskilda Captive<br>Member of the Board: Several other companies belonging to the SEB Group |
| Kerppola Nora | 1964 | Board member (from 28 March 2023) | MBA, Finance/International Business | CEO, Nordic Investments Group Oy | Chairman of the Board: Dasos Capital Oy |
| Kuusisto Tiina | 1968 | Board member (from 28 March 2019) | M.Sc. (Econ.) | - | - |
| Parhiala Minna | 1967 | Board member (from 12 June 2020) | Master of Laws | Head of Business Area, Nordea Personal Banking | Member of the Board: Limelight Horses Oy |

3/6 of the Members of the Board are women at the end of year 2023. The age distribution is 51-61 years. Members present two nationalities and they have gained experience from various industries.

The performance of the Board is evaluated annually. In 2023, the Board evaluated the importance of the matters handled, time allocation in meetings, the frequency and length of the meetings, practicalities of the meetings, the material received by the Board and the material distribution, the role and actions of the Chairman. Some of the Board meetings were kept virtually.

Meetings of the Board of Directors are convened by its Chairperson. The Board of Directors constitutes a quorum when more than half of the members appointed by the General Meeting are present at the meeting. When votes are cast, the majority opinion will be the Board's decision and, in the case of a tie, the Chairperson will have the casting vote.

The Board of Directors is always obliged to act in the Company's interests and in such a way that its acts or measures are not likely to produce unjustified benefit to any shareholder or other third party at the cost of the Company or another shareholder.

A Board member is disqualified from participating in the handling of a matter pertaining to a contract or other transaction between the Board member and the Company or of such matter where the member is to derive an essential benefit and that benefit may be contrary to the interests of the Company. In principle, a Board member may not participate in the handling of a matter if the Board member is involved in the matter under assessment in another capacity.

The Board of Directors shall convene as frequently as necessary to discharge its responsibilities. The Chief Executive Officer ensures that the Board is provided with sufficient information to assess the operations and financial situation of the group.

The secretary of the Board of Directors is Legal Counsel Juuso Jokela.

## Board meetings 2023

The Board of Directors convened altogether 18 times during year 2023. Some of the Board meetings were kept virtually. Average attendance was 97 per cent. In addition, the Board made six separate resolution in accordance with Chapter 6, Section 3 of the Finnish Companies Act without convening a meeting.

## Board Committees

The Board annually appoints an Audit Committee and may also appoint other permanent Committees if considered necessary at its organization meeting following the Annual General Meeting. The Board did not appoint Nomination and Remuneration Committee in its organizational meeting 28 March 2023. The Board has deemed, in particular taking into consideration the size and composition of the Board, it more efficient to prepare and discuss matters pertaining to amongst other things the development of remuneration schemes as well as remuneration principles in its full composition. In addition, the Board has assessed that it fulfils the independence requirements set out for a Nomination and Remuneration Committee. The composition, duties and working procedures of the Committees shall be defined by the Board in the Charters confirmed for the Committees. The Committees regularly report on their work to the Board.

### AUDIT COMMITTEE

The Audit Committee consists of at least three (3) members, the majority of which must be independent of the Company. The members shall have the qualifications necessary to perform the responsibilities of the Committee. At least one (1) member shall be independent of the significant shareholders and at least one (1) member shall have expertise specifically in accounting, bookkeeping or auditing. All members of the Committee shall be versed in financial matters.

According to its Charter, the Audit Committee assists the Board in fulfilling its supervisory responsibilities and also prepares certain accounting and auditing matters to be handled by the Board. In addition, the Audit Committee makes recommendations for the election and removal of the external auditors and for their compensation and approves the external auditors' audit plan based on the auditors' proposal. Among its other duties, the Audit Committee reviews and monitors the financial reporting process, the efficiency of the system of internal control and risk management, and the audit process.

Erik Forsberg serves as the Chairperson of the Audit Committee. Nora Kerppola and Martin Johansson serve as members of the Audit Committee.

Audit Committee convened 6 times during 2023. Average attendance was 100 per cent.

In accordance with its financial calendar, the Audit Committee discussed matters relating to internal control and auditing and reviewed the audit plan and remarks from auditing during the financial year. The Audit Committee also reviewed financial actual amounts and forecasts for the financial year, budget for the next financial year and impairment testing.

### ATTENDANCE TO BOARD AND COMMITTEE MEETINGS

| Name | Board meeting | Audit committee |
|---|---|---|
| Lapveteläinen Patrick | 18/18 | |
| Forsberg Erik | 18/18 | 6/6 |
| Johansson Martin | 16/18 | 6/6 |
| Kerppola Nora | 15/16 | 5/5 |
| Kuusisto Tiina | 16/18 | |
| Parhiala Minna | 18/18 | |

# Chief Executive Officer

The Chief Executive Officer ("CEO") of Enento is appointed by the Board. The CEO is in charge of the day-to-day management of the Company. The duties of the CEO are governed primarily by the Finnish Companies Act. The CEO leads the operational activities and prepares information and decisions to support the Board and presents his findings at Board meetings.

In accordance with the Finnish Companies Act, the CEO has a right to decide himself on certain urgent matters which otherwise would require a Board decision. CEO of the Company is Jeanette Jäger. She has previously worked as CEO of Bankgirot and in various management-level positions at Tieto and TDC Communication. She is a Member of the Board of Telia Company AB.

# Executive Team

The Company had an Executive Team at the end of year 2023 consisting of Mikko Karemo, Siri Hane, Arto Paukku, Sari Ek-Petroff, Karl-Johan Werner, Gabriella Göransson, Daniel Ejderberg, Andreas Darner and Elina Stråhlman. The members of the Executive Team are appointed by the Board based on a proposal by the CEO. The members of the Executive Team report to the CEO.

The Executive Team members handle the issues that concern managing of the group in their respective areas and on the basis of the guidance provided by the Board of Directors. The Executive Team meets one to two times per month, or as required, and supports the CEO in, for example, the preparation and execution of strategic matters, operating plans, matters of principle and any other significant matters. The Executive Team also assists the CEO in ensuring the flow of information and sound internal cooperation.

### THE FOLLOWING TABLE PRESENTS DETAILS OF THE MANAGEMENT TEAM MEMBERS:

| Name | Birth year | Position | Appointed |
|---|---|---|---|
| Jäger Jeanette | 1969 | CEO | 2021 |
| Stråhlman Elina | 1979 | CFO | 2019 |
| Darner Andreas | 1981 | Director, Strategy and Transformation | 2022 |
| Ejderberg Daniel | 1973 | CIO | 2022 |
| Ek-Petroff Sari | 1962 | Director, HR | 2023 |
| Göransson Gabriella | 1971 | Director, Consumer Insights | 2021 |
| Hane Siri | 1984 | Director, Business Insight | 2018 |
| Karemo Mikko | 1971 | Deputy CEO, Chief Commercial Officer | 2012 |
| Paukku Arto | 1982 | Chief Marketing & Customer Officer | 2023 |
| Werner Karl-Johan | 1973 | COO, Chief Data & Analytics Officer | 2019 |

### BOARD OF DIRECTORS' SHARE OWNERSHIP 31 DECEMBER 2023

| Board members | Number of shares |
|---|---|
| **Lapveteläinen Patrick** | 10 000 |
| Chairman of the Board | |
| Related party's ownership | 8 000 |
| **Forsberg Erik** | 1 500 |
| Related party's ownership | 0 |
| **Johansson Martin** | 3 000 |
| Related party's ownership | 0 |
| **Kerppola Nora** | 14 000 |
| Related party's ownership | 0 |
| **Kuusisto Tiina** | 0 |
| Related party's ownership | 0 |
| **Parhiala Minna** | 0 |
| Related party's ownership | 0 |
| **Total** | **36 500** |

### MANAGEMENT'S SHARE OWNERSHIP 31 DECEMBER 2023

| CEO and Executive Team | Number of shares |
|---|---|
| **Jäger Jeanette** | 3 300 |
| Related party's ownership | 0 |
| **Stråhlman Elina** | 4 007 |
| Related party's ownership | 0 |
| **Darner Andreas** | 0 |
| Related party's ownership | 0 |
| **Ejderberg Daniel** | 0 |
| Related party's ownership | 0 |
| **Ek-Petroff Sari** | 0 |
| Related party's ownership | 0 |
| **Göransson Gabriella** | 1 326 |
| Related party's ownership | 0 |
| **Hane Siri** | 3 606 |
| Related party's ownership | 0 |
| **Karemo Mikko** | 12 347 |
| Related party's ownership | 0 |
| **Paukku Arto** | 70 |
| Related party's ownership | 0 |
| **Werner Karl-Johan** | 3 656 |
| Related party's ownership | 0 |
| **Total** | **28 312** |

## Auditor

The main function of the statutory audit is to verify that the financial statements provide true, accurate and sufficient information on the Enento Group's performance and financial position for the financial year. The Enento Group's financial year is the calendar year. The auditor's responsibility is to audit the correctness of the Group's accounting in the respective financial year and to provide an auditor's report to the General Meeting. In addition, Finnish law requires that the auditor also monitors the lawfulness of the Company's administration. The auditor reports to the Board of Directors at least once a year.

The Audit Committee prepares a proposal on the appointment of Enento's auditors, which is then presented to the AGM for its decision. The compensation paid to the auditors is decided by the AGM and assessed annually by the Audit Committee.

Pursuant to Article 8 of the Company's Articles of Association, the Company must have one auditor that is a company of public accountants approved by the Central Chamber of Commerce of Finland. The term of the Auditor of the Company shall end at the close of the Annual Meeting following the election.

The Annual General Meeting 28 March 2023 has appointed PricewaterhouseCoopers Oy, Authorised Public Accountants as its auditor. PricewaterhouseCoopers Oy has appointed Martin Grandell, Authorised Public Accountant, as the principal responsible auditor.

In 2023, auditor Company was paid EUR 286 thousand for auditing and for other services EUR 22 thousand.

## Risk management and Internal control

### Risk management

Enento is exposed to a number of risks and uncertainties related to, among other factors, the market conditions, the Company's industry, the Company's strategy, business operations of the Company and financial risks. The materialisation of any such risks could have a material adverse effect on Enento's business, financial condition, results of operations and future prospects.

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.

The objective of Risk Management is to secure profitable performance of the Enento Group and to ensure the continuity of the business by executing risk management in a cost-effective and systematic manner in the different functions of the Company. Risk management is part of Enento's strategic and operative planning, daily decision-making process and internal control.

**MAIN PRINCIPLES FOR ORGANIZING RISK MANAGEMENT**

The Company complies with a policy approved by the Company's Board of Directors for the management of risks. Risk Management covers all activities that are related to the objectives being achievable and consistent with the strategy, to the identification, measuring, assessment, processing, reporting and control of risks and to the reaction to risks.

**MAIN FEATURES OF RISK MANAGEMENT PROCESS**

In conjunction with the strategy process and annual planning, the Company's CEO and members of the management group evaluate the business risks which may prevent or endanger the achieving of the group's strategic and result objectives. The units provide risk assessments of their own operations for the support of the strategy process. The directors of the units have to provide assessments of the risks of their own area of responsibility and present action plans for the management of risks. Changes taking place in the strategic and operative risks are discussed in the management group.

Enento's CEO reports the identified risks as well as planned and implemented actions for the risk mitigation to the Audit Committee and the Board of Directors. In accordance with the recommendation 26 of the Finnish Corporate Governance Code, the Company shall disclose the major risks and uncertainties that the Board is aware of and the principles along which risk management is organised. The Audit Committee shall assure that the Corporate Governance Statement published by the Company shall contain an appropriate description of the main features of the internal control and risk management systems in relation to the financial reporting process.

The report by the Board of Directors contains an evaluation of the major risks and uncertainties. In addition, the interim reports and financial statements releases shall describe major short-term risks and uncertainties related to the business operations.

## Internal control

The objective of the internal control in Enento Group is to ensure that business operations are efficient and profitable, financial reporting is reliable, and that applicable laws and regulations for the Company's business, as well as Company's internal instructions are followed. The specific objective of the internal control over financial reporting is to ensure that interim reports, financial statement releases and other financial reporting made available to the public, and financial statements and annual reports are reliable and are prepared in accordance with the accounting and reporting principles adopted by the Company.

The Audit Committee of Enento is responsible for, according to its working order, the monitoring of the financial statement preparation and financial reporting processes, and it monitors the effectiveness of the Company's internal control and risk management processes.

CEO is operationally responsible for the organization of the internal control. It includes that the Company has designed and implemented adequate internal control mechanisms as stipulated in the operating principles approved by the Board. CEO, supported by the Management Team, is responsible to ensure that the Company operates in accordance with the agreed and defined principles, follows laws and regulations, and reacts towards identified exceptions and takes adequate corrective actions.

The duty of the CFO is to make sure and control that the bookkeeping and financial reporting practices of the group are in accordance with the law and that the financial and management reporting is reliable.

An integral part of the internal control is the document indicating the Company's delegation of authority, as defined by the Board (Delegation of Authority Summary). The guideline defines authorisations of the Board, the CEO and other management team members. The guideline deals with the situations where authorisations may be required for annual financial accounts, budget, remuneration, investments, acquisitions, financing and one-off transactions. Enento Code of Ethics is applicable for all the group employees. It has been published in the Company's intranet and is also introduced to all new employees.

Enento's minimum internal control requirements are aimed at preventing, detecting and correcting material accounting and disclosure errors and irregularities and are performed on all company levels. They include a range of activities such as approvals, authorisations, verifications, reconciliations, reviews of operating performance, the security of assets and the separation of duties as well as general computer controls.

In Finland and Sweden, Enento has also adopted the ISO 9001-based quality system. This describes the Company's principal processes and related controls, by means of which the units can control and develop their process risk management.

#### GENERAL DESCRIPTION OF INTERNAL CONTROL AND OPERATIONAL PRINCIPLES

Internal control is carried out by the Board of Directors, management and the Company's entire personnel so that it can reasonably be asserted that:

- the operations are functioning, efficient and in compliance with the strategy,
- the financial reporting and information given to the management is reliable, sufficient, and timely,
- applicable laws and regulations as well as the Company's internal instructions and ethical values are complied with at Enento.

Enento's internal control contain the following structural elements:

- instructions and principles set by the Board of Directors for internal control, risk management and administration,
- the implementation and application of instructions and principles under the supervision of the management,
- control of the efficiency and functionality of operations as well as the reliability of the financial and management reporting by the financial department,
- the Company's risk management process, the purpose of which is to identify, assess and reduce risks threatening the achievement of objectives,
- compliance processes, the purpose of which is to ensure that all applicable laws, regulations, internal instructions and ethical values are complied with common ethical values and strong internal control culture amongst all employees.

Enento has no specific internal audit organisation. This has been taken into consideration in the content and extent of the annual audit plan. The Audit Committee of the Board shall, according to its working order, evaluate on a yearly basis whether such function should be established. The Audit Committee may use either internal or external resources to carry out specific internal audit assignments. The Group Finance of the Company monitors adherence of the approval limits as defined in the Delegation of Authority guidelines.

#### FOCUS AREAS IN 2023 FOR INTERNAL CONTROL DEVELOPMENT

Areas of focus for the internal control in 2023 were to continuously improve the processes and controls and continue to standardize processes and controls in the entire Group.

## Related party transactions

The Company has procedures in place to identify and define its related parties and assesses and monitors related party transactions to ensure that all conflicts of interest and the Company's decision-making process are appropriately taken into account. The Group's financial management monitors and supervises related party transactions as part of the Company's normal reporting and monitoring procedures and reports to the Board of Directors on regular basis.

The Board of Directors monitors related party transactions on a regular basis. All the material related party transactions that deviate from the company's normal business operations are to be approved by the Board of Directors. Enento has not conducted related party transactions that are material from the perspective of the company and where such transactions deviate from the company's normal business operations or are not made on market or market equivalent terms.

## Compliance with laws and regulation

It is the policy of Enento to comply throughout the organization with all applicable laws and regulations and to maintain an ethical workplace for its officers and employees as well as an ethical relationship with its customers, suppliers and other business partners.

In its insider administration Enento follows the Guidelines for Insiders issued by Nasdaq Helsinki Ltd complemented by the Company's own Insider Guidelines approved by the Board. The Company maintains the list of persons discharging managerial responsibilities and persons closely associated to them in the SIRE system of Euroclear Finland Ltd. In accordance with MAR regulation persons discharging managerial responsibilities include the members of the Board (and their deputies, if any) and in addition, based on a decision made by Enento's Board of Directors, the CEO, the Deputy CEO and the CFO. Enento has no company-specific permanent insider register. The Company maintains project specific insider registers itself.

According to Enento's Insider Guidelines, persons discharging managerial responsibilities shall always obtain a prior approval for trading in the Company's securities from the Company's Insider Officer. Persons discharging managerial responsibilities may not in any event trade in the Company's securities during the period of 30 days before the publication of the (quarterly) interim report or annual result (Closed Window). According to the Insider Guidelines approved by the Board also the persons who participate in the financial reporting of the Company are concerned by this prohibition to trade during the Closed window.

A project-specific insider register is also maintained when required by law or regulations. Project specific insiders are prohibited from trading in the Company's securities until the termination of the project.

## Shareholders' Agreement and Articles of Association relating to the Credit Register and the Credit Register Information

The Company and UC AB's former owners Skandinaviska Enskilda Banken AB (publ), Nordea Bank AB (publ), Svenska Handelsbanken AB (publ), Swedbank AB (publ), Danske Bank A/S Swedish branch and Länsförsäkringar Bank AB (publ) (together, the "Sellers") have entered into a shareholders agreement relating to the governance of UC AB's Credit Register and Credit Register Information, as a company jointly owned by the Sellers received as part of the acquisition of UC AB a small number of UC AB's Class B shares that grant their holders certain governance related rights. The purpose of these arrangements has been to secure the maintenance of the Credit Register and the management of Credit Register Information provided by the Sellers.

## Board of Directors' report

Board of Directors published on 4 March 2024 its report for financial year 2023. Board of Directors report is published at the same time with Corporate Governance Statement.

# Board of Directors 31.12.2023

**Patrick Lapveteläinen**
Chairman of the Board of Directors

**Erik Forsberg**
Board member

**Martin Johansson**
Board member

**Nora Kerppola**
Board member

**Tiina Kuusisto**
Board member

**Minna Parhiala**
Board member

The CV information of the members of the Board of Directors is availabe on Enento's website:

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# Executive Management Team 31.12.2023

**Jeanette Jäger**
CEO

**Elina Stråhlman**
CFO

**Andreas Darner**
Director, Strategy and Transformation

**Daniel Ejderberg**
CIO

**Sari Ek-Petroff**
Director, HR

**Gabriella Göransson**
Director, Consumer Insight

**Siri Hane**
Director, Business Insight

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

**Arto Paukku**
Chief Marketing & Customer Officer

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

The CV information of the members of the Group's Executive Team is availabe on Enento's website:

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# For Shareholders

# Information for shareholders

## Annual General Meeting

Enento Group Plc's Annual General Meeting will be held on Monday, 25 March 2024, starting at 11:00 a.m. EEST at Rantatie Business Park, Tutka & Plotteri Meeting Room (Hermannin rantatie 8, Main entrance: Verkkosaarenkatu 5, 00580 Helsinki, Finland). The notice to the Annual General Meeting is published on the Company's website (enento.com/investors) and as a stock exchange release.

## Board of Directors' proposal to the Annual General Meeting

The Board of Directors proposes to the Annual General Meeting convening on 25 March 2024, that a dividend of EUR 0,50 per share to be paid from the financial year ended 31 December 2023. The dividend shall be paid on 5 April 2024 to a shareholder registered in the Group's shareholder register maintained by Euroclear Finland Ltd on the payment record date of 27 March 2024. The Board further proposes the Annual General Meeting to authorize the Board to resolve on a futher dividend payment up to a maximum of EUR 0,50 per share, which would be paid out in November 2024.

## Changes of address

Shareholders are kindly requested to notify the account manager of the book-entry account of any changes of address.

## Financial information in 2024

Each year Enento Group publishes a financial statement release, an annual and sustainability review, a financial review, a half year financial report and two interim reports.

| | |
|---|---|
| Annual Report for 2023 | Week 10/2024 |
| Interim Report Q1 | 23 April 2024 |
| Half Year Financial Report | 16 July 2024 |
| Interim Report Q3 | 29 October 2024 |

## Basic share information

| | |
|---|---|
| Market | Nasdaq Helsinki |
| List | Mid Cap |
| Sector | Financials |
| Trading code | ENENTO |
| Votes/share | 1 pcs |
| Number of shares on 31 December 2023 | 23 794 856 |
| Share capital (EUR) | 80 000 |

## Analysts

Information about analysts following the company is available on the Group's Investor pages. The list is not necessarily exhaustive, and Enento Group shall not be held responsible for any estimates presented in analyses.

## Investor Relations

The goal of the Group's IR function is to produce accurate up-to-date information about the company's business operations and financial development. Enento Group publishes all investor information on its Investors site in Finnish and English. Enento Group Plc observes a 30-day period of silence before the publishing of financial reports. During this period, the company does not arrange or participate in any one-on-one meetings with investors, analysts, or the media.

## IR contact information

**ELINA STRÅHLMAN**
CFO
**Tel.** +358 10 270 7578
**E-mail:** elina.strahlman@enento.com

**INVESTOR RELATIONS**
**E-mail:** ir@enento.com

# Enento Group as an Investment

**Resilient business**

Wide range of services creates sustainability for all economic cycles

**Profitable growth**

Scalable business model creates profitable growth

**Dividend yield**

Strong cash flow enables stable dividend yield

Enento

**Enento Group Plc**
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| PO Box, FI-00580 Helsinki
| Business ID 2194007-7
| enento.com/investors